BRAINERD PUBLIC UTILITIES
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The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on August 27, 2024.

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

**Commission Roll Call**

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| Mike Angland – Present | Mark O'Day – Present |
| Tad Johnson – Present | Tad Erickson - Present |
| Dolly Matten – Absent | |

**Utility Staff Present**

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| Public Utilities Director | Christopher Evans |
| Interim Public Utilities Director | Patrick Wussow |
| Finance Manager | Danny Loch |
| Operations Manager | Trent Hawkinson |
| Water/Wastewater Manager | Charlie Gammon |
| Business Office Supervisor | Jana Pernula |
| Recording Secretary | Mandy Selisker |

**Others in Attendance**

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| City Administrator | Nick Broyles |
| HR Director | Kris Schubert |
| Community Development Director | James Kramvik |
| City Liaison | Jeff Czeczok |
| Bolton & Menk | Morgan Salo, PE |

Commissioner Angland opened the meeting with the Pledge of Allegiance.

**Approval of Agenda Items**

***Motion by Commissioner O'Day and seconded by Commissioner Erickson to approve the agenda. There was a unanimous vote in favor of the motion. Motion carried.***

**Approval of Consent Items**

***Motion by Commissioner Johnson and seconded by Commissioner O'Day to approve the minutes from the July 30th, 2024, regular monthly meeting, current month's bills, surplus auction items, out of state travel for MHUG Conference and Pay Application #7 received from Minger Construction for $13,116.79. There was a unanimous roll call vote in favor of the motion. Motion carried.***

**BRAINERD PUBLIC UTILITIES COMMISSION MEETING**
**August 27, 2024**

**Public Forum**
None

**Commission Committee Reports**
Personnel
Commissioner O'Day welcomed and introduced the new Public Utilities Director, Christopher Evans.

Finance
None

Operations Policy Committee
None

**Unfinished Business** - *See board packet for staff memo.*
Current Unfilled Employment Positions at BPU
Finance Manager Loch reported two Journeyman Lineman positions have conditional job offers.

Development of Plan to be Carbon Free by 2040
Commissioner Johnson noted that he has heard increased discussion in the media regarding this and inquired who would be a good lobbyist for this topic. Interim Public Utilities Director Wussow and Operations Manager Hawkinson discussed MMUA being the leader on this. Additional discussion included ongoing changes in legislation and political environments where questions remain unanswered until final decisions are made at the state level. Presently to meet the carbon goals BPU is purchasing the renewable energy credits to meet the requirements.

Approval of EV Charging Grant Recommendation
Interim Public Utilities Director Wussow discussed that the location was approved by the City Council and if BPU proceeds with the project, applying for the grant would also need to be approved by the City Council. Discussion included additional costs and maintenance requirements.

***Motion by Commissioner Johnson and seconded by Commissioner O'Day to deny moving forward with the EV Charging Grant Application. There was a unanimous vote in favor of the motion. Motion carried.***

**New Business**
Approval of KLM Water Tower Maintenance Contract
Water/Wastewater Manager Gammon presented. Discussion included:

- 10-year contract with SEH came to an end in 2024 and staff explored new vendors.
- KLM has an open-ended contract.
- Commissioner Johnson inquired on why not choose to continue with SEH. Gammon reported that a long-term inspection/maintenance contract is not typical anymore and SEH chose not to extend the contract after the current one closed.
- KLM has this specialty and potentially more resources.

- Commissioner Angland inquired on any exclusions in proposal. Language was discussed and not a concern, per Gammon, for the exclusion of the interior of the inlet pipe is excluded from the evaluation (for the remote operated vehicle).
- Commissioner Angland also pointed out Section 13 regarding delays and wanted staff to be aware of the clause.

***Motion by Commissioner O'Day and seconded by Commissioner Erickson to approve the KLM Water Tower Maintenance Agreement. There was a unanimous vote in favor of the motion. Motion carried.***

Consider Reclassification of Jason Gage from Laborer to Wastewater Operator

HR Director Schubert presented. Discussion included:

- Jason Gage was hired in June of 2023 as a Laborer at the Wastewater facility. Since being hired, he has completed training and received his Boiler's License, Type IV (Biosolids) license and most recently passed his Class D Wastewater Operator Test and will be receiving his license. The Commission could recommend approval to City Council since it is both operations and personnel.
- City Liaison Czeczok inquired if staff intends to back fill Laborer position. Gammon noted, not at this time.

***Motion by Commissioner Johnson and seconded by Commissioner O'Day to recommend to City Council to approve the reclassification of Jason Gage to a Wastewater Operator at Step 2 of the Wastewater Operator was grid ($31.37 per hour). There was a unanimous vote in favor of the motion. Motion carried.***

**Staff Reports**

**City Administrator Report**

City Administrator Broyles reported on the following:

- Welcome to the Public Utilities Director, Christopher Evans.
- Expressed thanks to Interim Public Utilities Director Wussow for his service and leadership.
- Preliminary Levy
  - The City Council meeting took place August 26, 2024, to discuss.
  - Preliminary levy is projected to be an 8.64% increase over last year.
  - Departments that have outstanding budget requests to be considered are the EDA, Library and Airport. If all these requests were allocated in their entirety, it would reflect a 10.22% increase. More discussions will take place.
- Airport
  - Meeting with County Administrator Erickson tomorrow regarding operations and levy.
- Performance Reviews
  - The work group continues to meet to discuss the review process with the goal to make it meaningful without being burdensome. An update will be given at the City Council meeting on September 3rd.
- Reorganization of Public Works positions
  - The Council approved a reclassification of the City Engineer. The overall impact of full-time employee positions is a net zero. The current Public Works Director/City Engineer,

Jesse Dehn, will be moving into the City Engineer position and advertising will begin for the Public Works Director position.

- Design Standards – Ongoing Considerations
    - Looking at potential mixed use on Washington Street.
        - Currently uniquely Commercial. Overall, Community Development Director Kramvik reported the new zoning codes are going well.
- Written report
    - Goal to submit reports in written format in the future.

**City Liaison Report**

Czeczok reported on the following:

- 805 Laurel Street project: The workforce housing is going to be determined late next month.
- Renewable Energy: An article in the Dispatch noted thousands of prevailing wage jobs to be potentially created. Czeczok noted that ongoing maintenance and operations after construction would need considerably less jobs.
- Expressed thanks to Patrick Wussow.
- Welcomed Public Utilities Director Evans.

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

HR Director Schubert reported on the following:

- Union Negotiations: An additional mediation session occurred on August 16, 2024, which ended with both the union and the employer agreeing to pursue interest arbitration. The City Council reaffirmed on August 19, 2024. The city's attorney and the union's attorney are working to certify outstanding issues. It could be December before the process is complete.
- Health Insurance: Received preliminary renewal shows an 8% increase in premiums, which was the rate cap was for 2025. The Insurance committee is scheduled to meet on September 3rd.

**Public Utilities Director's Report** – *see board packet for report.*

Interim Public Utilities Director Wussow reported on the crypto mining customers and updates to the contract discussions that have been occurring and the joint meeting that occurred.

**Managers Reports**

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

Commissioner O'Day inquired on the status of previous months financials bring received at the meeting.

- Finance Manager Loch noted the goal is next month.

Commissioner Johnson inquired on the Hydro benefit statistics.

- Would like to see the revenue generated from the sales of the generation in addition to the benefit of the avoided power cost.

Operations Manager Report – *see board packet for report.*

Operations Manager reported on the following:

- Welcome to Christopher Evans
- Storms avoided last night

- Commissioner Johnson inquired on mutual aid needed. Hawkinson reported receiving one call, but that BPU is unable to answer requests for mutual aid at this time due to staffing numbers.

Water/Wastewater Report – *see board packet for report.*
Commissioner Johnson requested that the benchmarks and goals for each reported stat be noted to better help understand where BPU is at within each requirement.

Commissioner Angland encouraged an email update to the Wastewater Management Board or a future meeting with a project update with budget time near.

**Commission Members – Reports**
Commissioner Matten submitted a written report- *see board packet for report.*
Commissioner Angland reported on the following:

- Meeting this week for the grant received from the Department of Energy.
  - Public outreach to come in October.

Commissioner Johnson reported on the request from City Council to budget 10% of the City administrators Salary and discussion occurred relating to how this can affect the internal relations within the city departments. A request to discuss this on a finance committee agenda was directed to staff.

Next Board meeting is scheduled for September 24, 2024.

**Adjournment**
***Motion by Commissioner Erickson and seconded by Commissioner Johnson to adjourn to closed session pursuant to section 13D.05 subd. 3 c1 to discuss parcel 40160519 and 41361081 price. Motion carried at 10:09 AM.***

Dolly Matten, Commission President

Danny Loch, Finance Manager/Secretary