



# 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 May 26, 2026.

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

## Commission Roll Call

President Mike Angland – Present  
Misty Bayliss – Present

Vice-President Dolly Wussow – Present  
Cory Jay – Present

## Utility Staff Present

Public Works Director  
Electric Director  
Finance Manager  
Water/Wastewater Manager  
Recording Secretary

Paul Sandy  
Trent Hawkinson  
Danny Loch  
Charlie Gammon  
Becky Ridlon

## Others in Attendance

City Council Liaison  
City Administrator  
HR Director  
Bolton & Menk  
Bolton & Menk

Jeff Czczok  
Nick Broyles  
Brittney Kummet  
Morgan Salo, PE  
Bryan Drown

Commissioner Angland opened the meeting with the Pledge of Allegiance.

## Approval of Agenda Items

**Motion by Commissioner Wussow and seconded by Commissioner Jay 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 Bayliss to approve the minutes from April 28th, 2026, current month's bills, and to approve listing of Surplus Auction Items. There was a unanimous roll call vote in favor of the motion. Motion carried.**

## Public Forum

None

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**May 26, 2026**

### **Commission Committee Reports**

#### Personnel Committee Report

Wussow stated nothing to report.

#### Finance and Operations Committee Report

Update on Generation Funding/Discussion - *see board packet for report.*

Loch presented a generation update and discussed capacity options from the committee meeting held earlier this month.

Loch reported that the utility did not receive any of the requested \$7.5 million in state funding for the hydro generation project and generator installation, as the project did not receive a required Senate hearing. An additional year of lobbying services has already been secured. The committee reviewed three potential paths forward: continuing to pursue state funding, self-funding the project through electric revenue bonds, or pursuing a peak-shaving generation plant. Staff will continue evaluating these options and return to the commission with recommendations. Commissioners were asked to provide directions if priorities change.

#### Authorize Staff to Negotiate An extended Capacity Agreement.

Loch Presented the 30MW capacity extension for 2030 and a 10 year agreement.

Discussion included:

Bayliss asked how often does something like this come up for auction?

Loch stated opportunities to acquire capacity do arise periodically, but they are typically much smaller, often in the range of 5 to 10 megawatts. The current opportunity for 30 megawatts is unusually large and is the first opportunity of this scale staff has seen in the past three years.

Wussow asked whether the projected capacity deficit is largely driven by the data center and requested a simple explanation of why the utility is now facing a capacity shortfall despite previously having available capacity.

Loch explained that the proposed capacity purchase would replace existing baseload capacity rather than increase overall capacity. An alternative would be to reduce the utility's capacity obligations, but that would mean serving less load and would require commission direction.

Angland requested additional context on the utility's baseload demand, including the amount of capacity currently available, the level of baseload requirements, and the impact of large energy users on overall capacity needs.

Hawkinson explained that the proposed capacity purchase is intended to serve the utility's native load, including residential and commercial customers, while large users such as crypto operations have separate capacity arrangements and are not included in the baseload forecast. Capacity planning is based

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**May 26, 2026**

on projected demand through 2030, with actual needs subject to change based on future growth. As a result, the utility could end up with either surplus capacity to sell or a need for additional capacity if demand exceeds projections. He noted that baseload currently averages about 25 megawatts but fluctuates daily due to customer usage, weather, building occupancy, and renewable generation, with load levels varying significantly from day to day.

**Motion by Commissioner Bayliss and seconded by Commissioner Jay to Approve staff to negotiate the extended capacity agreement. There was a unanimous vote in favor of the motion. Motion Carried.**

As a follow up to last month's committee discussion, Sandy discussed options for establishing standing committee meetings, proposing either the Thursday before packet week or the Monday of packet week to allow time for packet revisions. Sandy recommended holding the Personnel Committee meeting first, followed by the Operations/Finance Committee meeting, and requested commission direction on preferred scheduling moving forward.

Wussow expressed concern about unclear committee roles and suggested defining the responsibilities of the Operations and Personnel Committees before establishing standing meetings. She noted that committee purposes have changed over time and suggested discussing issues during regular commission meetings if standing committees are not clearly defined.

Angland asked staff for input on the value of the committees and what structure would be most beneficial for keeping matters moving forward, acknowledging that the committees' roles have evolved over time.

Czczok questioned the need for a personnel Committee, stating that personnel matters generally fall under the authority of the administrator and HR. He suggested that specific personnel-related issues, such as reviewing a new job description, could be handled through communication with staff rather than through regular committee meetings.

City Administrator Broyles emphasized that the Public Utilities Commission does not directly manage employees, but rather oversees infrastructure, planning, and rate-setting responsibilities. He stated they remain available to answer personnel-related questions and support the commission as needed but suggested the current Personnel Committee may be unnecessary and deferred to the commission's preference regarding future meetings.

Loch stated that committees are beneficial for discussing issues in advance, confirming commission direction, and allowing staff time to prepare research and information before bringing matters to the full commission. He noted this process would help staff assemble more complete and informed meeting packets.

Sandy suggested that, instead of standing committees, the commission could consider periodic work sessions to discuss larger topics such as hydro generation and to help align commission goals and direction. He noted these sessions could occur as needed, such as monthly, every few months, or quarterly, to provide guidance outside of regular meetings.

Angland expressed support for the idea of work sessions.

## BRAINERD PUBLIC UTILITIES COMMISSION MEETING

May 26, 2026

Sandy suggested starting with quarterly meetings, noting that the frequency could be adjusted based on workload and needs. He indicated flexibility in scheduling future sessions and sought additional input from the commission.

Jay responded in favor of reducing the number of meetings.

### Unfinished Business

Memo -See board packet for updates.

*Wussow asked for an update on the ClimaVision construction.*

*Loch stated that the project has not yet begun due to pending funding at the federal level. All necessary components are in place, and construction is expected to begin once funding is secured. The anticipated completion timeline is around 2027.*

Award Contract for 2026 Galvanized Service Line Replacement Project Number 1 - see board packet for report.

Public Works Director Paul Sandy presented.

**Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Award 2026 Galvanized Water Service Line Replacement Project to DeChantal Excavating at \$646,412.05 and authorizing the appropriate signatures on the contract documents. There was a unanimous vote in favor of the motion. Motion Carried.**

Award Contract for 2026 Galvanized Service Line Replacement Project Number 2- see board packet for report.

Public Works Director Paul Sandy presented.

**Motion by Commissioner Bayliss and seconded by Commissioner Jay to Award the 2026 Galvanized Water Service Line Replacement Project to DeChantal Excavating in the total contract amount of \$1,098,207.15 and authorizing the appropriate signatures on the contract documents. There was a unanimous vote in favor of the motion. Motion carried.**

Approve Contract Amendment for Professional Services with Bolton and Menk for Design, Right of Entry Permits, and Construction Phase Services for Additional Galvanized Water Service Line Replacements Related to the 2026 Galvanized Water Service Line Replacement Program.

Public Works Director Paul Sandy presented.

**Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Approve the scope and fee amendment with Bolton and Menk for the 2026 Galvanized Water Service Line Replacement Project No. 2, authorizing an additional not-to-exceed fee of \$43,880.00. There was a unanimous vote in favor of the motion. Motion carried.**

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**May 26, 2026**

### **New Business**

Approve Tyler Incode Accounts Payable Software Upgrade. See board packet for agenda request.  
Finance Manager Loch presented.

Discussion included:

Wussow asked, is the \$4,725 the initial cost to implement or the yearly? Loch clarified that the figure presented represents the total annual cost to implement the software, including both initial implementation expenses and ongoing future maintenance costs.

Jay asked if this would be a ongoing contract? Loch confirmed the proposal would be an annual contract cost of \$4,725, which would be added to existing expenses. The software already has the necessary capability, and the vendor would simply activate the feature. The system would centralize invoice capture and supporting documentation, consolidating records currently stored in Laserfiche into a single platform for easier access and review alongside check processing.

**Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Approve the AP Automation Capture only Suite at a cost of \$4,725 for a streamline and digital approval process for invoices There was a unanimous vote in favor of the motion. Motion Carried.**

### **Staff Reports**

City Administrator Report -see board packet for report.

Additionally, he wanted to recognize and congratulate Paul Sandy on his new position and Trent Hawkinson on the promotion to his new position.

Wussow commented positively on the technology update under the bridge, noting the installation of permanent cameras under a bridge where graffiti had been an ongoing issue. She expressed appreciation for the investment, stating it would help reduce recurring costs associated with graffiti cleanup and other property damage, and thanked staff for including the update in the report.

City Council Liaison Report

Council Liaison Czezok updated the Commission stating that the council had approved Ordinance 705, establishing an official water ordinance. The commissioner expressed appreciation that the item had been completed after a lengthy process and thanked staff for their work.

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

Public Works Director Report – see board packet for report.

Commissioner Jay asked whether delays in the Beach and Wright Street project would impact the contractor's eligibility to bid on future city work, noting the project is significantly behind its original schedule and questioning whether that affects future bid acceptance.

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**May 26, 2026**

Sandy explained that the contract for the Beach and Wright Street project remains in effect, including liquidated damages provisions, as the completion date has not been formally extended. While there are contractual mechanisms and potential processes—developed in coordination with the city attorney—that could impact future bidding eligibility, no decisions have been made regarding restricting future bids from the contractor. Staff noted that any such action would require further discussion with the city council and legal review. The current priority is completing the project and reopening the area to traffic before addressing contractual or performance-related consequences.

Electric Director Report - *see packet board for report.*

Additionally, Hawkinson reported that discussions regarding the proposed solar project are progressing positively. The applicant and landowner participated in productive conversations, resulting in agreement on several conditions that were acceptable to both parties. He noted that communication between the parties was constructive and collaborative. The matter is scheduled to be presented to the full county board on June 16, and the city is closely monitoring the process to determine the direction that may result from the board's decision.

Wussow requested that future presentations regarding service territory exchanges include maps identifying impacted areas and customers. Wussow also asked for additional details on the cost impacts to affected customers when evaluating potential service territory changes and trading arrangements, noting this information should be included in coordination with staff support.

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

Czczok asked for clarification regarding system integrators, noting they are an external company hired to support the utility and requesting confirmation of their role and function. Gammon explained that system integrators are specialized contractors who support the utility's SCADA and control systems by programming and maintaining PLCs across facilities such as lift stations, booster stations, wellhouses, and water treatment plants. The recent integration work supported multiple water system projects, including the Riverside Booster, and involved configuring and commissioning system controls. The original contract was approximately \$120,000–\$130,000 and was funded through capital planning. Staff noted this type of work is needed periodically, generally aligned with 10–15 year equipment replacement cycles depending on system condition and support requirements.

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

Additionally reported that the audit results have been received and will be presented at the next monthly meeting, with materials available for review in advance upon request.

Loch also provided an update on payment processing fees, noting that Tyler Payments charges per transaction regardless of whether a debit or credit card is used. After pausing the fees due to customer concerns, the city attorney confirmed that it is legally permissible to charge fees for both debit and credit card transactions. Staff indicated that the fees will be reinstated as previously directed by the commission.

## **BRAINERD PUBLIC UTILITIES COMMISSION MEETING**

**May 26, 2026**

Wussow asked for clarification on the budget report. Loch explained that the budget report reflects year-to-date figures, where the annual budget is evenly divided by 12 months. Electric revenue and expenses are both lower than expected due to seasonal demand patterns, with lower industrial load and reduced cooling needs during cooler months. As a result, both purchased power costs and corresponding revenues are currently below budget but are expected to increase during warmer months.

### Commission Members – Report

Bayliss expressed appreciation and gratitude to the families and service members who have made sacrifices and given their lives in service.

Wussow gave kudos to Community Development Director James Kramvik for a recent presentation on data centers, noting it was clear, accurate, and presented in layman's terms. The commissioner also acknowledged staff support in preparing the presentation and recommended it for others to review due to its usefulness and clarity on a timely topic.

Jay thanked everyone for a great meeting.

Angland commended the City of Brainerd for hosting the Memorial Day service and encouraged others to attend in the future, noting it was a meaningful experience. The commissioner also expressed gratitude to all who have served in the military.

### **Adjournment**

**Motion by Commissioner Wussow and seconded by Commissioner Bayliss to adjourn. There was a unanimous vote in favor of the motion. Motion carried at 10:17 AM.**

---

Mike Angland, Commission President

---

Danny Loch, Finance Manager/Secretary