



BRAINERD PUBLIC UTILITIES

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The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on August 25, 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 – Absent
Cory Jay – Present

Utility Staff Present

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

Trent Hawkinson
Paul Sandy
Danny Loch
Charlie Gammon
Heidi Gandsey
Becky Ridlon

Others in Attendance

City Council Liaison
City Administrator
Bolton & Menk

Jeff Czczok
Nick Broyles
Morgan Salo, PE

Commissioner Angland opened the meeting with the Pledge of Allegiance.

Approval of Agenda Items

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

Approval of Consent Items

Motion by Commissioner Jay and seconded by Commissioner Bayliss to approve the Minutes from July 28th, 2026, Current month's bills, Conflict Waiver with Flaherty and Hood for Representation to the City of Brainerd for Representation related to the Sewer Use and Capacity Agreement, and to Recommended Surplus items for Auction. There was a unanimous roll call vote in favor of the motion. Motion carried.

Public Forum

None

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Unfinished Business

Memo -See board packet for updates.

Proposals for Geotechnical Services – Water Treatment Plant Backwash Reclamation Project - see board packet for report.

Public Works Director Sandy presented.

Motion by Commissioner Bayliss and seconded by Commissioner Jay to Award Braun Intertec testing services contract for the Water Treatment Plant Backwash Reclamation Project at a fee not to exceed \$9,941. Motion Carried.

BPU POL 2013-16 Meter Reading Fee

Finance Manager Loch presented.

Motion by Commissioner Bayliss and seconded by Commissioner Jay to Abolish BPU POL 2013-16 Meter Reading Fee. There was a unanimous vote in favor of the motion. Motion Carried.

BPU POL 2014-18 Fee for Temporary Electric Services

Finance Manager Loch presented.

Discussion included: Commissioner Jay asked whether the policy would apply to downtown fundraisers using temporary meters. Loch confirmed that it would. He also clarified that the \$150 fee is not changing; the policy is simply being updated to reference the city's fee schedule so future fee changes can be made there without having to revise the policy itself.

Motion by Commissioner Jay and seconded by Commissioner Bayliss to Approve BPU POL 2014-18 Fee For Temporary Electric Services. There was a unanimous vote in favor of the motion. Motion Carried.

New Business

Hydro Update and Quote for Tax Credit Services - See board packet for agenda request.

Finance Manager Loch presented.

Czczok asked whether hiring CLA would handle the required paperwork and submit it to the IRS, which Loch confirmed. Czczok also asked whether receiving the tax credit was guaranteed if the project met the criteria; Loch confirmed that CLA would help ensure the requirements are met. They discussed whether legislative bonding could still be pursued for the remaining costs, but Loch clarified that other funding would reduce the amount of the tax credit. Finally, Loch explained that the project must have construction started by the end of 2028, so there is some time to proceed.

Bayliss expressed concern about potential delays or availability issues since the previous generator manufacturer no longer produces the equipment. Hawkinson explained that VOITH has more than 100 years of experience in the hydro industry located in Germany and is a reputable manufacturer, so he does not anticipate significant concerns with the company or its equipment. However, because the equipment will be imported, tariffs and other international supply issues could present challenges.

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Angland asked staff to explain the domestic content eligibility and certification and energy community bonus requirements. Loch explained that the domestic content requirements relate to BABA rules and need further clarification because some equipment will be manufactured overseas. He also explained that the energy community bonus provides an additional 10% tax credit for communities with a former coal-fired plant, and confirmed that the project qualifies.

Angland asked about using the software and consultant to evaluate different funding scenarios if the city moves forward with the tax credit. Loch confirmed that the project timeline and equipment procurement currently meet the credit requirements, and a memo supports the need for the VOITH generator from Barr engineering as a sole source component.

The Commission discussed structuring the project in phases, including eligibility checkpoints and the ability to stop if the project does not qualify. Concerns were raised about the significant differences in projected credits and fees between Baker Tilly and CLA. Staff will follow up with both firms regarding scope, fees, and phased work, and research options for a third firm or formal RFP. The item was held over to the next meeting for additional information. The Commission generally agreed to continue exploring this opportunity as the primary funding option rather than legislative bonding or state funding.

Staff Reports

City Administrator Report -see board packet for report.

Broyles additionally reported meeting with local legislators to discuss legislative priorities ahead of the next session, with a focus on parks and trails. Follow-up meetings are anticipated. Staff also noted a successful summer for projects and development and expressed satisfaction with the current staff team.

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

Public Works Director Report – see board packet for report.

Sandy stated the ClimaVision project is currently in the development phase, with all agreements in place and installation planned for September 15. Staff is coordinating tower inspections, site preparation, utilities, and local contractors. An open house is planned for September 15.

Additionally recognized IT staff for their significant efforts in completing the city network integration over the weekend. Staff worked throughout the weekend and continue addressing remaining connectivity and SCADA-related issues. The Commission expressed appreciation for the extensive preparation and successful implementation.

Electric Director Report -

Hawkinson reported that the utility has been very busy coordinating contractors and ensuring safe work around power facilities. A recent storm caused an outage affecting approximately 3,888 customers, with service largely restored within two and a half hours. The hydro project, including generator work and a new roof, is underway, and the Eden Solar project remains on track. Staff are also receiving inquiries regarding new large loads and attended the MMUA Summer Conference. Hawkinson commended utility staff for their response to outages and continued commitment to safety.

City Council Liaison Report

Czczok expressed appreciation to utility staff for their quick response and efforts to restore power following outages, recognizing the importance of reliable utility service to the community.

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

Gammon reported that water and wastewater staff supported the recent power outage response by operating standby generators and servicing lift stations and booster stations. He also noted that the MMUA conference was beneficial for sharing ideas with other communities. Lead and copper sampling is ongoing, with results pending from the Minnesota Department of Health. Land application for the current cropping year will conclude at the end of September.

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

Loch reported that budget preparation is underway, with preliminary budget meetings planned through September and early October and a budget presentation anticipated in October. AP automation and IT integration are nearly fully implemented. Waterworth's electric data is sent to Adam for review and input with a presentation to follow, with stormwater data expected by the October meeting. Loch also noted the expanded, utility-wide focus of the MMUA conference and stated that financial statements will be distributed as they are completed.

Commission Members – Reports

Commissioner Bayliss

Thanked staff for their hard work and efforts in keeping the city running smoothly and wished everyone a good remainder of the week.

Commissioner Jay

Echoed appreciation for staff and expressed optimism about the improvements to Brainerd once the current projects and detours are completed.

Commissioner Angland

Expressed appreciation for staff efforts and encouraged commissioners to reach out to staff outside of meetings for a deeper review of budget and financial information as the organization transitions into the upcoming budget cycle.

Adjournment

Motion by Commissioner Jay and seconded by Commissioner Bayliss to adjourn to ClimaVision Installation Preview -September 14th, 2026 2pm-4pm at the State Hospital, there was a unanimous vote in favor of the motion. Motion carried at 9:58 AM.

Mike Angland, Commission President

Danny Loch, Finance Manager/Secretary