



# BRAINERD PUBLIC UTILITIES

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The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on January 27, 2026.

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

### Commission Roll Call

Mike Angland – Present  
Mike Higgins – Present

Dolly Wussow – Present

### Utility Staff Present

Public Utilities Director  
Finance Manager  
Operation Manager  
Water/Wastewater Manager

Paul Sandy  
Danny Loch  
Trent Hawkinson  
Charlie Gammon

### Others in Attendance

City Administrator  
HR Director  
Community Development Director  
Bolton & Menk  
Widseth  
Citizen

Nick Broyles  
Brittney Kummet  
James Kramvik  
Morgan Salo, PE  
Bill Westerberg, PE  
Ken Heintzeman

Commissioner Angland opened the meeting with the Pledge of Allegiance.

### Approval of Agenda Items

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to approve the agenda. There was a unanimous vote in favor of the motion. Motion carried.**

### Approval of Consent Items

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve the minutes from December 23th, 2025, regular monthly meeting, current month's bills, Approve out of State Travel- Tyler connect Conference, Approve out of State Travel – Backyard Lineman. There was a unanimous roll call vote in favor of the motion. Motion carried.**

### Election of President and Vice President

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**January 27, 2026**

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to nominate Mike Angland as BPU Commission President for 2026. President Angland accepted, Motion Carried.**

**Motion by Commissioner Higgins and seconded by Commissioner Angland to nominate and elect Dolly Wussow as Commission Vice-President. Motion Carried.**

### **Public Forum**

None

### **Commission Committee Reports**

Wussow suggested holding off a month in Committee elections until we get more Commissioners on board. Higgins and Angland agreed.

Sandy said there is potential for one or more applications to be submitted for the currently vacant seats. Considering this, Wussow noted it may be advisable to wait until the February meeting to allow time for any necessary adjustments and for appointments to be made by the Commission until the February meeting that could capture any vacancies that would be filled by Council at their February meetings.

All commissioners agreed to wait a month for appointments.

Angland noted that, looking back on 2025, the committees did an outstanding job. Everyone put in a great deal of effort and wanted to extend his sincere appreciation to both staff and committee members for their dedication. Significant progress was made, and communication throughout the year was excellent.

### **Unfinished Business**

Memo -See board packet for updates.

Wussow requested an update on the lead service line project.

Sandy reported that, following discussions at the MESRB Conference, meetings were initiated with lobbyists, and a meeting was scheduled with Senator and Representative Heintzeman to discuss a potential state funding package for lead service line replacements during the current legislative session. A coalition consisting of the Coalition of Greater Minnesota Cities, IUOE Local 49, and Conservation Minnesota is advocating for additional funding, as the 2023 funding package is expected to be exhausted this year. The proposed funding request is anticipated to be approximately \$240-\$250 million, similar to the 2023 package.

BPU has committed \$2.6 million in 2026 for the lead service line replacement program and remains on the project priority list; however, future allocations are uncertain without additional state-level funding. The issue was noted as a significant future consideration due to cost implications, and staff agreed to keep the Board informed following the legislative meetings.

## BRAINERD PUBLIC UTILITIES COMMISSION MEETING

January 27, 2026

Approve ClimaVision Radar Lease and Temporary Construction License

Finance Manager Danny Loch presented.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to authorize Utilities Director Sandy in coordination with the City Attorney to finalize language and approve ClimaVision Radar Lease and Temporary Construction License. There was a unanimous vote in favor of the motion. Motion carried.**

### New Business

Approve Professional Services Proposal with Bolton and Menk for New Water Treatment

Plant and Well #9 Siting Preliminary Engineering Report and Investigations. See board packet for agenda request.

Public Utilities Director Paul Sandy presented.

Discussion included:

Higgins addressed the representative from Bolton & Menk, Morgan Salo, and inquired whether it is standard operating procedure to drill both a 4-inch and a 6-inch test well. Mr. Salo explained that a 4-inch well is typically drilled as a monitoring well to identify geological formations and determine groundwater elevations; however, it is not suitable for test pumping to evaluate aquifer capacity. A 6-inch test well, by contrast, allows for test pumping to assess aquifer capacity and specific yield, which assists in determining the appropriate size for a future municipal production well. He noted that municipal wells in similar geological formations typically range from 12 to 18 inches in diameter, depending on aquifer capacity. Aquifer depths vary by location due to differing subsurface conditions, and there is no fixed depth locally. Recommended well depths are established following a review of nearby well data and analysis of water-bearing sands encountered during drilling.

Wussow asked whether the current study pertains to development of a new facility, noting that a study had recently been completed for upgrades to the existing water treatment plant. Mr. Salo responded that several studies have been conducted regarding the water plant. A prior condition assessment and asset evaluation examined the overall facility, estimated its remaining useful life, and provided recommendations for capital planning, including rehabilitation or eventual replacement. While the assessment identified general rehabilitation needs, it also advised that, given the age of the facility, the City should begin planning for a new facility and evaluate alternative treatment options.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to approve the Professional services proposal with Bolton and Menk for a new water treatment plant and well #9 siting preliminary engineering report and investigations. There was a unanimous vote in favor of the motion. Motion Carried.**

Approve the Oversizing and Extension of Watermain Infrastructure and the Oversizing of the Sanitary Sewer Lift Station and Forcemain for the Voyageur Heights Apartments of Brainerd Project. See board packet for agenda request.

Public Utilities Director Paul Sandy presented.

Discussion included:

## **BRainerd PUBLIC UTILITIES COMMISSION MEETING**

**January 27, 2026**

Higgins expressed strong support for the proposed housing development, noting the community's need for additional housing and the opportunity to encourage further growth in the area. They supported upsizing infrastructure to attract other developers and stated this would be a positive step for the City of Brainerd. He also approved using SAC and WAC funds for the project, emphasizing that this aligns with their intended purpose, and encouraged promoting the development through the EDA.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to approve the Oversizing and extension of Watermain Infrastructure and the Oversizing of the Sanitary Sewer Lift Station and Forcemain for the Voyageur Heights Apartments of Brainerd Project. Motion carried.**

Approve Pool Engineering and Architectural Services Letters of Interest (LOI) and Statement of Qualifications (SOQ)-See board packet for agenda request.

Public Utilities Director Paul Sandy presented.

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve Pool Engineering and Architectural Services Letters of Interest (LOI) and Statement of Qualifications (SOQ). There was a unanimous vote in favor of the motion. Motion Carried.**

Approve SEH Trunk Highway 210 Construction Observation and Administration Proposal for Professional Services -See board packet for agenda request.

Public Utilities Director Paul Sandy presented.

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve SEH Trunk Highway 210 Construction Observation and Administration Proposal for Professional Services not to exceed \$268,000. There was a unanimous vote in favor of the motion. Motion carried.**

Approve Waterworth Continuous Rate Management Software Proposal -See board packet for agenda request.

Finance Manager Loch presented the proposed software initiative. Higgins requested clarification regarding projected costs following the initial test period. Loch explained that staff propose conducting a one-year test to evaluate the software's effectiveness with minimal upfront investment. If the software is fully implemented after the trial period, the estimated annual cost would be approximately \$25,000, inclusive of the base platform and related modules. He noted that this represents a higher recurring annual expense compared to the City's current consulting arrangement with UFS, which exceeds \$10,000 per engagement but typically occurs only once every three to four years.

Director Sandy further advised that, due to potential issues associated with the newly launched electric module, the recommendation is to initially implement only the water and wastewater components. He stated that the software operates within an Excel-based environment, updates in real time, and supports multi-year financial forecasting. Commission members expressed strong support for proceeding with the trial, noting the tool's value for long-range planning and as an enhanced communication resource, particularly during Finance Committee discussions.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to approve Waterworth Continuous Rate Management Software Proposal. There was a unanimous vote in favor of the motion. Motion carried.**

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**January 27, 2026**

Approve Amended Brainerd Public Utilities Policy BPU POL 2005-07 Inactive Accounts-See board packet for agenda request.

Finance Manager Loch presented.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to approve Amended Brainerd Public Utilities Policy BPU POL 2005-07 Inactive Accounts. There was a unanimous vote in favor of the motion. Motion Carried.**

Approve Amended Brainerd Public Utilities Policy BPU POL 2005-10 Disconnection of Service Policy-See board packet for agenda request.

Finance Manager Loch presented. Commissioner Higgins asked how often we are doing disconnects? Loch stated weekly.

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve Amended Brainerd Public Utilities Policy BPU POL 2005-10 Disconnection of Service Policy. There was a unanimous vote in favor of the motion. Motion carried.**

Approve Dying to Film Quote - Water Plant Tour Video-See board packet for agenda request.

Finance Manager Loch presented. Discussion included: Wussow suggested postponing the proposed video production while the City evaluates the new water facility study, unless the materials would directly assist with bonding or funding efforts. She indicated that the video is not a top priority at this time and stated he would place a higher priority on the wastewater treatment plant over the water facility.

Higgins stated that he generally does not favor expenditures of this nature; however, after discussions with state representatives, he believes visual tools and media can be effective. He referenced the recent hydro facility tour as beneficial and observed that stakeholders respond well to visuals, interaction, video content, and drone footage. He noted that such materials could help illustrate the age and condition of the facilities and support future funding requests. He expressed support for proceeding at the minimal cost option, while acknowledging concerns regarding overall project prioritization.

Angland also expressed support for the proposal, emphasizing that education is critical. He noted the importance of clearly informing legislators and customers about the condition of the City's facilities and the ongoing efforts to implement necessary upgrades.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to approve option 1 Dying to Film Quote for Production of a 5–10-minute Water Facility Tour video, similar in style and scope to the hydro tour, along with six short-form videos, for a total cost of \$5,700. Motion passed with Higgins and Angland approving and Wussow opposed. Motion carried.**

Consider Customer Request to Remove Charges-See board packet for agenda request.

Finance Manager Loch presented.

The commission discussed meeting in the middle by waiving clerical-related fees while recognizing that operational expenses were still incurred for water consumption. It was noted that when customers request fee waivers, it typically involves wastewater charges; however, the city is still responsible for

## BRAINERD PUBLIC UTILITIES COMMISSION MEETING

January 27, 2026

treating the water provided. In the interest of fairness and consistency with past policy decisions, it was stated that charges for actual usage should remain.

It was also noted that, regardless of the decision, staff would work with the customer to establish a reasonable payment arrangement. A motion was made and seconded to charge the customer for the water used, waive additional fees, and provide a timeline for repayment. Further discussion was invited.

**Motion by Commissioner Higgins and seconded by Commissioner Wussow to waive the monthly service fee and charge for all consumption as staff originally presented to customer. There was a unanimous vote in favor of the motion. Motion Carried.**

Discuss AEP Updates and Approve Sale of Excess Capacity-See board packet for agenda request.

Finance Manager Loch presented.

The commission discussed the significant price difference between auction prices seen in other areas, \$82 and \$493, and questioned whether similar situations had been handled differently in the past. Staff indicated they were not aware of any alternative approach and explained that excess capacity is typically retained within the municipal portfolio, serving communities in Minnesota and Wisconsin. While not guaranteed, municipal entities receive the first opportunity, and current assumptions are that the capacity would remain within that portfolio.

Discussion followed regarding the potential revenue of approximately \$149,000 if sold prior to auction. Members compared the situation to the stock market, noting the volatility of natural gas and electricity prices and the risk involved in waiting for auction versus securing a guaranteed price. It was acknowledged that weather and market conditions significantly impact pricing, making projections uncertain.

A suggestion was made to negotiate a higher pre-auction price of \$155,000 or \$6,000 to offset the Dying To Film Quote discussed earlier. Staff indicated they could request that amount, though there is a possibility the current customer could secure other capacity before the March auction, removing the offer from the table. While some members expressed willingness to take the risk, others preferred a guaranteed return and agreed to rely on staff's experience and recommendation.

A motion was made to accept staff's recommendations with the additional request that staff pursue a \$155,000 pre-auction offer if possible.

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve staff recommendation selling the excess capacity prior to it reaching the open market and coordinating the sale with AEP to secure the guaranteed price with trying to get \$6,000 extra. There was a unanimous vote in favor of the motion. Motion carried.**

Authorize Staff to Negotiate Updated AEP Contract Amendment-See board packet for agenda request.

Finance Manager Loch presented.

## BRAINERD PUBLIC UTILITIES COMMISSION MEETING

January 27, 2026

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve Staff to Negotiate Updated AEP Contract Amendments for market pricing not to exceed \$52.50/MWh for the contract extension that will provide more stable increases in coming years. There was a unanimous vote in favor of the motion. Motion carried.**

### **Staff Reports**

City Administrator Report -see board packet for report. - see board packet for report.

Appreciation was expressed for Kris's service at her retirement, and Britney was welcomed into her new role as HR director.

City Council Liaison Report

HR Director's Report – see board packet for written report.

Public Utilities Director Report – see board packet for report.

Finance Manager's Report – see board packet for report.

It was noted that the MMUA Governance in Action Training held last Friday was a successful event. Further comments were deferred to Mr. Higgins. Britney was also welcomed in her new role.

Operations Manager Report - see packet board for report.

Two key items not in the written report. First, crews were dispatched for a mutual aid response to Winter Storm Fern in the southeastern U.S. One bucket truck and two linemen were sent toward High Point, North Carolina, as part of a larger deployment of 40 Minnesota lineworkers, two mechanics, and two MMUA safety professionals. Crews were released and are returning home. Appreciation was expressed for staff's rapid coordination and participation. Second, the utility's RP3 designation has been upgraded from Gold to Platinum, narrowly missing Diamond by five points. Further details will be included in the next commission meeting report.

Water/Wastewater Manager Report- see board packet for report.

### **Commission Members – Report**

Higgins highlighted key takeaways from the MMUA conference, emphasizing the importance of keeping the City's electric utility locally managed and learning from other utilities' experiences. He praised staff efforts on charter updates and streamlining decision-making and he expressed optimism about 2026, noting strong strategic planning, mutual aid, and forward-thinking initiatives.

Wussow echoed previous comments, noting that past MMUA conferences provide valuable lessons from other utilities. She highlighted a recent example of a small Minnesota utility that sold its electric system and immediately regretted it, emphasizing the importance of learning from surrounding communities' experiences. She inquired about looking at a new bank that would be interest bearing.

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**January 27, 2026**

England praised the staff and commission for forward-thinking, strategic planning, mutual aid, and overall excellence. He noted that 2026 is off to a strong start and expressed gratitude and humility for the opportunity to serve on the commission, looking forward to a successful year.

**Adjournment**

**Motion by Commissioner Wussow and seconded by Commissioner Higgins to adjourn to Hwy 210 Chamber of Commerce Mitigation plan meeting January 28<sup>th</sup> at 3pm. There was a unanimous vote in favor of the motion. Motion carried at 10:40 AM.**

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Mike England, Commission President

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Danny Loch, Finance Manager/Secretary