



# BRAINERD PUBLIC UTILITIES

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The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on August 29, 2023.

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

### **Commission Roll Call**

Mike Angland – Present	Mark O’Day – Absent
Tad Johnson – Present	Dolly Matten – Present
Patrick Wussow – Present	

### **Utility Staff Present**

Public Utilities Director	Todd Wicklund
Operations Manager	Trent Hawkinson
Water/Wastewater Manager	Charlie Gammon
Business Office Supervisor	Jana Pernula
Recording Secretary	Mandy Selisker

### **Others in Attendance**

City Administrator	Jennifer Bergman
HR Director	Kris Schubert
City Council Liaison	Jeff Czczok
Widseth	David Reese, PE
Widseth	William Westerberg, PE
Bolton & Menk	Morgan Salo, PE
Bolton & Menk	Paul Saffert, PE
Brainerd Dispatch	Theresa Bourke

Commissioner Wussow opened the meeting with the Pledge of Allegiance.

### **Approval of Consent Items**

**Motion by Commissioner Johnson and seconded by Commissioner Matten to approve the minutes from the July 25, 2023, regular monthly meeting, the July 31, 2023, special meeting, approval of current month’s bills, approval of the agenda and approval of Pay Request No. 21 received from Magney Construction for \$175,732.45 for Water Tank Storage Project. There was a unanimous roll call vote in favor of the motion. Motion carried.**

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

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### **Public Forum**

None

### **Commission Committee Reports**

#### Personnel

Commissioner Matten reported on the following:

- With the recent boil water advisory and new organization chart, there is a need to fill vacant positions more quickly than originally planned rather than current staff doing double duty within certain roles. The Personnel Committee hopes to meet to assist in filling some of these additional positions in the future.

#### Finance

Commissioner Johnson reported meeting on August 15<sup>th</sup> and discussed the following:

- Wellhead Protection Plan and associated land
- Solar Project Fencing

Commissioner Angland added that they also discussed potential solar projects and getting back in front of interested landowners, which will also be discussed later in the meeting.

**Unfinished Business** - *See board packet for staff memo.*

Public Utilities Director Wicklund discussed the following:

Roberts Gravel Pit Purchase: Will go into closed session at the end of the meeting to discuss offers or counteroffers for land owned by the Roberts.

Crypto Mining Projects: VCV Digital Infrastructure Minnesota LLC, contacted BPU after the July 25, 2023, commission meeting and requested that the Commission reconsider monthly capacity charge and distribution demand charge for Large Interruptible Power Rate. Public Utilities Director Wicklund communicated to VCV that the recent update was just approved in July and will likely remain in effect.

Wicklund noted a correction in the memo provided at the July 25, 2023, meeting regarding the Distribution Demand Rate. The rate should have stated \$2.095 per kW rather than the \$2.95 per kW that was typed in error. The \$2.095 per kW is still in effect and this rate has been used in calculating demand charges.

Finance Manager Position: Danny Loch has accepted the position of Finance Manager and will be starting on October 30.

### **New Business**

#### Discussion of Chlorination of City's Water Supply

Commission President Wussow noted a letter from a member of the public was submitted with reference to this topic and has been read and included in the board packet as part of this discussion item.

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Morgan Salo with Bolton & Menk discussed with the Commission the following:

- Water Treatment Facility Asset Inventory - Engineers reviewed the plant for asset management to aid in future planning and maintenance for structural, architectural, process, mechanical, and electrical.
- In 2022, BPU received a compliance schedule from the Minnesota Department of Health (MDH) that utilizes the Environmental Protection Agency (EPA) for lead and copper corrosion. Several samples collected in the distribution system had exceeded the action level for copper corrosion.
- In starting with the compliance schedule, BPU was required to do a study. A copper coupon test was conducted last summer with Bolton & Menk to help identify the source of the copper corrosion within the system. Throughout the study it was identified that the chemistry of the distribution water was likely a source of copper corrosion within the system.
- Possible solutions were reviewed to address the copper corrosion which led to evaluating the existing infrastructure and condition as a planning tool. Also, to meet compliance of copper corrosion as required by the MDH and EPA. There is a November 6<sup>th</sup>, 2023, deadline to have a solution submitted. An implementation and compliance schedule would be required to follow.
- Chemical addition is a proposed solution.
- Recommended a committee discussion to map out solutions and make a path forward. The Copper Corrosion study resulted in identifying two solutions, both which require chemical additions and those chemicals require chlorine per MDH rules and regulations.
- With no disinfection (addition of chlorine), there is the risk of boil orders and the addition of phosphate for corrosion control wouldn't be possible.

Water/Wastewater Manager Gammon discussed the following:

- Copper corrosion sampling requirements as well as discharge requirements on wastewater. The state has increased the sampling to 60 samples twice a year.
- Guidance from the MDH is to establish that due diligence has occurred when completing the Level 1 Assessment. MDH will also be completing their own testing within the next month. Chlorination will continue while guidance and testing with the MDH is ongoing.

Additional discussion included:

- Commissioner Angland inquired on the wetland discharge. The Water Plant, permitted by the MPCA, currently discharges the backwash waste into a seepage pond located west of the facility. Iron, manganese, and additional items filtered from the drinking water through the backwash process are discharged into the seepage pond.
- New facilities have a reclamation tank which is more environmentally friendly. Potential reclamation system is a future project idea for BPU. To not chlorinate in this project scenario, there would be need for a variance because the water would be exposed to air during the reclamation process which is a potential source of contamination. BPU would need to work with MDH through this process, if allowed.
- City Liaison Czczok inquired on the option to chlorinate or not. Paul Saffert of Bolton & Menk discussed the three decision points that will need to be made: (1) Immediate: Requirement by MDH to continue to chlorinate until further notice; (2) November 6, 2023: Decision for options for corrosion control due and; (3) Long Term: Decisions on ongoing and overall water quality including disinfection and decisions based on asset assessment of Water Treatment Plant.
- Commissioner Matten encouraged another review of the previous presentation of water treatment options be presented to possibly City Council and the BPU Commission to increase education on viable options noting this is a top priority.

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- Commissioner Johnson inquired on the source of the recent contamination. Water/Wastewater Manager Gammon reported that BPU is not 100% certain, which is not uncommon but looking possibly at source water. Gammon also reviewed a brief timeline of coliform testing:
  - August 1<sup>st</sup>, 2023: scheduled sampling – no issues
  - Week of August 7<sup>th</sup>: Three ‘positives’ in the distribution system
  - Resampled those of which source water was included.
  - Once confirmed – issued boil water advisory.
  - Additionally, Commissioner Johnson inquired if chlorination was in place could this boil water advisory have been avoided. Water/Wastewater Manager Gammon confirmed that with the recent scenario if the system had been chlorinated a boil water advisory would not have been issued.
- Brainerd resident, Julis Kapushinski, inquired on the initial public post of the boil water advisory which noted a possible date of July 27<sup>th</sup>, 2023, at a construction site as a possible source date. Public Utilities Director Wicklund responded that the MDH had inquired about recent projects that involved water mains and it was determined to be that date but not specifically mentioned to be the cause. After discussion with the MDH that July 27<sup>th</sup>, 2023, date made its way into the public notice when the first positive sample was not until August 7<sup>th</sup>, 2023.
- Commission Matten commented on the notifications to the public for the recent boil advisory. Social media is the quickest way to notify but knows that BPU used all available avenues including radio, phone, etc. Requested that BPU continue with consistent updates to public, possibly biweekly.
- Commissioner Angland inquired who ultimately makes the decision to chlorinate or not and emphasized that Bolton & Menk’s presentation needs to be reviewed by whomever is part of this decision-making process. Commission President Wussow noted that the Commission would ultimately make the decision on chlorination.
- City Liaison Czczok summarized his take on the public perception of the communications and ultimately gave credit to the staff for communication and acting on the water boil advisory. Czczok noted he has been doing his due diligence to continue to communicate the dates of the events leading up to this, noting the public notification came just days after the first positive test, which a second test is required.
- Commission President Wussow noted the following next steps:
  - The decision on the continuation of chlorination will be on an upcoming agenda.
  - The information previously presented by Bolton & Menk to Commissioners Angland and Matten will be reviewed by the entire commission.
  - Staff will summarize all options for the Commission as it relates to Lead and Copper compliance in conjunction with the possibility of continued chlorination.

### Authorization to Use Request for Proposal Process to Select Engineering Firm for Design and Construction for Water Reclamation Project

Commission Johnson inquired on timing of this process. Public Utilities Director Wicklund noted that this project will go hand in hand with other projects that are currently being discussed but will try to have this design request put together by the end of September or beginning of October. Wicklund also noted potential grant funding.

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**Motion by Commissioner Matten and seconded by Commissioner Johnson to authorize the request for proposal process to select the engineering firm for design and construction for the Water Reclamation Project. There was a unanimous vote in favor of the motion. Motion carried.**

Approval of Widseth Fee Amendment for \$28,500 for Additional Services Provided During Bidding Phase for the Directional Drilling Forceman River Crossing Project (see board packet for written request and memo)

David Reese, PE, Widseth, presented the summary of the fee amendment and process to get the bidding and permitting process completed. Additional time to complete their services includes a request for an additional fee of \$28,500. Additional time was needed to review procedural and contract requirements with the withdrawal of the original bid winner and re-awarding to the next responsible low bidder. Staff also recommend the approval of this fee amendment.

**Motion by Commissioner Johnson and seconded by Commissioner Matten to approve the Widseth Fee Amendment for \$28,500 for additional services provided during the Directional Drilling Forceman River Crossing project. There was a unanimous vote in favor of the motion. Motion carried.**

Approval of Scope of Services with Bolton & Menk for Wellhead Protection Plan Part 2 for \$36,000 (see board packet for proposal)

Public Utilities Director Wicklund noted the Plan needs to be updated every 10 years, and the original due date was 2022 and currently on an extension with a completion date of July 1, 2024. Bolton & Menk would facilitate with all necessary entities to assist staff to complete study.

**Motion by Commissioner Matten and seconded by Commissioner Angland to approve the Scope of Services with Bolton & Menk for Wellhead Protection Plan Part 2 for \$36,000. There was a unanimous vote in favor of the motion. Motion carried.**

Approval to Sell Surplus Meter Bases and Obsolete Ductile Iron Water Pipe on Minnesota Department of Administration Surplus Services Online Auction Site

**Motion by Commissioner Johnson and seconded by Commissioner Matten to approve staff to sell surplus meter bases and obsolete ductile iron water pipe on Minnesota Department of Administration Surplus Services Online Auction Site. 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 include Lum Park Road washout at SW 4<sup>th</sup> Street.
- Budget - The City Council held a workshop on August 28, 2023, to review the budget. Preliminary levy must be set by the end of September. Final levy can go lower but cannot go higher. A big piece of the budget is personnel, and staff are currently still working on classification and compensation study. September 11, 2023, there will be a workshop where Flaherty & Hood will be presenting and making a recommendation to the City Council.
- Union Negotiations - Intent to negotiate was received from both IBEW Unions, BPU and Admin Support. Hoping to start in October.

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- Historic Water Tower Committee - Successful in getting some congressional direct spending into the Bill which has not passed yet. Senator Klobuchar toured the water tower last week.

### **City Liaison Report**

City Council Liaison Czczok noted his intention to write a brief statement to submit to Brainerd Dispatch on recent boil water advisory, timing and action taken. Commission President Wussow noted that all press releases need to go through Administrator. BPU Staff and City Administrator Bergman will review. Employee Appreciation Day is September 6, 2023.

### **Public Utility Director's Report**

- See the board packet for report which included the following significant items:
  - Water Treatment Facility Asset Assessment Inventory
  - Lead Service Line (LSL) Assessment
  - Rewrite of City Water System Ordinance
  - Wellhead Protection Plan
  - Retirement Date: May 3, 2024

Commission President Wussow noted that the Personnel Committee will be meeting monthly with staff to prepare for this retirement. Commissioner Johnson requested the hydro generation line item be added back to the monthly financial statement.

### **Managers Reports**

Operations Manager Hawkinson reported on the following:

- Wastewater Solar Project - Stump removal should be completed tomorrow. Working through some Conditional Use Permit (CUP) challenges with the City of Baxter. Anderson Brothers to start site grading set to begin the week of September 11<sup>th</sup>. BPU to start boring pipes for interconnecting services. Target date to be online is the end of November.
- Solar Projects - Two more new solar connections are being worked on, and total number of connections is approximately 20 residential projects smaller than 40 kW.
- Mutual Aid - August 11<sup>th</sup> request from the City of Mora looking for immediate assistance and 4 linemen responded.
- Hydro - All generators are currently off due to low water levels. Currently in low flow plan.
- Load Control Audits - Metering crew is currently working on this.
- Water Distribution Crew – Flushing, sampling, and monitoring chlorine levels.
- Hwy 25/MN DOT Project - Currently working with MNDOT on 16" water main and electric distribution systems affected by Project.
- Stated appreciation of Staff.

### **Water/Wastewater Manager Gammon**

- Land Application - Wrapped up for 2023 cropping year. The crew has been very efficient.
- Approval for EPA and MPCA for Delegation will be going out today - Deadline is September 1<sup>st</sup>, 2023, and expecting some requested changes.
- SBR Parts - Pump replacement parts are still on order and the project is on hold until received.
- Main Lift - Conduit work is happening. Noticing delay on pumps and electric parts with some delayed until September of 2024.
- Evergreen Lift - Completed make up air replacement and now located outside on the ground. Easier access for maintenance and safety for staff.

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- Water Production - Working on procedures for the acid washing of the filters and backwash. Focus on proper equipment and ventilation. Work continues on maintaining dead end water mains.
- Stated appreciation of staff.

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

- See the board packet for report.

Commissioner Johnson noted the recent organization and hierarchy changes that occurred and inquired if the following positions have updated job descriptions:

- Operations Manager
- Water/Wastewater Manager
- Finance Manager

HR Director Schubert stated the Operations Manager has a job description however, it has not been updated since the organization chart changes. It will be updated. Staff are currently working with Flaherty & Hood, who are updating the format of all job descriptions, so at that point this will be updated too. The same situation applies to the Water/Wastewater Manager's job description. The Finance Manager job description was recently revised and is updated.

Commissioner Johnson requested that Operations Manager Hawkinson and Water/Wastewater Manager Gammon be kept updated on this process. Commission President Wussow also clarified that these three positions will receive the Department Head benefits package but will not be classified as Department Heads.

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

Commission President Wussow expressed thanks to staff for work done on recent boil order. Continue to learn through each situation and process.

Commissioner Johnson reported on getting an update regarding the Hydro Dam upgrades at the September Commission meeting.

Commissioner Angland stated he sees an opportunity to take an internal look at BPU organization. Suggested a SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats) or similar review. A SWOT would help identify adequate training opportunities, department challenges, strategic opportunities, and processes and standard practices. Noted incredible staff and complex organization. Recent changes including Charter change, organizational changes, and responsibilities need to include the involvement of BPU staff. He offered his services in any way it could be helpful and as a potential future agenda item.

Commission President Wussow requested staff review opportunities with agencies that could offer this service.

Commissioner Matten stated the Commission's role is not necessarily the day-to-day operations but to provide the best tools possible for staff. Keeping the Capital Improvement Plan in mind and the need to shift projects as the need presents itself. Would like to see is the list of the housing study previously provided revisited. Filling open positions is a top priority since some BPU staff are performing double duties.

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**August 29, 2023**

Next Board meeting is scheduled for September 26, 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 10:34 AM.**

Those in attendance were Commissioners Johnson, Matten, Angland, and Wussow, City Council Member Czczok, Operations Manager Hawkinson, and Public Utilities Director Wicklund.

**Commissioner Wussow reconvened the meeting back into open session at 11:19 AM.**

City Administrator Bergman noted on September 13, 2023, the House Bonding Committee will be in Brainerd for their tour. Staff will have 10 minutes to present to the committee. Public Utilities Director Wicklund will be presenting on funding for the Water Treatment Plant. The presentation will be taking place at CLC.

**Adjournment at 11:21 AM by Commissioner Wussow to the City Council Compensation Study Presentation on September 11<sup>th</sup> at 6:00 PM in the City Council Chambers.**

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Patrick Wussow, Commission President

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Todd Wicklund, Commission Secretary