



BRAINERD PUBLIC UTILITIES

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The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on July 28, 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 – Absent

Utility Staff Present

Public Works Director
Finance Manager
Water/Wastewater Manager
Business Office Supervisor
Business Office Supervisor
Recording Secretary

Paul Sandy
Danny Loch
Charlie Gammon
Jana Pernula
Heidi Gandsey
Becky Ridlon

Others in Attendance

City Mayor
City Administrator
HR Director
Deputy Public Works Director/City Engineer
Public Services Director
Waterworth

Dave Badeaux
Nick Broyles
Brittney Kummet
Jennifer Schumann
Zachary Swarthout
Adam Duddy -Virtual

Commissioner Angland opened the meeting with the Pledge of Allegiance.

Public Works Director Paul Sandy introduced Deputy Public Works Director/City Engineer Jennifer Schumann to the commission. City Administrator Nick Broyles introduced Public Services Director Zachary Swarthout to the commission.

Approval of Agenda Items

Commissioner Angland requested to add under 6. C - quote from Waterworth Electric Module to the agenda.

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

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Approval of Consent Items

Motion by Commissioner Bayliss and seconded by Commissioner Wussow to approve the Minutes from June 30th, 2026, Current month's bills, out of state travel, Recommended Surplus items for Auction. There was a unanimous roll call vote in favor of the motion. Motion carried.

Tower Award Presentation

Mayor Dave Badeaux presented, Business Office Supervisor, Jana Pernula, with the Tower Award in recognition of her 33 years of dedicated service to the City of Brainerd. Mayor Badeaux thanked Jana for her many years of commitment and contributions to the city and wished her all the best in her well-earned retirement.

Waterworth Rate Study Tool Presentation

Finance Manager Danny Loch & Waterworth Adam Duddy -Virtual, Presented a summary and outline of the Waterworth program and an updated water and wastewater model.

Sandy said the model confirmed the water utility has been in a difficult financial position for years, making a new water treatment plant the city's top priority. Staff will consider delaying some water distribution projects to help fund the plant and reduce future rate increases. Sandy noted the wastewater fund has more flexibility because permit-driven projects typically allow several years for compliance, giving the city time to build reserves. However, the water fund requires more immediate action due to its long-standing deficit and growing emergency repair needs. Staff will use the completed rate study to guide the 2027 budget process and plan future rate adjustments.

Commissioners Wussow, Angland, and Bayliss praised the presentation and financial model for clearly illustrating the utility's challenges and improving transparency. They agreed the water treatment plant can no longer be delayed and said the model's flexibility and clear presentation will support informed decision-making, strategic planning, and better communication with ratepayers.

Loch thanked Adam and his team for their support throughout the implementation process. He noted they met weekly for more than two months to ensure staff understood the software, verified the data, and became comfortable using the model. Loch praised the team's ongoing service and said they delivered on their commitment, making the implementation a positive experience.

Quote from Waterworth

Presented by Finance Manager Loch

Loch presented a proposal to expand the Waterworth software to include electric and stormwater modules. Loch explained that the software has been valuable for long-term capital budgeting by allowing easier adjustments and improved planning compared to the current Excel-based process. After reviewing the system, staff recommended implementing it for all utility enterprise funds moving forward.

The proposed annual costs are \$9,000 for the electric module and \$3,000 for the stormwater module. Loch noted the higher cost for electric is due to the complexity and size of the system compared to previously implemented modules.

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Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Approve quote from Waterworth software access to electric service support and advising \$9,000 and software access to stormwater service support and advising \$3,000. There was a unanimous vote in favor of the motion. Motion Carried.

Public Forum

None

Unfinished Business

Memo -See board packet for updates.

Loch reported that the Climate Vision weather radar project received federal funding and construction is expected to begin before September 15. The city has coordinated with Climate Vision, and installation will move quickly, resulting in increased activity at the state hospital site, including cranes and radar installation. He also provided an update on the hydrogeneration project, noting that complications with benefit calculations for the new generator have delayed progress. Revised calculations are expected to be available at the next meeting.

BPU POL 2021-01 Opt Out Meter Reading Fee - see board packet for report.

Finance Manager Loch presented.

Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Approve BPU POL 2021-01 Opt Out Meter Reading Fee. There was a unanimous vote in favor of the motion. Motion Carried.

BPU POL 200-15 Non-Sufficient Funds Checks and ACH Payments

Finance Manager Loch presented.

Motion by Commissioner Bayliss and seconded by Commissioner Wussow to Approve BPU POL 2008-15 Non-Sufficient Funds Checks and ACH Payments. There was a unanimous vote in favor of the motion. Motion Carried.

New Business

Approve Fee Amendment with HR Green – Main Lift Station Reconstruction Project - See board packet for agenda request.

Public Utilities Director Sandy presented.

Angland Abstained from this item.

Wussow asked whether any other lift stations are located in environmentally sensitive areas and what lessons could be applied to future projects. Sandy replied that no other lift stations currently present similar concerns but noted that the new water treatment plant may require environmental documentation, FEMA coordination, or other regulatory review during the preliminary design phase.

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Bayliss asked whether the approval amount was \$64,000, noting that HR Green's letter listed a total of \$66,000. Sandy clarified that the \$64,000 amount was a typographical error and that staff was requesting approval of the full \$66,000.

Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Approve fee amendment to the agreement with HR Green in a not-to-exceed amount of \$66,000. There was vote in favor of the motion with one abstention of the motion with Angland abstaining. Motion carried.

Staff Reports

City Administrator Report -see board packet for report.

Nothing additional to report.

Angland thanked Broyles for attending the Brainerd Fire Department construction meetings when possible and expressed appreciation for his participation and support.

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

Nothing additional to report.

Public Works Director Report – see board packet for report.

Additionally, Paul welcomed new Water and Wastewater Operator Lee Anderson, and provided updates on several construction projects, noting that work continues as scheduled and several spring projects are nearing completion.

Wussow commented on the absence of pending change orders and asked for an update on the fats, oils, and grease (FOG) control program. Paul said staff are currently focused on completing the mercury program with Baxter and will address the FOG program afterward.

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

Wussow asked whether staff should continue reporting Baxter's water usage now that the city is no longer supplying water. Gammon recommended continuing to track the information for the time being while Baxter demonstrates it can meet its needs independently. Wussow also asked whether the water purchase agreement should be renewed annually if future service is needed. Gammon noted that the Minnesota Department of Health should be aware if the City provides water to another municipality and stated that discussions should continue as needed.

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

Loch highlighted updates from his report, including upcoming release of Dying to Film videos, exploration of potential funding for a hydro generation project, and implementation of AP automation. He also noted upcoming IT integration work scheduled for August 18–24 that may cause temporary system downtime. Loch provided an overview of hydro costs, noting current generation costs and potential future costs associated with a generator project.

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Commission Members – Reports

Commissioner Bayliss

Bayliss thanked all BPU staff for their hard work and dedication, recognizing the behind-the-scenes efforts that support services relied upon by the community.

Commissioner Wussow

Wussow congratulated Jana on her retirement and shared highlights from the MMUA legislative program update, noting discussions on funding for drinking water infrastructure, PFAS mitigation, and lead service line replacement. Staff was thanked for monitoring funding opportunities. It was also confirmed that the City's lobbying services will remain in place for another year.

Commissioner Angland

Angland recognized BPU staff for their responsiveness and support of construction owners and contractors. He also congratulated Jana on her years of service, noting that her longevity reflects the strength of the organization.

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 10:08 AM.

Mike Angland, Commission President

Danny Loch, Finance Manager/Secretary