



# BRAINERD PUBLIC UTILITIES

8027 Highland Scenic Rd • P.O. Box 373 • Brainerd, Minnesota 56401

**Business Office:** 218.829.8726 ■ **Repair Service:** 218.829.2193

www.bpu.org

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on March 28, 2023.

Commission President Wussow called the meeting to order.

## Commission Roll Call

Mike Angland – Present

Mark O’Day – Absent

Tad Johnson – Present

Dolly Matten – Present

Patrick Wussow – Present

## Utility Staff Present

Finance Director

Todd Wicklund

Superintendent

Scott Magnuson

Operations Manager

Trent Hawkinson

Wastewater Supervisor

Charlie Gammon

Accounting Supervisor

Jana Pernula

Recording Secretary

Mandy Selisker

## Others in Attendance

City Administrator

Jennifer Bergman

HR Director

Kris Schubert

City Liaison

Jeff Czczok

Bolton & Menk

Paul Saffert, PE

Commission President Wussow opened the meeting with the Pledge of Allegiance.

## Approval of Consent Items

**Motion by Commissioner Matten and seconded by Commissioner Angland to approve the minutes from the February 28, 2023, regular monthly meeting, approval of current month’s bills, and approval of the agenda. There was a unanimous roll call vote in favor of the motion. Motion carried.**

## Public Forum

John Forrest, 159 Pineview Drive, co-chairman of Brainerd Rotary Park committee spoke on the current potential scenic lookout project. Mr. Forrest spoke on the following:

- Rotary has met with Widseth, BPU Commission, City Council and Park Boards with regards to proposed project and all seem to be open to the concept.

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- The location of bunker and proposed deck structure adds a potential safety concern and would like to have the possibility of adding security cameras, which require electric service. This is a proposal for the BPU Commission and staff to consider.
- A previous grant received by Rotary for a Fields to Seeds project. There is a field that was developed with this grant that lands in the projected project area for the WWTP River Crossing Project. This was presented to the Commission for awareness as the River Crossing Project progresses to protect this state project.

Commission President Wussow stated that he will request that BPU staff add providing electricity, with cost involved, to the next month's agenda for consideration.

### Commission Committee Reports

#### Personnel

Commissioner Matten reported she and Commissioner O'Day met on March 10<sup>th</sup> with the formed Public Utilities Work Group to review the recommendations from Flaherty & Hood, P.A.

- See board packet.
- Recommendation from the Work Group to the Commission is to adopt the suggested structure from Flaherty & Hood, P.A to create the Public Utilities Director position and utilize the internal posting timeline and external if no qualified internal applications are received.
- HR Directors report highlights the recommendation.

Discussion included:

- Applicants would be interviewed by the work group.
- Current Superintendent/Finance Director wage grid would be utilized for the new position until compensation and classification study has been completed.
- Recommended organization structure is common amongst other utilities.
- Department Head representation for BPU would go from two to one. However, with size of organization, Wicklund suggests that there should be two considering City representation in relation to employee numbers.
- The Commission controls the budget, rates, fees, operations, etc. while all personnel related actions are overseen by the City Council, with the recent Charter language change.
- The potential new Finance Director and Water Supervisor position would have Public Utilities Director as lead and support.

**Motion by Commissioner Matten and seconded by Commissioner Wussow to recommend to City Council to replace the Superintendent job classification with the Public Utilities Director job classification and to open the internal application process for a minimum of three days and external if no internal applications are received. There was a unanimous vote in favor of the motion. Motion carried.**

#### Finance

Commissioner Johnson reported a meeting took place to discuss a change in the current WWTP Solar project. The rate changed from \$95.50 MW to \$99.00 due to the Conditional Use Permit (CUP) recommendations from the City of Baxter. The consensus of the Finance Committee was that it was still agreeable to continue to move forward.

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### Unfinished Business

- See related staff report.

### New Business

- Copper Corrosion Study Presented by Paul Saffert, PE, of Bolton & Menk
  - See board packet for presentation.
  - Additional discussion included:
    - Educational process would be needed based on the direction taken.
    - Several seasons of extensive flushing would be needed along with an additional building.
    - Superintendent Magnuson suggested a work group be formed; Commissioner Matten and Commission Angland volunteered. Updates will be given to the Commission to discuss regularly throughout the process.
  - Recommendation to Council the authorization to fill a laborer position for the Wastewater Treatment Facility along with job description with change noted for reporting supervisor.

**Motion by Commissioner Johnson and seconded by Commissioner Matten to recommend to City Council the authorization to fill a laborer position for the Wastewater Treatment Facility. There was a unanimous vote in favor of the motion. Motion carried.**

- Acceptance of Annual Cogeneration Filings and Report for BPU Commission.
  - See attached related staff report.

**Motion by Commissioner Johnson and seconded by Commissioner Angland to approve the Annual Cogeneration Filings and Report. There was a unanimous vote in favor of the motion. Motion carried.**

- Approval of 14<sup>th</sup> Amendment to Market Based Rate Full Requirements Agreement with AEP.
  - See board packet for proposed agreement.
  - Up to 2031-2032, there is a locked in energy price. This future year agreement adds stability for the future purchasing. The final price will be communicated later today but expected to be in the ballpark of \$45.25 MWh.
  - Commissioner Matten and Johnson expressed concern with the proposed agreement and the potential risk factor of extending agreements to absorb increasing costs into our current rates.
  - Staff recommended adopting – further discussion to occur with the Finance Committee for future recommendations.
  - No motion was made regarding this agreement.
- Consideration of Outdoor Banner Regulation Program
  - See board packet for program report.
  - Discussion included:
    - City Administrator Bergman clarified that new light poles, adopted with the recent street light policy, will not have the banner attachments on the

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commercial corridors. In the future, this will only be for downtown Brainerd in the special services district.

- Fees: \$160 event fee is paid up front and non-refundable. The \$50 per banner fee would be for both installation and removal. Commissioner Wussow recommended implementing and monitoring the program for one year and recommend any changes needed after one year of implementation.

**Motion by Commissioner Matten and seconded by Commissioner Johnson to approve the Outdoor Banner Program. There was a unanimous vote in favor of the motion. Motion carried.**

### **City Administrator Report**

City Administrator Bergman reported on the following:

- City Council took action to dedicate parks according to City Charter. All but three parks were dedicated to the Park Board. Those three included: Trailside, Gustafson, and Buffalo Hills with future potential of development.
- John Davis was appointed as the new Police Chief by the City Council following Chief Bestul's notice of retirement in June.
- City Council authorized going out for bids for 2023 seal coat projects on College Drive and South 4<sup>th</sup> Street from College Drive to Willow Street.
- Authorization from City Council was received to move forward with purchase Civic Clerk, an agenda software.
  - An offer was extended to BPU, HRA and Airport to potentially share in this software purchase.

### **City Liaison Report**

City Liaison Czczok reported on the following:

- Proposed putting together a preliminary agenda for a future joint BPU Commission and City Council meeting.
  - Suggested topics from Commission members included: Copper limits, capital projects, and rate studies.
- Suggested agenda to be posted with BPU Commission Meeting notice in newspaper.

### **Finance Director's Report**

- See related staff report.
- National APPA conference in Seattle, WA in June.
- Street Lighting Policy
  - Recently approved by the City Council but not presented to the Commission for review and approval.
  - Discussed Contribution Policy between Commission and City Council and how both parties need to agree to any proposed change. There are some potential concerns with language.
    - Bergman reported that concerns can be discussed, and a policy amended if needed.
    - Potential topic for joint BPU Commission and City Council meeting.

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### **HR Director's Report**

- See related staff report.

### **Superintendent's Report**

- See related staff report.

Recommendation by Commissioner Matten to proceed with sealing the stone on the new water storage tanks.

**Motion by Commissioner Matten and seconded by Commissioner Johnson to approve sealing the stone on the new water storage tanks. There was a unanimous vote in favor of the motion. Motion carried.**

### **Commission Members – Future Agenda Items**

- Commissioner Matten reported on:
  - Future AEP Amendments
    - Increased communications on pricing and impact
  - Capital improvement projects review for 5, 10, and 20 years out.
  - Marketing
    - Airport Solar Project ribbon cutting
    - Highlight departments – showcase BPU in newsletter in the future.
- Commissioner Angland reported on the following:
  - A presentation occurred with Operations Manager Hawkinson for the Eco Club at Brainerd Highschool for students and faculty.
    - 70-80 students in attendance and 12 faculty members.
  - Tour with Wastewater Treatment plant shortly after.
  - Encouraged recommendations from BPU Management to resources to aid in education on purchasing power, MISO, etc.

Next Board meeting is scheduled for April 25, 2023.

### **Adjournment**

**Motion by Commissioner Wussow and seconded by Commissioner Matten to adjourn the meeting. Motion carried at 11:00 AM.**

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Patrick Wussow, Commission President

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Todd Wicklund, Commission Secretary