



BRAINERD PUBLIC UTILITIES

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www.bpu.org

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on July 25, 2023.

Commission President Wussow called the meeting to order at 9:00 AM.

Commission Roll Call

Mike England – Absent
Tad Johnson – Present
Patrick Wussow – Present

Mark O’Day – Present
Dolly Matten – Present

Utility Staff Present

Public Utilities Director
Operations Manager
Wastewater Supervisor
Accounting Supervisor
Recording Secretary

Todd Wicklund
Trent Hawkinson
Charlie Gammon
Jana Pernula
Mandy Selisker

Others in Attendance

City Administrator
HR Director
City Council Liaison
Widseth
Widseth
Barr Engineering Co.
Barr Engineering Co.
Barr Engineering Co.
Barr Engineering Co.

Jennifer Bergman
Kris Schubert
Jeff Czczok
David Reese, PE
William Westerberg
Tyler Fincher, PE
Ryan Olds, PE
Brigham Erickson, PE
Bill Forsmark, PE

Commissioner Wussow opened the meeting with the Pledge of Allegiance.

Approval of Consent Items

Motion by Commissioner O’Day and seconded by Commissioner Johnson to approve the minutes from the June 27, 2023, regular monthly meeting, approval of current month’s bills, approval of the agenda and approval of Pay Request No. 20 received from Magney Construction for \$66,062.66 for Water Tank Storage Project. There was a unanimous roll call vote in favor of the motion. Motion carried.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

July 25, 2023

Public Forum

None

Commission Committee Reports

Personnel

- None

Finance

- None

Unfinished Business

Roberts Gravel Pit Purchase: Waiting for legal description from Roberts' surveyor on SE corner portion. Will go into closed session at the end of the meeting to discuss offers or counter offers for additional parcels owned by the Roberts'.

Hydro Automation: Continue to wait on FERC to review new license application. Several new security cameras have been installed and work on controls automation has started. Emergency Action Plan (EAP) functional exercise is scheduled for August 10th at Brainerd High School.

Crypto Mining Projects: No new information to report

Finance Manager Position: Commissioner Wussow inquired on the status and requested that this be added back to unfinished business until the position is filled. Public Utilities Director Wicklund stated that the opening is posted through July 27th with interviews to be conducted after the closing and hopes to have position filled by beginning of September.

New Business

Award Construction Bid for Mississippi River Forcemain Crossing Project: Letter of recommendation for Bid Award presented by David Reese, PE, of Widseth.

- Six bids were received. One bid was not read due to a missing required bid document submittal. The engineering estimate of the construction cost was \$1,236,032.50. The following bids were conforming to the plans, specifications, and advertisement and were received and presented for consideration:
 - DeChantel Excavating, LLC of Brainerd, MN \$1,286,983.75
 - Minger Construction Co., Inc. of Jordan, MN \$1,727,164.08
 - C&L Excavating, of St. Joseph, MN \$1,763,113.00
 - RL Larson Excavating, Inc., of St. Cloud, MN \$1,776,398.50
 - JR Ferche, Inc., of Rice, MN \$2,766,334.00
- Engineer's recommendation is for contract to be awarded to DeChantel Excavating, LLC of Brainerd, MN, as the lowest responsible bidder.
 - Project Engineer David Reese noted a caveat to this, per bidding requirements, that the awarded contractor has a 24-hour period to withdraw their bid. With the bid opening occurring at 1 pm on July 24th that would allow DeChantel Excavating, LLC until 1 pm today, July 25th, to withdraw their bid. Reese noted that there has been no indication given that they will.
 - Commissioner Matten inquired on any contingencies related to unforeseeable items such as boulders while boring. Project Engineer David Reese stated that the contract provides for

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

July 25, 2023

first and second attempt. After that it would be negotiable for additional attempts. Matten requested clarification on 'attempts.' Reese noted that it is usually a total reset adjacent to get around the obstruction. Bid for the 3rd attempt would wait until if/when that scenario would arise and is not included in bidding process.

- City Council Liaison Czezok inquired if DeChantel Excavating, LLC were to withdraw their bid if the next bidder also receives a 24-hour window. Project Engineer David Reese stated that the next bidder would also be given a similar 24-hour window upon notice.

Motion by Commissioner Matten and seconded by Commissioner O'Day to Award Construction Bid for Mississippi River Forcemain Crossing project to DeChantel Excavating, LLC for their low bid in the amount of \$1,286,973.75. There was a unanimous roll call vote in favor of the motion. Motion carried.

Hydro Generation Options Presentation by Barr Engineering: (See board packet for Power Point presentation). William Forsmark, Barr Engineering, reviewed the following:

- Age of equipment in Bays 1-5
- Additional generation options in Bay 6
- Alternatives for increasing generating capacity at the facility
- Potential review of aging unit replacement
- Ongoing review of upgrades and automation

Presentation by Brigham Erickson, Barr Engineering, regarding adding capacity to Bay 6 as originally requested. Erickson also reviewed the following:

- Three options for units previously presented for installation in Bay 6
- Potential review for long-term phase replacement of existing units.
- Maintenance needs of facility
- Automation
- Operational considerations

Discussion from the Commission and staff included:

- Key goals are total automation, increase in capacity, value and Return on Investment (ROI)
- Requested cost and ROI on each presented option.
 - For both as needed maintenance and a phased replacement approach
 - In addition to ROI or possibly instead of, use a dollar per MWh as the measurable tool for review and consideration of options presented to better compare with other revenue sources.
 - Current generating capacity is approximately 2.4 MW, based on water levels.
 - Be mindful of time constraints with staffing.
 - Be long-term stewards for the public.

Discussion from Brigham Erickson, Barr Engineering, included:

- More upfront cost with a vertical unit may result in less maintenance and support larger capacity than working with current equipment needing maintenance and running at less than 100%.
- Existing equipment may require more extensive work to automate.
- Possible larger units could result in less units to maintain.

BRainerd PUBLIC UTILITIES COMMISSION MEETING

July 25, 2023

Commission President Wussow requested that Barr Engineering continue with studies in an expedited fashion. Also, for staff to work with the Commission Finance Committee as a direct source for board comments.

Recommend approval of the revised Brainerd City Code Section 700 – Sewer System to the City Council (Revisions due to changes related to Delegation Authority): (See board packet for red-lined version and proposed changes.)

- Gives authority to the City to deal with compliance issues if they arise.
- Staff worked with Attorney Langel to update.
- Baxter will also refer to this document for delegation and adopt once finalized.
 - Discussed previously at the WWTP Joint Board Meeting
- City Council Liaison Czezok inquired on the change in the Code from BPUC (Brainerd Public Utilities Commission) to BPU.
 - Public Utilities Director Wicklund noted a response from City Attorney Langel was emailed to him.

Motion by Commissioner Johnson and seconded by Commissioner O'Day to recommend to City Council the approval of the revised Brainerd City Code Section 700 – Sewer System. There was a unanimous vote in favor of the motion. Motion carried.

Approval of Implementation of Large Interruptible Power Rate Class: (See board packet for staff memo). Public Utilities Director Wicklund highlighted the following:

- The new rate would eliminate two existing rates and blend them into one.
- The revenue rate remains the same.
- No changes to what BPU is collecting.
- The portion remitted to the City is updated.
- Monthly Service charges would increase with larger load.
- Effective date would be September 1, 2023

Motion by Commissioner O'Day and seconded by Commissioner Johnson to approve the Implementation of Large Interruptible Power Rate Class effective September 1, 2023. There was a unanimous vote in favor of the motion. Motion carried.

Recommend approval of the MOU with USW and IBEW Local No. 31 related to Hydro facility to the City Council: (See board packet for copy of MOU). HR Director Schubert reviewed the following:

- The current MOU in place is set to expire December 31, 2023.
- With recent USW employee retirements at the Hydro, the proposed MOU has been requested to be extended through the end of the USW contract, which expires December 31, 2024.
- Both unions agree with the extension.

Motion by Commissioner Johnson and seconded by Commissioner Matten to recommend to City Council the approval of the MOU with USW and IBEW Local No. 31 related to the Hydro facility. There was a unanimous vote in favor of the motion. Motion carried.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

July 25, 2023

Recommend to City Council the Approval of the Job Descriptions for the Electric Distribution Supervisor and Journeyman Electrician Positions: (See board packet for job descriptions). Public Utilities Director Wicklund and HR Director Schubert reviewed the following:

- Electric Distribution Supervisor is a previous position that has been unfilled but with the recent reorganization, there is a need to fill this position to help direct the electric distribution side of operations. This is a supervisory position.
- Journeyman Electrician is needed to help with current and ongoing projects. This would be a new classification and new position. After approval, staff would need to work with the IBEW Local No. 31 union regarding position and wages.
- Commission President Wussow inquired on these positions being included in the 2023 budget. Public Utilities Director Wicklund noted that with the reorganization, delay in filling the Finance Manager position, and potential onboarding of these positions in the fall, he sees this as a wash.

Motion by Commissioner Johnson and seconded by Commissioner Matten to recommend to City Council the approval of the job descriptions for the Electric Distribution Supervisor and Journeyman Electrician positions. There was a unanimous vote in favor of the motion. Motion carried.

City Administrator Report

City Administrator Bergman reported on the following:

- Road construction projects:
 - North Brainerd: Phase 1 and 2 have been completed and are starting on phase 3 and the project is currently ahead of schedule.
 - Safe Routes to School: Project is wrapping up.
 - Roundabout at 6th and Willow: Design work is starting and this could be a potential 2024 or 2025 project.
- Development Projects:
 - Country Manor: Preliminary and Final Plat has been approved. This is a Senior Living Facility located off Beaver Dam Road. Construction to start this Fall of 2023 or Spring of 2024. This project will include 92 Senior living apartments, 18 memory care units, and a childcare facility.
 - Thrifty White: City Council adopted a resolution for the HRA to create a redevelopment TIF district as well as authorize a submission of a DEED redevelopment grant application. DW Jones is the developer. Current building to be taken down. This project will include 78 units, 6 commercial spaces and underground parking.
 - Employee Appreciation Event will be held on September 6th from 11:30-1:30 at Lum Park.
 - Community Focus - Expressed a thank you to Public Utilities Director Wicklund for joining in July.

City Liaison Report

City Council Liaison Czczok reported on the following:

- Looking forward to the joint City Council and BPU Commission meeting.
- Reported reaching out to the City Attorney after last meeting on fulfilling deadline on the delegation agreements.

Public Utility Director's Report

- See the board packet for report which included the following items:
 - Water Treatment Facility Asset Assessment Inventory

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

July 25, 2023

- Lead Service Line Assessment Application
- Rewrite of City Water System Ordinance
- NEMMPA Membership – Commission previously voted to stop membership, but formal action was not taken to withdraw. Recommendation is to not withdraw due to new State law as it relates to standards of renewables.

Motion by Commissioner Johnson and seconded by Commissioner Matten to rescind previous motion of withdrawing from NEMMPA membership and continue membership. There was a unanimous vote in favor of the motion. Motion carried.

Managers Reports

- Operations Manager Hawkinson
 - Outages: No major outages since the last Commission meeting. Ongoing will be reporting major outages, identified as 10 or more customers out.
 - Fiber Network: Crews are still working on installation for both overhead and underground.
 - New Services: New projects being reviewed and assessed for infrastructure needs.
 - Staff Updates included the following:
 - July 8th, 2023: Lineworker Cory Henningson participated in a Touch-a-Truck event at the Northland Arboretum.
 - July 12th, 2023: MMUA Emergency Preparedness and Restoration training in which 3 lineworkers attended.
 - July 12th, 2023: Annual audit and review of Apprentice, Ryan Miller.
 - Hydro Relay Project included completion of automation of relays in which relays can be monitoring remotely. Staff did a great job on this project. Low flow plan starts at 900 cfs (cubic feet per second) and currently flow is at 1,200 cfs.
 - Wastewater Solar Project – Stump removal to begin on August 8th and dirt work to tentatively begin on August 28th.
 - Airport Solar is currently producing approximately 4 MW. Smoke clouds are affecting generation. Commissioner Matten inquired on maintenance of grass and was a question from the Airport. Hawkinson reported that this would be a cost and concern of AEP's but are hopeful with native grasses being planted that maintenance will not be needed.
- Wastewater Supervisor Gammon
 - Maintenance:
 - Motor pump parts are ordered.
 - Reactor takedown to occur at the end of July.
 - Land Application:
 - Wrapping up in the middle of August for cropping year 2023.
 - Cropping year 2024 application will begin around the beginning of September.
 - Monthly production for land application is 300,000 – 400,000 gallons to be liquid applied.
 - Lift Stations:
 - Meeting with contractors on in-house project on the main lift station.
 - Includes new operations panels, fiber and updating electrical code.
 - Callouts:
 - Troubleshooting with software company on repeat after hour callouts.
 - MNTAP (Minnesota Technical Assistance Program)

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

July 25, 2023

Commissioner Wussow noted that written reports would allow City Council access to their updates.

HR Director's Report

- See the board packet for report.

Commission Members – Future Agenda Items

- Commissioner Johnson inquired on an expected date for an update on the Hydro generation project. Public Utilities Director Wicklund noted that an update will be given at August Commission meeting following weekly meetings with Barr Engineering.

Next Board meeting is scheduled for August 29, 2023.

Adjournment

Commissioner Wussow adjourned to closed session pursuant to MN Statute 13D.05, Subd. 3(C)3 to consider or develop offers or counteroffers for the purchase of Roberts property located near the water plant at 10:24 AM.

Those in attendance were Commissioners Johnson, Matten, O'Day, and Wussow, City Council Member Czczok, and Public Utilities Director Wicklund.

Commissioner Wussow reconvened the meeting back into open session at 10:45 AM.

Adjournment at 10:45 AM by Commissioner Wussow to the joint workshop of the BPU Commission and City Council on July 31st at 6:00 PM in the City Council Chambers.

Patrick Wussow, Commission President

Todd Wicklund, Commission Secretary