



PUBLIC UTILITIES COMMISSION AGENDA

City of Brainerd, Minnesota
City Hall, 501 Laurel Street, Council Chambers
Tuesday, April 28, 2026 @ 9:00 AM

The public is invited to attend these meetings in person
Attend by phone: 1-469-250-2695
Meeting Access Code:

Per MN Statutes 13D.02 Subd 1 Commission Members may participate by interactive technology.

Meetings are broadcast on CTC ch 8, Charter ch 181, YouTube, AppleTV, Roku, and Amazon FireTV

1. **Call To Order**

2. **Roll Call**

___M. Bayliss ___C. Jay ___D. Wussow ___M. Angland ___Vacant

3. **Pledge of Allegiance**

4. **Approval Of Agenda - Voice Vote**

5. **Consent Calendar**

NOTICE TO PUBLIC - all matters listed are considered routine by the Commission and will all be enacted by one (1) motion. There will be no separate discussion of these items unless good cause is shown prior to the time the Commission votes on the motion to be ADOPTED BY ROLL CALL

A. **Approval of Bills**

(Available upon request in the Public Utilities Director's Office)

B. **Approval of Minutes**

1. Regular Monthly Meeting March 31, 2026
2. Special Meeting, April 17, 2026

C. **Approve Request from Customers for Credit of Wastewater Treatment and Collection Charges**

6. **Public Forum**

Time allocated for citizens to bring matters not on the agenda to the attention of the Commission -
Time limits may be imposed

7. **Commission Committee Reports**

- A. **Personnel Committee**
- B. **Finance and Operations Committee**
- 8. **Unfinished Business**
 - A. **Unfinished Business**
(See attached separate memo regarding updates on unfinished business)
 - B. **Approve FY 2027 - 2029 Professional Engineering and Architecture Services Pool (On-Call Roster)**
 - C. **Approve Draft City Code Chapter VII Public Utilities — Section 705 - Water System**
 - D. **Approve Tabled Amended BPU_POL_2007-12 Fee for Checking Readings and Test/Change Meters**
 - E. **Approve Amendment to BPU_POL_2005-08 Application for Service**
 - F. **Approve Guaranteed Maximum Price (GMP) and Authorization to Execute Construction Phase Contract with Rice Lake Construction Group for the 2026 Water Treatment Plant (WTP) Reclamation Tank Project**
 - G. **Approve Large Industrial Power > 5 MW Application Process and Guidebook**
- 9. **New Business**
 - A. **Approve Resolution 2026-03 for Bond issuance 2026A**
 - B. **Review and Approve the 10-Year Capital Improvement Plan**
- 10. **Staff Reports**
(Verbal: Any Updates since Packet)
 - A. **City Administrator Report**
 - B. **Council Liaison Report**
 - C. **HR Director Report**
 - D. **Public Utilities Director Report**
 - E. **Finance Manager Report**
 - F. **Operations Manager Report**
 - G. **Water/Wastewater Manager Report**
- 11. **Commission Member Reports**

12. **Adjourn**

Visit Brainerd Public Utilities website at www.bpu.org

MISSION

"The mission of Brainerd Public Utilities is to provide safe, reliable, environmentally friendly electric, water and sewer services to our customers at the lowest reasonable cost."



BRAINERD PUBLIC UTILITIES

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www.bpu.org

The regular meeting of the Brainerd Public Utilities Commission was held at 9:00 AM on March 31, 2026.

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

Commission Roll Call

President Mike Angland – Present
Mike Higgins – Present
Misty Bayliss – Present

Vice-President Dolly Wussow – Present
Cory Jay – Present

Utility Staff Present

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

Paul Sandy
Danny Loch
Trent Hawkinson
Charlie Gammon
Jana Pernula
Becky Ridlon

Others in Attendance

City Council Liaison
HR Director
Bolton & Menk
Bolton & Menk
Eden Renewables
Eden Renewables
Citizen
Citizen

Jeff Czczok
Brittney Kummet
Morgan Salo, PE
Bryan Drown
Thomas Cosby -Virtual
Robert Long
Reid Thiesse
John Forrest

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 amended agenda adding the surplus auction request to City Council. There was a unanimous vote in favor of the motion. Motion carried.

Approval of Consent Items

Czczok requested an amendment to the minutes of February's meeting for a spelling correction of Representative Stauber's name

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

March 31, 2026

Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve the amended minutes from March 31st, 2026, regular monthly meeting, current month's bills, approve the Annual Distributed Energy Reporting (DER) Board Report and Filing, and to approve Advertisement for Sealed Bids for Hydro Dam Powerhouse Roofing Project and surplus auction items. There was a unanimous roll call vote in favor of the motion. Motion carried.

Public Forum

John Forrest addressed the commission, A longtime Brainerd resident (nearly 50 years) praises BPU for reliable service, especially during storms. Drawing on decades of community involvement, especially with parks and riverfront development, he emphasizes that attractive parks help drive economic growth and attract young families.

His main concern: overhead power lines. He argues they hurt the city's appearance, increase storm-related risks and costs, and may deter newcomers. He urges BPU to create a long-term (e.g., 10-year) plan to gradually bury power lines, starting with areas like West Brainerd and along Highway 210, especially with upcoming road construction.

President Angland and Commissioner Jay thanked the speaker for his comments and long-standing community involvement.

Angland acknowledges Mr. Forrest's suggestion about burying power lines and says the idea will be added to the finance and operations committee agenda to explore feasibility, including further discussion with staff.

Commission Committee Reports

Personnel Committee Report

President Angland appointed Bayliss to Personnel committee.

Finance and Operations Committee

Review Large Industrial Power Customer Application for Service and Transmission Study Process.

The finance and operations committee discussed a rise in large power requests (5+ megawatts), including data centers and energy-intensive computing like crypto mining. These projects require major coordination with the local utility and the broader grid.

To manage this, staff proposed creating a formal application process and framework for large industrial users—from initial inquiry to final power agreements. The goal is to streamline evaluation, ensure serious applicants, and recover staff costs. A draft application and process outline were presented, with flexible placeholder fees, and a pre-application step to filter out non-serious inquiries.

Bayliss asked whether applicants would need financial safeguards (like milestone payments or a letter of credit) to ensure existing customers don't bear costs. Staff confirmed yes—the goal is that all project costs, including system upgrades, are fully paid by the applicant, not current ratepayers.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

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Commissioners discussed the proposed large load application process and fee structure. Commissioner Jay expressed concern with the open-ended pricing for projects over 25 MW, noting that “to be determined” lacks clarity and suggested a more defined structure or scope of work. Staff acknowledged the concern and explained that costs vary significantly based on project size and complexity, particularly due to coordination with regional grid operators. Staff noted that final pricing would be established by the Commission and indicated support for adding more structure, such as a base fee with additional cost components.

Commissioner Czezok asked when inquiries would require a formal application. Staff responded that projects at or above 5 MW would be directed into the formal application process, while smaller projects could be handled internally, and this application process would start as soon as it was approved by Commission.

Commissioner Wussow supported the inclusion of early governing body approval and asked whether additional details, such as water use or chemical usage, should be required. Staff indicated those items would be addressed later through other permitting and regulatory processes.

The Commission and staff also discussed adding timelines to the process. Staff supported establishing review timelines to keep projects moving, suggesting approximately 90 days per phase and potential expiration of incomplete applications after a defined period. Staff noted that timelines must align with city requirements and that portions of the process involving regional grid operators are outside local control and may extend significantly.

Motion by Commissioner Jay and seconded by Commissioner Higgins to Move forward with the Large Industrial Power Customer Application for Service and Transmission Study Process. There was a unanimous vote in favor of the motion. Motion carried

Review Eden Renewables Solar Development Purchase Power Agreement Proposal. Public Utilities Director Paul Sandy presented.

Staff recommended approving the PPA framework and letting them finalize terms before bringing it back for final approval. The proposal includes a 35-year agreement at 8.75¢/kWh with about \$500,000 in interconnection costs.

The project is expected to break even around years 13–14 and then produce long-term savings, potentially around \$10 million, while helping stabilize rates and support renewable energy goals. There is some uncertainty around future energy prices and state mandates, but the agreement provides a hedge against those risks.

Discussion emphasized the value of long-term price stability and increased local power generation. Higgins was initially opposed during the committee conversation changed position after revisions, supporting the project due to guaranteed output, projected savings, and overall long-term benefits for the community.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

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Motion by Commissioner Higgins to approve the proposed PPA framework and authorize Director Sandy to negotiate the final term sheet and complete legal review of the agreement, based on a 35-year term at \$0.0875 per kWh and estimated \$500,000 interconnection cost.

Jay seconded the motion with an amendment moving forward with a non-binding letter of intent added into the motion.

Angland Abstained from this item.

Amended Motion by Commissioner Higgins and seconded by Commissioner Jay to move forward with a non-binding letter of intent -the proposed PPA framework and authorize Director Sandy to negotiate the final term sheet and complete legal review of the agreement, based on a 35-year term at \$0.0875 per kWh and estimated \$500,000 interconnection cost. There was a unanimous vote in favor with one abstention of the motion with Angland abstaining. Motion carried.

Approve Replacement and Payout of Totaled Water Distribution Truck

Finance Manager Loch presented.

Czeczok asked about equipment status after a transmission failure, He also asked about new truck purchases and whether parts from older vehicles would be salvaged. Loch confirmed it is currently being replaced. Hawkinson confirmed that usable components will be reused whenever possible.

Hawkinson explained that staffing is increasing for water service crews, and with upcoming major work on Highway 210, additional trucks are needed. One older truck will be repurposed into a utility flatbed with upgraded equipment, and that conversion is already included in the current budget.

Higgins expressed hesitation about the high cost of purchasing two new trucks but ultimately supported the purchase due to the heavy workload ahead, including the Highway 210 project and long-term lead service line replacement work. He emphasized the importance of giving crews proper equipment to do their jobs well.

Motion by Commissioner Jay and seconded by Commissioner Higgins to approve the amendment to 2026 budget purchasing both vehicles in 2026. There was a unanimous vote in favor of the motion. Motion carried.

Unfinished Business

Memo -See board packet for updates.

Review City Code Section 705-Water System
Public Utilities Director Paul Sandy presented.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

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The commission reviewed a draft policy document and discussed next steps for revisions. Staff explained they had already made some changes based on feedback, including clarifying definitions like “property owner” versus “customer” and ensuring service line responsibility stays with the property owner.

Several commissioners said they hadn’t had enough time to fully review the document and preferred to send written comments rather than decide immediately. Staff agreed and noted there was some urgency due to a city codification process but supported extending review time.

Commissioners asked for two weeks to submit feedback by April 15, to Director Sandy, and then bring a revised version back to the next meeting.

Approve BPU POL 2007-11 amended Utility Service Turn on Fee

Finance Manager Loch presented.

Staff presented a redlined update to the policy. The main changes include expanding it from just a water turn-on fee to a general utility service turn-on fee, removing specific fee amounts from the policy, and instead referencing the official fee schedule.

The goal is to keep things consistent across all utilities (water, electric, wastewater) and avoid updating fees within the policy itself. Staff noted that a finalized fee schedule will be developed later, likely after all policy reviews are complete. Additional edits align the document with the approved 2026 policy template.

Motion by Commissioner Wussow and seconded by Commissioner Higgins to approve Amended Policy BPU POL 2007-11 Utility Service Turn on Fee as presented. There was a unanimous vote in favor of the motion. Motion carried.

Approve BPU POL 2007-12 Fee for Check Readings and Test/Change of utility Meters

Finance Manager Loch presented.

Higgins raised concern that the proposed policy changes might conflict with state law. Staff confirmed that, at least on the electric side, there could be a statutory issue.

As a result, the commission decided to table the item for now, do further legal review, and revisit it at a future meeting with no recommendation made at this time.

Motion by Commissioner Wussow and seconded by Commissioner Higgins to Table the updated Policy BPU POL 2003-05 Fees for Water Meters as amended. There was a unanimous vote in favor of the motion. Motion carried.

Approve BPU POL 2008-13 Access to Premises

Finance Manager Loch presented.

Motion by Commissioner Bayliss and seconded by Commissioner Higgins to approve updated BPU POL 208-13 Access to Premises. There was a unanimous vote in favor of the motion. Motion carried.

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Approve Resolution 26-02 – Approving Applications to the MN Public Facilities Authority for Lead Service Line Replacement Projects

Public Utilities Director Paul Sandy presented.

Bryan Drown from Bolton & Menk discussed participation in the galvanized service line replacement program. Out of identified properties, about 75% have agreed so far, 28 of 35 in one area and 50 of 64 in another, with ongoing efforts to reach the remaining residents through multiple methods.

There's no strict cutoff yet; staff are keeping the option open to encourage more participation. Costs are estimated at about \$20,000 per service line, but exact totals depend on bids. If not, all funds are used, they plan to expand the work to additional properties. Staff noted the process is challenging due to uncertain costs and inconsistent participation.

Motion by Commissioner Higgins and seconded by Commissioner Bayliss to Approve Resolution 26-02- Approving Applications to the MN Public Facilities Authority for Lead Service Line Replacement Projects. There was a unanimous vote in favor of the motion. Motion carried.

New Business

Approve Professional Services Agreement with SEH for the Development of City Standard Details and Specifications. See board packet for agenda request.

Public Utilities Director Sandy presented.

Higgins supports creating a more consistent development “playbook,” noting that the current process has often been unclear and inconsistent. Commissioners believe aligning with what Baxter is doing is a smart approach that could save time and money. However, they caution against overcomplicating things or reinventing processes that are already defined by state and federal regulations, emphasizing that additional mandates could make development more difficult. Overall, they think the proposal is long-term, well-positioned as is, and worth supporting.

Jay asked about costs, with a not-to-exceed \$40,000 fee that staff and consultants jointly manage.

Staff said the goal is to avoid unnecessary spending while completing the work efficiently, with any scope changes requiring discussion.

Questions were raised about overlap with past work, which staff say will be incorporated into the new standards, and about where files will be stored. The long-term plan is to integrate City and utility networks so all parties can access shared files.

Overall, the proposal is seen to save time, reduce confusion, limit repeated consultant expenses, and make the community more developer friendly.

Motion by Commissioner Higgins and seconded by Commissioner Bayliss to approve SEH's proposal, in an amount not-to-exceed \$40,000, and authorization to execute a Professional Services Agreement,

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contingent upon City Council approval. There was a unanimous vote in favor of the motion. Motion Carried.

Approve Professional Services Agreement with SEH for the Development of the City of Brainerd Fats, Oils, and Grease (FOG) Management and Inspection Program and Development of a Mercury Minimization Management and Inspection Program in conjunction with the City of Baxter. See board packet for agenda request.

Public Utilities Director Paul Sandy presented.

Sandy clarified the city isn't "paying to copy" Baxter, but sharing work: about \$7,500 adapts Baxter's FOG program, while roughly \$25,000 goes toward developing a new mercury program, handled by consultants with relevant expertise. The partnership is seen as cost-effective and avoids duplicating effort. Jay asked whether they ever obtain additional quotes for this, or if they always rely on that one option due to existing relationships.

Jay asked whether they ever obtain additional quotes for this, or if they always rely on that one option due to existing relationships.

Sandy clarified staff chose SEH due to prior work with Baxter and SEH's specialized experience, rather than seeking multiple bids.

On enforcement- existing businesses are largely grandfathered in, with no immediate upgrade costs. Instead, the focus is on monitoring grease trap maintenance through required logs and increasing enforcement over time. Overall, the effort aims to improve wastewater management, reduce long-term issues, and align standards between the two cities.

Motion by Commissioner Wussow and seconded by Commissioner Bayliss to Approve the Professional services agreement with SEH for an hourly, not-to-exceed amount of \$48,000 for the 2026 Mercury Minimization and FOG Program Updates project. There was a unanimous vote in favor of the motion. Motion Carried.

Approve Professional Services Agreement with Dave Berg Consulting LLC Electric Utility Cost of Service and Rate Study- See board packet for agenda request.

Finance Manager Loch presented.

Motion by Commissioner Higgins and seconded by Commissioner Jay to Approve recommending Dave Berg Consulting with the specialized AMI meter analysis. There was a unanimous vote in favor of the motion. Motion Carried.

Approve Termination of the Contract for Professional Services with Widseth and authorize the Professional Services Agreement with HR Green for the Main Lift Station Reconstruction Project- See board packet for agenda request.

Public Utilities Director Sandy presented.

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Wussow asked if termination is being used instead of an amendment because the city is switching the prime consultant.

Sandy confirmed the current contract is with Widseth, but the new structure requires a direct contract with HR Green, making termination and a new agreement necessary. Widseth will continue as a subcontractor, and all warranties and responsibilities remain intact under the new contract.

Sandy stated the change is mutual and primarily administrative, shifting liability and project management to the new prime consultant as recommended by legal counsel.

Motion by Commissioner Wussow and seconded by Commissioner Jay to Approve Staff recommendation termination of the professional services contract with Widseth and authorizing the professional services contract with HR Green for the same scope of services, schedule, budget, and deliverables for the Main Lift Station Reconstruction Project subject to legal review being completed and contractual terms being agreed on by both parties. 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.

City Council Liaison Report

At last week's special City Council meeting, members met with the Charter Commission to discuss consolidating utilities under one structure. The effort stems from a prior resolution to clarify and codify administrative roles. While progress was somewhat disappointing, there is continued hope the consolidation will move forward, he is confident the utilities can handle the added responsibilities. Concluded with wishing everyone a happy Easter.

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

Public Utilities Director Report – see board packet for report.

Czczok asked for clarification on the East River Road rehabilitation project, specifically whether the 27-inch line is considered a trunk line or an interceptor line? Sandy clarified that “trunk line” and “interceptor” mean the same thing in this context.

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

Wussow raised concerns about ongoing delays with credit card processing fees, stating the issue has cost significant money and expecting reimbursement. Loch explained that the delay has continued since April 2024, but there is no contractual basis to recover losses. Equipment is now ready, and implementation—expected to take only a few hours—is pending scheduling. Frustration remains over earlier delays, particularly since the vendor was aware of hardware issues months in advance but had not relayed that to staff.

Operations Manager Report - see packet board for report.

Hawkinson expressed appreciation for having a full commission again and thanked members for their questions, noting that engagement and direction are important for continued success.

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

Gammon thanked the commission for their questions and input, saying it helps guide and reinforce the importance of their work. Gammon wished everyone a happy Easter.

Higgins expresses concern about low biosolids storage capacity and asks about contingency plans if hauling cannot continue. Gammon respond that there is no strong backup plan beyond coordinating with other facilities, when possible, but space is limited and the situation is tight. They note ongoing efforts to manage production and prepare for immediate hauling, while acknowledging the risk and cost of transporting biosolids to places like St. Cloud.

Additional discussion highlights that hauling and treatment processes are labor-intensive and costly, including manual daily backwashing to maintain system performance and reduce buildup.

Commission Members – Report

Higgins expresses satisfaction with a full commission and overall progress, praising staff—especially Paul—for improving efficiency and streamlining operations, and closes with Easter wishes.

Wussow raises concern about the Robert’s property purchase, noting she was disappointed the commission was not fully informed that council had denied multiple attempts to pursue grant funding for the acquisition. Commission questions the lack of a clear development plan and ask what the property will ultimately be used for and whether any proceeds from future development would return to BPU.

Loch responded that the property was purchased for wellhead protection and potential future water plant and well sitting. A site study is underway to determine what land is needed for utility purposes versus what may remain. Any remaining developable portion could be sold, and proceeds would be required to return to the original funding purpose tied to the utility acquisition.

Wussow thanked staff for the clarification and wished everyone a happy Easter.

Jay thanked staff for the meeting materials and light reading over the weekend, and closes with Easter wishes.

Angland expresses appreciation for having a full, diverse commission and thanks members for their engagement and questions. He also commends staff for their workload and progress, noting the amount accomplished is impressive.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING
March 31, 2026

Adjournment

Motion by Commissioner Wussow and seconded by Commissioner Higgins to adjourn to

A. Wastewater Treatment Facility Tour April 9, 2026 12:00PM

B. Water Treatment Plant Facility Tour April 10, 2026 12:00PM

C. Hydro Facility Tour April 16, 2026 12:00PM.

There was a unanimous vote in favor of the motion. Motion carried at 11:35 AM.

Mike Angland, Commission President

Danny Loch, Finance Manager/Secretary



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The special meeting of the Brainerd Public Utilities Commission was held at 1:00 PM on April 17, 2026.

Commission President Angland called the meeting to order at 1:00 PM.

Commission Roll Call

Mike Angland – Present -Virtual
Cory Jay – Present

Dolly Wussow – Present
Misty Bayliss – Present -Virtual

Utility Staff Present

Public Utilities Director
Finance Manager
Recording Secretary

Paul Sandy
Danny Loch
Becky Ridlon

Others in Attendance

Bolton & Menk

Bryan Drown

Commissioner Angland opened the meeting with the Pledge of Allegiance.

Approval of Agenda Items

Motion by Commissioner Jay and seconded by Commissioner Wussow to approve the agenda. There was a roll call vote in favor of the motion. Motion carried.

Unfinished Business

Award Construction Contract for 2026 Galvanized Water Service Line Replacement Project in Alley between S 6th Street and S 7th Street from Joseph Street to Ronald Street

Director Paul Sandy presented.

Wussow noted that the bids had changed and viewed this as a positive development but requested clarification on several items. She asked specifically about the “construction allowances,” questioning whether they function as a general contingency for undefined work and what types of activities are included, such as driveway, sidewalk, or alley restoration.

Sandy explained that construction allowances are City-established contingency funds included in contracts to address unforeseen conditions encountered during construction, such as complex pipe configurations or additional work requirements. The allowance amount is based on project complexity, which is elevated in this case due to confined spaces and existing hard surfaces. He also noted that the project was bid as a lump sum without fully detailed plans, requiring contractors to estimate the scope, which contributed to bid variation based on company size and overhead. While both open cut and

BRAINERD PUBLIC UTILITIES COMMISSION MEETING

April 17, 2026

directional drilling methods were permitted, the anticipated approach is primarily directional drilling to minimize surface disruption.

Motion by Commissioner Wussow and seconded by Commissioner Jay to Award Construction Contract to Tretter Excavating for the 2026 Galvanized Water Service Line Replacement Project in Alley between S 6th Street and S 7th Street from Joseph Street to Ronald Street in the total construction amount of \$65,000. There was a roll call vote in favor of the motion. Motion carried.

Award Construction Contract for 2026 Galvanized Water Service Line Replacement Project in Alley Between S 6th Street and S 7th Street from Ronald Street to Paul Street

Director Paul Sandy presented.

Motion by Commissioner Wussow and seconded by Commissioner Jay to Award Construction Contract to Tretter Excavating for 2026 Galvanized Water Service Line Replacement Project in Alley Between S 6th Street and S 7th Street from Ronald Street to Paul Street in the total construction amount of \$92,000. There was a unanimous vote in favor of the motion. There was a roll call vote in favor of the motion. Motion carried.

Authorization to Solicit Bids for 2026 Galvanized Water Service Line Replacement Projects Numbers 1 and 2 – 2026 City Street Resurfacing/Reconstruction Projects and NE Brainerd Phase 1

Director Paul Sandy presented.

Angland requested an update on whether the project identification and annual funding allocation process is progressing as originally anticipated and asked for a brief overview for the benefit of all Commissioners, including newer members.

Sandy reported that BPU received approximately \$2.675 million this year as part of a 10-year, \$27 million program to replace galvanized service lines. Projects are advanced from the established project priority list into the Intended Use Plan, with funding administered through the Minnesota Public Facilities Authority and reimbursed within 30 to 45 days. Current project costs are estimated at \$2.4 million, with the potential to utilize remaining funds. Bolton & Menk has been retained for construction observation and coordination, including securing property owner agreements, which continues to present challenges. Construction observation efforts also support project documentation, inspection, and standardization.

Motion by Commissioner Wussow and seconded by Commissioner Bayliss to authorize Staff to Solicit Bids for 2026 Galvanized Water Service Line Replacement Projects Numbers 1 and 2 – 2026 City Street Resurfacing/Reconstruction Projects and NE Brainerd Phase 1 open bids on May 12th, 2026 at 10:00 a.m. and 10:30 a.m. There was a roll call vote in favor of the motion. Motion carried.

BRAINERD PUBLIC UTILITIES COMMISSION MEETING
April 17, 2026

Adjournment

Motion by Commissioner Wussow and seconded by Commissioner Bayliss to adjourn. There was a roll call vote in favor of the motion. Motion carried at 1:19 PM.

Mike Angland, Commission President

Danny Loch, Finance Manager/Secretary



Public Utilities Commission Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Request from Customers for Credit of Wastewater Treatment and Collection Charges

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 4

SUBMITTED BY: Danny Loch, Finance Manager

PRESENTER: Danny Loch, Finance Manager

SUMMARY OF ISSUE: Two customers have requested a credit for wastewater treatment and collection charges related to water leaks that occurred in their basements. In both cases, the basements flooded but do not have floor drains connected to the sanitary sewer system. The customers are requesting an adjustment for services not utilized. Staff has confirmed that there are no floor drains on either account. This request is consistent with past practice. See attached documentation.

Account Number: 18-22230-03 is asking for an adjustment of \$91.43

Account Number: 02-57300-03 is asking for an adjustment of \$530.20.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

RECOMMENDED ACTION/MOTION: Approve the requested wastewater charge credits for both properties based on confirmed non-discharge to the wastewater system and consistency with past practice.

FINANCIAL IMPACT:

Brainerd Public Utilities
Customer Request for WWT/WWC Adjustment
For the Billing Period
1/24/26-2/24-26
Account No.
18-22230-03

	Gallons Billed				Billed Amount	
	Original	Average	Adjustment	Rates	Original	Adjustment Amt
<u>Water</u>						
Fixed Customer Charge				\$ 26.77	26.77	-
Commodity Charge (Per 1000 Gallons)	16,531		-	\$ 5.02	82.99	-
Total Water					109.76	-
<u>Sewer and Stormwater</u>						
Commodity Charge (Per 1000 Gallons)						
Wastewater Treatment	16,531	740	15,791	\$ 4.45	73.56	70.27
Wastewater Collection	16,531	740	15,791	\$ 1.34	22.15	21.16
Total Water, WWT, WWC Billed/Adjustment Request					205.47	\$ 91.43

Customer Request:

Customer asking for credit as water did not enter the sanitary sewer system.

Brainerd Public Utilities
Customer Request for WWT/WWC Adjustment
For the Billing Period
1/3/2026 to 3/3/2026 (2mo)
Account No.
02-57300-03

	Gallons Billed				Billed Amount	
	Original	Average	Adjustment	Rates	Original	Adjustment Amt
<u>Water</u>						
Fixed Customer Charge				\$ 26.77	26.77	-
Commodity Charge (Per 1000 Gallons)	91,572		-	\$ 5.02	459.69	-
Total Water					486.46	-
<u>Sewer and Stormwater</u>						
Commodity Charge (Per 1000 Gallons)						
Wastewater Treatment	91,572	-	91,572	\$ 4.45	407.50	407.50
Wastewater Collection	91,572	-	91,572	\$ 1.34	122.71	122.71
Total Water, WWT, WWC Billed/Adjustment Request					1,016.66	\$ 530.20

Customer Request:

Customer asking for credit as water did not enter the sanitary sewer system.

**Brainerd Public Utilities
BPU Commission Unfinished Business
April 2026**

A. Hydro Generation (1/31/23)

Procurement of a new generator remains in progress. After learning that previously identified models are no longer in production, staff and Barr Engineering are evaluating feasible alternative generation options, including the associated civil work and installation costs. Barr has identified a model that should function, staff have received a formal quote document that provides the cost of one generator at \$1,500,000. This is up from the quote at the previous model that was feasible for our location at \$750,000. This updated information has been reflected in the state funding request.

Staff have been in discussions with Marty Seifert and noted that all items have been through the jacketing processes and bills have been drafted. Staff are awaiting a potential hearing with the senate committee, deadline for session is May 18, 2026.

B. Strategic Planning (04/24/2025)

Former Director Evans initiated and presented a strategic planning session along with supporting documentation. Following the onboarding of Director Sandy, integration discussions with the City resumed and will continue through the remainder of 2025 as the Charter Commission and City Council consider potential Charter amendments. Because these changes could directly affect strategic planning, the planning process was paused to ensure that all City departments can ultimately be aligned under a single, comprehensive plan. This pause remains in effect.

Once integration discussions are complete and there is a clear understanding of how the Utility and the City will function operationally, strategic planning efforts will resume under the direction of the Public Utilities Director and the City Administrator. Long-range planning sessions with City staff have begun and are anticipated to be a one- to two-year process. The goal of these sessions is to develop long-range sanitary sewer and water distribution plans, integrate asset management activities—including long-range capital improvement planning—and identify strategies to better align capital improvement projects across the City's divisions.

C. EV Charging Policy

Practices related to electric vehicle (EV) charging vary widely across utilities, including municipal utilities, cooperatives, and investor-owned providers. At the direction of the Commission, the Finance/Operations Committee reviewed this topic to evaluate whether a formal policy or additional guidance was warranted.

Following discussion, the Committee did not identify a clear need for a formal policy at this time. Current practices will remain in place, and no further action is recommended. Staff will continue to monitor industry trends, customer usage patterns, and potential impacts to the utility system, and will bring forward recommendations if future conditions warrant additional review.

Completed in 2024:

1. Organizational Restructuring – Job Descriptions
2. Water Treatment Plant (WTP) Asset Inventory Prepared by Bolton & Menk
3. Brainerd City Code Section 700 – Sewer Code
4. Wellhead Protection Plan (WHPP)
5. Directional Drilling Forcemain River Crossing Project
6. Proposal for Strategic Visioning and momentum Services
7. Credit Card Transaction Fees
8. Joint Committee for Parking and Car Chargers
9. Water Wastewater 20-year Feasibility Quote
10. Hydro Automation – Tainter gate
11. Current Unfilled Employment Positions at BPU
12. Corrosion Control Plan to Minnesota Department of Health
13. Robert's Property Purchase

Completed in 2025:

1. Customer Communications Policy – GoldCross
2. Commissioners Health Insurance – Tabled
3. Website Updates: Solar Distributed Energy Resources – Posted on Website
4. Schedule of Authority Roles of Commission and Council in Operation of BPU
5. Electric Transmission Service to Brainerd – Interconnection Study v. Building Capacity
6. Reclamation and Backwash CMAR Project Selection – Rice Lake Construction
7. Crypto Mining Activity

Completed in 2026:

1. ClimaVision Radar – Awaiting Construction
2. Main Lift Station Painting – Holding off due to planned 2027 Main Lift Station Reconstruction
3. Water Code 705 – Pending Commission review and Council approval
4. Development of Plan to be Carbon Free by 2040
5. Lead Service Line Inventory Assessment and Replacements – First replacement project in 2026. On-going PPL and IUP maintenance activities for future replacement projects.
6. Waterworth Continuous Rate Management – Implementation in 2026
7. Crypto Mining Activity – Second Amendment to Just for Krypto (JFK) contract
8. Wastewater Treatment Facility (WWTF) Plan Submission to MPCA
9. Comprehensive Policy Review
 - a. BPU_POL_2005-07 – Inactive Accounts
 - b. BPU_POL_2005-10 – Disconnection of Service
 - c. BPU_POL_2003-05 – Fees for Water Meters
 - d. BPU_POL_2024-01 – Frozen Water Lines
 - e. BPU_POL_2025-01 – Leaking Water Service Line Policy
 - f. BPU_POL_2003-04 – Unauthorized Use of Utility Meters
 - g. BPU_POL_2008_13 – Access to Premises
 - h. BPU_POL_2007_11 – Utility Service Turn on Fee

Acronyms:

WASTEWATER:

MPCA – Minnesota Pollution Control Agency
WWTF – Wastewater Treatment Facility
NPDES – National Pollutant Discharge Elimination System
EPA – US Environmental Protection Agency
CWA – Clean Water Act
WQS – Water Quality Standard
TMDL – Total Maximum Daily Load
WLA – Waste Load Allocation
BMP – Best Management Practice
SCADA – Supervisory Control and Data Acquisition
CWRF – Clean Water Revolving Fund
PSIG – Point Source Implementation Grant
SSTS – Subsurface Sewage Treatment System
ADW – Average Dry Weather Flow
AA – Average Annual Flow
AWW – Average Wet Weather Flow
PDF – Peak Daily Flow
PHWW – Peak Hourly Wet Weather Flow
PIWW – Peak Instantaneous Wet Weather Flow
GPD – Gallons per Day
GPCD – Gallons per Capita per Day
MGD – Million Gallons per Day
PPM – Parts per Million
PPB – Parts per Billion
I & I – Inflow and Infiltration
CBOD₅ – Carbonaceous Biochemical Oxygen Demand

WATER:

MDH – Minnesota Department of Health
EPA – Environmental Protection Agency
SDWA – Safe Drinking Water Act
DWRF – Drinking Water Revolving Fund
AWWA – American Water Works Association
DWSMA – Drinking Water Supply Management Area
WPA – Wellhead Protection Area
PWS – Public Water Supply
MCL – Maximum Contaminant Level
TDS – Total Dissolved Solids
TSS – Total Suspended Solids
pH – Measure of acidity/alkalinity
CL₂ – Chlorine
Mn – Manganese

BOD₅ – Biochemical Oxygen Demand
PFAS – Polyfluoroalkyl and Perfluoroalkyl Substances
PFOS – Perfluorooctane Sulfonate
PFOA – Perfluorooctanoic Acid
TSS – Total Suspended Solids
TDS – Total Dissolved Solids
pH – Measure of acidity/alkalinity
NH₃-N – Total Ammonia Nitrogen
TKN – Total Kjeldahl Nitrogen
TN – Total Nitrogen
NO₃ – Nitrate
NO₂ – Nitrite
TP – Total Phosphorus
DO – Dissolved Oxygen
DMR – Discharge Monitoring Report
SIU – Significant Industrial User
MCC – Motor Control Center
SBR – Sequencing Batch Reactor
AS-BNR – Activated Sludge – Traditional Biological Nutrient Removal
IFAS – Integrated Fixed-Film Activated Sludge
MBR – Membrane Bioreactor
BAF – Biologically Aerated Filters
UV – Ultraviolet
WAS – Waste Activated Sludge
GBT – Gravity Belt Thickener
VFD – Variable Frequency Drive

Fe – Iron
HAA – Haloacetic Acids
PFAS – Polyfluoroalkyl and Perfluoroalkyl Substances
PFOS – Perfluorooctane Sulfonate
PFOA – Perfluorooctanoic Acid
VFD – Variable Frequency Drive
SCADA – Supervisory Control and Data Acquisition
MCC – Motor Control Center
GAC – Granular Activated Carbon
RO – Reverse Osmosis
PPM – Parts per Million
PPB – Parts per Billion

GENERAL INFRASTRUCTURE:

MnDOT – Minnesota Department of Transportation
CEAM – City Engineers Association of Minnesota
APWA-MN – American Public Works Association of Minnesota
MnPFA – Minnesota Public Facilities Authority
MPCA – Minnesota Pollution Control Agency
MDH – Minnesota Department of Health
MMUA – Minnesota Municipal Utilities Association
GIS – Geographic Information Systems
CIP – Capital Improvement Plan
ROW – Right of Way
ADA – Americans with Disabilities Act

ENVIRONMENTAL:

NPDES – National Pollutant Discharge Elimination System
MnDNR – Minnesota Department of Natural Resources
SWCD – Soil and Water Conservation District
MPCA – Minnesota Pollution Control Agency
SWPPP – Stormwater Pollution Prevention Plan
MS4 – Municipal Separate Storm Sewer System
WCA – Wetland Conservation Act

ELECTRIC:

MP – Minnesota Power
MISO – Midcontinent Independent System Operator
AEP – American Electric Power
AEP Energy Partners – American Electric Power Energy Partners an AEP Company

HYDRO:

FERC – Federal Energy Regulatory Commission
SHPO – Minnesota State Historic Preservation Office
Project – Brainerd Hydro Electric Project
CRMP - Cultural Resources Management Plan
ARS - Archaeological Research Services

RFP – Request for Proposals
RFQ – Request for Quotes
PVC – Polyvinyl Chloride (pipe)
HDPE – High Density Polyethylene
DIP – Ductile Iron Pipe
DR – Dimension Ratio (pipe)
C900 – Watermain Pipe Specification
RCP – Reinforced Concrete Pipe
RC – Reinforced Concrete
CIPP – Cured in Place Pipe
OD – Outside Diameter
ID – Inside Diameter

BMP – Best Management Practice
TMDL – Total Maximum Daily Load
ESA – Environmental Site Assessment
EAW – Environmental Assessment Worksheet
EIS – Environmental Impact Statement
NEPA – National Environmental Policy Act
MEPA – Minnesota Environmental Policy Act
VOC – Volatile Organic Compounds

kWh – Kilowatt hour
MWh – Megawatt hour (1,000 times larger than a kWh)
kW – Kilowatt
MW – Megawatt
JFK – Just for Krypto

HPMP - Historic Properties Management Plan
NRHP - National Register of Historic Places
APE - Area of Potential Effects
ACHP - Advisory Council on Historic Preservation
THPO - Tribal Historic Preservation Officer



Public Utilities Commission Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve FY 2027 - 2029 Professional Engineering and Architecture Services Pool (On-Call Roster)

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 10 Minutes

SUBMITTED BY: Paul Sandy, Public Utilities Director **PRESENTER:** Paul Sandy, Public Utilities Director

SUMMARY OF ISSUE: Proposals for the FY 2027–2029 Professional Engineering and Architecture Services Pool (On-Call Roster) were solicited, with submissions received on March 4, 2026. A total of 33 proposals were submitted across 15 service categories identified in the request for proposals.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS: The evaluation criteria established in the Request for Proposals (RFP) are outlined below and were used as the basis for scoring each submittal:

- Relevant Experience – 30 Points
- Team Members – 20 Points
- References – 15 Points
- Approach to Quality Assurance/Quality Control (QA/QC) – 10 Points
- Unique Qualifications – 5 Points

Staff conducted a comprehensive review of all proposals, scoring each submittal based on the merits of the criteria listed above. Evaluations were performed independently and then discussed collectively to ensure consistency and alignment across scoring. For each of the 15 service categories, proposals were narrowed based strictly on demonstrated relevant experience, the qualifications and availability of proposed team members, quality of references, the strength of the consultant’s QA/QC approach, and any unique qualifications that provided added value to the City.

Following this initial scoring and internal review process, staff identified a shortlist of consultants within each service category. The number of consultants selected per category was determined based on several factors, including anticipated workload demands, the number of qualified responses received, and the overall quality and competitiveness of the submittals.

Consultants remaining under consideration were then requested to submit their anticipated 2027 fee schedules. This information was incorporated into the final evaluation and scored as follows:

- Fee Schedule – 20 Points

The inclusion of fee schedules allowed staff to complete a final, comprehensive scoring that balanced both qualifications and cost considerations.

A summary of the final averaged scoring results is included in the attached documentation, along with the original RFP. Due to the volume of submittals, full proposal documents are not included within the agenda packet but are available for review upon request.

Based on the final scoring and resulting rankings, staff recommends that the Utilities Commission approve the FY 2027–2029 Professional Engineering and Architecture Services Pool (On-Call Roster) as presented in the attachment. In accordance with the RFP, individual consultant contracts within this pool are capped at \$500,000. Any project anticipated to exceed this threshold will be procured through a separate, full RFP process open to all interested and qualified firms.

RECOMMENDED ACTION/MOTION: Staff recommends approval of the FY 2027 - 2029 Professional Engineering and Architecture Services Pool (On-Call Roster) and authorizing staff to enter into a Master Services Agreement with the consultants within the approved pool, upon preparation and final review of the Master Services Contract by the City Attorney.

FINANCIAL IMPACT: N/A

Pool Consultant Review - On-Call Roster
Proposals Received March 4, 2026 @ 12:00 PM

Category 1 - General Municipal Engineering - Street Resurfacing Projects		Category 7 - Water Treatment and Storage Engineering		Category 13 - Municipal Facilities and Public Works Support	
Bolton and Menk	88	Bolton and Menk	93	Widseth	90
SEH	89	SEH	86	Meyer Group Architecture	81
Widseth	86	KLM Engineering	81	LHB	81
Interstate Engineering	82	Stanley Consultants	79	OPN Architects	81
LHB	83	Category 8 - Wastewater Treatment Plant Engineering		Category 14 - Landscaping, Urban Design, Urban Planning, Parks Master Planning, and Trail Planning	
Category 2 - General Municipal Engineering - Street Reconstruction Projects		Bolton and Menk	93	SGA Group	85
SEH	90	SEH	88	SRF	81
Bolton and Menk	85	HR Green	80	TKDA	82
Widseth	86	Stanley Consultants	82	WSB	81
Interstate Engineering	83	Category 9 - Environmental and Regulatory Services		Category 15 - Lead Service Line Replacement (LSLR) Projects	
SRF	82	Bolton and Menk	86	Bolton and Menk	88
Category 3 - Traffic Engineering and Studies		SEH	83	Widseth	87
KLJ	87	Widseth	82	SEH	87
Bolton and Menk	87	Category 10 - Surveying, Mapping, and GIS Support		LHB	86
SEH	87	Bolton and Menk	89		
Category 4 - Utility System Studies - Water, Sanitary Sewer		Widseth	85		
SEH	89	SEH	83		
Bolton and Menk	82	Category 11 - Geotechnical and Materials Testing			
Apex Engineering Group	81	Braun Intertec	86		
HR Green	81	ITT	83		
Category 5 - Stormwater Management, BMP Design, and MS4 Support		Category 12 - Construction Administration and Inspection Services			
HR Green	86	SEH	89		
Bolton and Menk	83	Widseth	84		
Apex Engineering Group	82	Bolton and Menk	85		
SEH	83	Interstate Engineering	81		
Category 6 - Trenchless Rehabilitation		WSB	79		
Stanley Consultants	81	LHB	76		
Apex Engineering Group	81				
SEH	81				

CITY OF BRAINERD
REQUEST FOR LETTERS OF
INTEREST (LOI) AND
STATEMENT OF
QUALIFICATIONS (SOQ)

**Professional Engineering and Architecture Services Pool
(On-Call Roster): 2027 - 2029**

Proposals due Wednesday, March 4, 2026 at 12:00 p.m.

OVERVIEW

The City of Brainerd hereby requests Letters of Interest (LOIs) and Statements of Qualifications (SOQs) from experienced and qualified professional engineering and architecture firms for the purpose of establishing an on-call roster (pool) to provide comprehensive engineering and architecture services for all public works functions. Firms selected through this process will assist the City by providing expertise for planning, design, evaluation, construction support, and other engineering and architecture services on an as-needed basis.

BACKGROUND

The City of Brainerd is interested in receiving services from experienced and qualified consultants that can demonstrate an understanding of municipal services and public works operations including sanitary sewer, stormwater, watermain, water treatment, wastewater treatment, transportation, surveying, geotechnical, construction administration, municipal facilities and related disciplines. The City intends to establish a multi-award roster from which task orders or mini requests for proposals (RFPs) will be issued as needed. The specific areas of practice considered for professional engineering and architecture services include, but are not limited to:

- Preliminary engineering and design for street and utility reconstruction and resurfacing projects.
- Plans, specifications, and cost estimates.
- Traffic modeling and planning services.
- Hydraulic modeling and utility analyses.
- Water and wastewater process engineering.
- Permitting and regulatory coordination.
- Public works planning and studies.
- Facilities planning, engineering, architecture, and construction.
- Construction contract administration and inspection.
- Surveying, GIS, and CAD support.
- Geotechnical and materials testing.
- Project documentation and as-builts.
- 3rd party development plan review services.
- Special assessment support pursuant to Minnesota Statute 429.

Selected firms will be placed on an on-call consultant roster for a period of up to two (2) years, with options to extend at the discretion of the City of Brainerd. Individual task orders issued under the consultant pool shall not

exceed a total professional services fee of \$500,000. Task orders will be negotiated on a project-by-project basis. For specific projects, the City may solicit mini-proposals from firms on the approved roster.

SERVICE CATEGORIES

The specific areas of practice considered for professional engineering and architectural services are as follows:

- **Category 1: General Municipal Engineering – Street Resurfacing Projects** – This category includes, but is not limited to, projects identified in the City’s 10-Year Capital Improvement Plan as street resurfacing projects. Typical work may include mill and overlay, bituminous overlay, full-depth pavement resurfacing, limited utility improvements, ADA upgrades, traffic control signing, pavement marking, and other associated or appurtenant work. Specified project-related services include all work necessary to deliver assigned projects, including topographic and boundary surveys, preliminary design, final design and preparation of detailed plans and specifications, bidding and procurement support, special assessment procedures pursuant to Minnesota Statutes Chapter 429, and construction administration and observation.
- **Category 2: General Municipal Engineering – Street Reconstruction Projects** – This category includes professional engineering services for projects identified in the City’s 10-Year Capital Improvement Plan as street reconstruction projects. Typical work may include full-depth street reconstruction and associated improvements such as replacement of sanitary sewer, watermain, storm sewer, curb and gutter, sidewalks, trails, ADA improvements, traffic control signing, pavement marking, and other related or appurtenant work. Services may also include coordination with utilities and stakeholders, preparation of plans and specifications, permitting, bidding assistance, and construction administration and observation. In addition, this category may include support for private development projects, including review of development plans for compliance with City standards, coordination with developers and their consultants, and construction observation to ensure proper installation of public infrastructure associated with private developments.
- **Category 3: Traffic Engineering and Studies** - This category includes professional engineering services associated with traffic operations, safety, mobility, and multimodal transportation planning within the City. Work may include traffic data collection and analysis, traffic impact studies, corridor and intersection operational evaluations, signal warrant analyses, traffic signal design and timing optimization, signing and pavement marking plans, speed studies, pedestrian and bicycle safety evaluations, and school zone safety assessments. Services may also include review of traffic studies and transportation analyses submitted as part of private development projects, evaluation of compliance with City and regulatory standards, coordination

with developers and their consultants, and recommendations for mitigation or improvements. Additional tasks may include preparation of technical reports, public engagement support, coordination with MnDOT and other agencies, and preparation of documentation to support funding applications or implementation of recommended improvements.

- **Category 4: Utility System Studies – Water, Sanitary Sewer** - This category includes professional engineering services related to planning, evaluation, and analysis of the water distribution, and sanitary sewer utility systems. Water system services may include system modeling, capacity and pressure evaluations, pressure zone planning, hydrant and valve assessment, fire flow analysis, and infrastructure planning to support growth or system reliability. Sanitary sewer services may include inflow and infiltration (I/I) evaluations and mitigation planning, sewer system modeling, capacity and deficiency analyses, lift station planning and design, and identification of rehabilitation or expansion needs. Services may also include development review support, preparation of technical reports and feasibility studies, coordination with regulatory agencies, and support for grant or funding applications.
- **Category 5: Stormwater Management, BMP Design, and MS4 Support** - This category includes professional engineering services related to the planning, design, review, and implementation of stormwater management projects and regulatory compliance activities for the City. Work may include design of stormwater Best Management Practices (BMPs), stormwater treatment systems, flood mitigation improvements, storm sewer reconstruction and rehabilitation projects, drainage analysis, hydrologic and hydraulic modeling, and development of project plans, specifications, and cost estimates. Services may also include stormwater plan review and coordination for private development projects, construction observation to ensure compliance with City standards, and support for MS4 permit compliance, including SWPPP development, inspections, documentation, and reporting. Additional services may include assistance with funding applications, public education and outreach related to stormwater management, coordination with regulatory agencies, and preparation of technical reports and recommendations to support long-term stormwater system performance and environmental protection.
- **Category 6: Trenchless Rehabilitation – Water, Sanitary Sewer, and Storm Sewer Systems** - This category includes professional engineering services related to planning, design, evaluation, and implementation of trenchless rehabilitation methods for the City's utility infrastructure. Work may include assessment of existing watermain, sanitary sewer, and storm sewer systems; development of rehabilitation strategies; and preparation of feasibility studies and recommendations. Services may involve technologies such as cured-in-place pipe (CIPP), pipe bursting, slip lining, structural lining systems, sectional point repairs, and related

trenchless techniques. Typical tasks include condition assessment and prioritization, field investigations, hydraulic and structural evaluations, development of plans and specifications, cost estimating, coordination with regulatory agencies, funding and grant support, bidding assistance, and construction administration and observation.

- **Category 7: Water Treatment and Storage Engineering:** This category includes professional engineering services related to planning, design, evaluation, and optimization of the City's water treatment and storage facilities. Work may include condition assessments, capacity analyses, treatment process evaluations, regulatory compliance support, and development of facility rehabilitation or expansion plans. Services may also include design of new or upgraded treatment systems, storage tanks, reservoirs, booster stations, and chemical feed systems; preparation of feasibility studies and technical reports; preparation of plans and specifications; cost estimating; funding and grant support; coordination with regulatory agencies; and bidding assistance, construction administration, and observation.
- **Category 8: Wastewater Treatment Plant Engineering:** This category includes professional engineering services associated with the planning, evaluation, design, and improvement of the City's wastewater treatment plant facilities and processes. Work may include facility capacity and condition assessments, treatment process optimization, regulatory and permit compliance planning, biosolids handling and management evaluations, energy efficiency and resiliency planning, and development of rehabilitation or expansion recommendations. Services may also include preparation of feasibility studies and technical reports, design of process and structural improvements, cost estimating, coordination with regulatory agencies, funding application support, bidding assistance, and construction administration and observation.
- **Category 9: Environmental and Regulatory Services -** This category includes professional services to support environmental compliance, permitting, and regulatory coordination across all public works functions. Work may include preparation of Environmental Assessment Worksheets (EAW) and Environmental Impact Statements (EIS) support documentation; National Environmental Policy Act (NEPA) documentation; and wetland delineation, permitting, mitigation planning, and coordination with regulatory agencies. Services may also include Phase I and Phase II Environmental Site Assessments, contaminated soil and groundwater evaluations, hazardous materials assessment and remediation planning, cultural and historic resource coordination, endangered species review, and air, odor, and noise evaluations as applicable to public infrastructure projects. Assistance may further include permitting strategy development, grant and funding support, public engagement assistance, and preparation of clear technical reports and regulatory submittals to ensure timely and compliant project delivery.

- **Category 10: Surveying, Mapping, and GIS Support** - This category includes professional services related to surveying, mapping, and geospatial support for public infrastructure and utility projects. Work may include topographic and boundary surveys; right-of-way research, establishment, and monumentation; easement preparation and legal descriptions; subdivision and platting support; and preparation of detailed base mapping. Services may also include construction staking, as-built surveys, utility locates and mapping, aerial and drone-based survey support, and preparation of survey reports and exhibits. GIS-related services may include data development and maintenance, asset inventory and condition assessment, system mapping, GIS database integration, and support for asset management programs and capital planning. Additional services may include coordination with county and state survey records, preparation of digital deliverables, and general surveying and mapping support necessary to facilitate design, permitting, and construction of City projects.
- **Category 11: Geotechnical and Materials Testing** - This category includes professional geotechnical and construction materials testing services to support planning, design, and construction of City infrastructure projects. Work may include subsurface investigations; soil borings; geotechnical evaluations for pavements, utilities, structures, and facilities; slope stability analyses; groundwater evaluation; and development of geotechnical recommendations for foundations, pavement sections, trench backfill, and earthwork. Services may also include laboratory and field materials testing, including concrete, asphalt, aggregate, soil compaction, density, and moisture testing; preparation of geotechnical reports; construction observation; and verification of compliance with project specifications. Additional services may include forensic evaluations, settlement and vibration monitoring, specialty geotechnical analysis, and ongoing consultation during design and construction to support reliable, cost-effective project delivery.
- **Category 12: Construction Administration and Inspection Services** - This category includes professional services to manage, oversee, and document the construction of City infrastructure and public works projects. Services may include on-site construction observation and inspection, contract administration, monitoring of compliance with plans and specifications, quality assurance and quality control, materials testing coordination, and documentation of construction activities. Additional tasks may include progress reporting, change order review, pay estimate preparation, coordination with contractors and subcontractors, verification of regulatory and permit compliance, and record-keeping for project closeout. These services ensure that projects are completed safely, on schedule, within budget, and in accordance with applicable codes, standards, and City requirements.

- **Category 13: Municipal Facilities and Public Works Support** - This category includes professional engineering, architectural, and planning services to support the City's municipal facilities and public works infrastructure. Work may include facility condition assessments, long-range facility and campus planning, space programming, and layout optimization for operational efficiency. Services may also include design and planning for mechanical, electrical, plumbing, and structural upgrades, renovations and remodeling, architectural and interior design, construction documents preparation, cost estimating, and project management. Additional support may include fleet and equipment yard planning, storage and maintenance facility design, energy efficiency and sustainability assessments, ADA compliance evaluations, and coordination with regulatory agencies to ensure functional, safe, and code-compliant municipal facilities.
- **Category 14: Landscaping, Urban Design, Urban Planning, Parks Master Planning, and Trail Planning** - This category includes professional services related to the planning, design, and enhancement of public spaces, streetscapes, parks, and trail infrastructure. Work may include landscape architecture, streetscape and urban design, site planning, site analysis, and development of conceptual and detailed plans for public and civic spaces. Services may also include preparation of parks master plans, open space planning, recreational facility design, trail and pathway planning and design, streetscape and corridor beautification, tree inventories and preservation planning, and urban design guidelines. Additional tasks may include public engagement and community input facilitation, grant and funding support, preparation of cost estimates, regulatory review, and coordination with City departments to ensure projects support long-term community goals, sustainability, and accessibility.
- **Category 15: Lead Service Line Replacement (LSLR) Projects** - This category includes professional engineering services related to the planning, design, and construction of lead service line (LSL) replacement projects within the City's water distribution system. Work may include inventory verification, service line identification and prioritization, risk assessments, coordination with property owners, and development of replacement strategies. Services may also include preparation of plans and specifications, hydraulic and water quality evaluations, permitting support, bidding assistance, construction administration and observation, and documentation of completed replacements. Additional tasks may include public outreach and communication support, compliance with regulatory requirements, funding and grant assistance, and development of long-term programs to reduce lead exposure in the community's drinking water system.

OWNER PROVIDED DOCUMENTATION

The City of Brainerd will provide the following items to Consultant firm to assist in the development of their SOQ:

- Most recent 10-year City of Brainerd Street, Sewer and Water Capital Improvement Plan.
- Most recent Brainerd Public Utilities (BPU) 5-year Capital Improvement Plan (CIP).

SCHEDULE

1. Proposal submittals due on **Wednesday, March 4th, 2026, at 12:00 p.m.** No late submissions will be accepted.
2. Consultant pool recommended to the Park Board on March 24, 2026.
3. Consultant pool recommended to the BPU Commission on March 31, 2026.
4. Final Consultant pool recommended to the City Council on April 6, 2026.

It is the intent of the City of Brainerd to utilize the finalized and approved consultant pool for project solicitations beginning with the 2027 project delivery year and continuing through the expiration of the pool on December 31, 2029. At the time of pool expiration, and assuming the provision of satisfactory service, extensions to the pool services may be made to consultants within the pool at the sole discretion of the City of Brainerd.

PROPOSAL REQUIREMENTS

1. The consultant shall submit a Letter of Interest including the specific category or categories for which they wish to be considered. The LOI shall be limited to one (1) page, formatted on 8.5" x 11" paper, and use a font size no smaller than 11-point.
2. Firm Profile Page – Up to one (1) page.
3. A separate Statement of Qualifications shall be submitted for each category selection. Each SOQ shall be up to two (2) pages, formatted on 8.5" x 11" paper, and use a font size no smaller than 11-point. Each categorical SOQ shall include the following information:
 - a. Team Members - Identify the principal and team members who will be assigned to the project category, including their specific roles, relevant experience, training, and professional qualifications.
 - b. Relevant Experience – Provide up to three (3) example projects per category that demonstrate the consultant's relevant experience and successful completion of work similar to the selected category.

- c. References - up to 3 (three) references per category from agency or other client personnel that demonstrate the consultant's experience, quality of work, ability to meet schedules and budgets, responsiveness, and successful delivery of similar projects or services.
 - d. Approach to QA/QC Procedures - Describe the consultant's approach to quality assurance and quality control, including methods, processes, and standards used to ensure accuracy, completeness, and compliance with project requirements, industry standards, and regulatory guidelines.
 - e. Any other specific experience, knowledge, or abilities that uniquely qualify your firm and project team for this project.
4. Proposals must be limited to no more than 20 pages, 8.5" x 11", with no smaller than 11-point font, excluding the LOI and Firm Profile.

EVALUATION AND CONSULTANT SELECTION PROCESS

The Selection Committee will review the submittals and narrow down the list of potential firms for each category by mid-March. You will be notified whether your firm is a candidate for the consultant pool by mid-March. Fee schedules will be requested from firms still under consideration at that time. The City expects to select those firms that will be in its 2027 – 2029 consultant pool by early April.

The evaluation process will follow a 100-point scoring system for each category of pool services:

- Relevant Experience – 30 Points
- Team Members – 20 Points
- Fee Schedule – 20 Points
- References – 15 Points
- Approach to QA/QC – 10 Points
- Unique Qualifications – 5 Points

TERMS OF CONSULTANT AGREEMENTS

Consultants selected for pool services will be expected to enter into a Master Services Agreement prepared by the City of Brainerd. The terms and conditions of the negotiated agreement, along with its final execution, will take effect once the pool is finalized. Fee schedules will be reviewed and adjusted annually throughout the two-year duration of the pool, with the consultant's initial fee schedule for 2027 services submitted as part of the pool selection process.

Project-specific Task Orders or Mini Proposals will be solicited and negotiated with each firm on the approved consultant pool as individual projects or needs arise. Each Task Order will include a complete project work plan, defined tasks, deliverables, schedules, and a negotiated not-to-exceed fee for that specific project. All Task Orders will adhere to the terms of the negotiated fee schedule established under the Master Services Agreement.

The Consultant shall, at its own expense, maintain and provide proof of the following insurance coverage for the duration of the Master Services Agreement and any subsequent Task Orders:

Commercial General Liability (CGL) Insurance

- Coverage: Bodily injury, property damage, personal injury, and contractual liability.
- Minimum Limits: \$1,000,000 per occurrence / \$2,000,000 general aggregate.
- Endorsements: City of Brainerd listed as an additional insured for all liability arising from the Consultant's work under this Agreement.

Professional Liability (Errors & Omissions) Insurance

- Coverage: Professional services provided under this Agreement.
- Minimum Limits: \$1,000,000 per claim / \$2,000,000 aggregate.
- Retroactive Date: Must cover work performed prior to policy inception if claims arise during the policy period.

Automobile Liability Insurance

- Coverage: Any owned, non-owned, or hired vehicles used in connection with the Agreement.
- Minimum Limits: \$1,000,000 combined single limit per accident.

Workers' Compensation Insurance

- Coverage: As required by Minnesota Statutes, including employer's liability.
- Minimum Limits: Statutory coverage as required by Minnesota law.

Additional Requirements

- The Consultant shall provide certificates of insurance prior to the commencement of work.

- All policies shall provide 30 days' notice to the City of Brainerd in the event of cancellation or material change.
- Insurance coverage shall be maintained throughout the term of the Agreement and any extensions or Task Orders.
- Deductibles or self-insured retentions above \$25,000 must be disclosed and approved by the City.

QUESTIONS AND CONTACT INFORMATION

Answers will be issued in the form of an addendum. No answers will be issued after Friday, February 20th, 2026, at 4:30 p.m. If the City deems it necessary to revise any part of this RFP before the proposal due date, the City will issue an addendum. Addendums will be issued via e-mail notification.

PROPOSAL DUE

If you are interested in submitting, please submit digital copies of the completed LOI and SOQ to the office of the Public Utilities Director no later than 12:00 P.M. on Wednesday, March 4, 2026. Digital proposals can be e-mailed to psandy@bpu.org.

A pool services recommendation will be presented to the Park Board, Public Utilities Commission, and City Council pursuant to the schedule within this solicitation.

Proposals and any inquiries should be directed to:

Paul Sandy, Public Utilities Director
8027 Highland Scenic Drive
Baxter, MN 56425
(218) 825-3220
psandy@bpu.org



Public Utilities Commission Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Draft City Code Chapter VII Public Utilities — Section 705 - Water System

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 10 Minutes

SUBMITTED BY: Paul Sandy, Public Utilities Director **PRESENTER:** Paul Sandy, Public Utilities Director

SUMMARY OF ISSUE:

Beginning in 2023, the Public Utilities Commission directed staff to undertake a full repeal and replacement of Section 705 – Water System within the Brainerd City Code. The current section is outdated and does not reflect modern operational practices, maintenance standards, or regulatory requirements for the municipal water system. For reference, both the existing Section 705 and the proposed draft replacement are attached to this agenda request.

Based on Commission feedback at the last Commission meeting, staff received questions and has provided the attached summary of question and answers for the Commission to review. All changes denoted in the attachment have been made to the draft document for Commission review.

The draft ordinance has undergone comprehensive internal review by operations and management staff, as well as legal review by the City Attorney, to ensure consistency with current practices, state requirements, and City policies.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

The proposed revisions to Section 705 modernize and clarify the City's water system regulations, including requirements for properties seeking water or sewer service, standards for service connections, responsibilities for maintenance, and updated operational policies. The ordinance requires properties outside city limits to annex or enter into a pre-annexation agreement before receiving service, with strict conditions governing legal descriptions, recording requirements, and commitments to future annexation. It also updates permitting requirements for plumbers and excavators, establishes when City crews or licensed contractors must perform service taps, and defines accessibility standards for when properties must connect to public water. Construction standards are aligned with the Minnesota Plumbing Code and MDH separation requirements, including rules for subdivisions, multi-unit dwellings, and curb stop installation. The draft further details responsibilities for maintaining water service lines, addressing leaks, thawing frozen lines, and managing abandoned services, including applicable fees and assessment procedures.

The ordinance updates meter requirements by mandating City-owned meters for all services except private fire protection, establishing installation and inspection standards, and outlining rules for remote registers, outdoor irrigation meters, testing procedures, damage liability, and tampering consequences. It clarifies billing rules, delinquency timelines, reconnection requirements, and the City's authority to discontinue service, while eliminating seasonal water customers and maintaining minimum monthly charges. Fire service provisions are also updated, requiring City oversight of fire line construction, specifying when metering is required, controlling hydrant use through permitting and training, and prohibiting domestic use of fire lines. The ordinance strengthens cross-connection and backflow prevention requirements through mandatory inspections, certified testing, compliance deadlines, and enforcement procedures, including administrative warrants and service discontinuation for noncompliance. Finally, the ordinance reaffirms the City's rights to shut off water without notice during emergencies, prohibits waste, disclaims guarantees of pressure or continuous supply, limits City liability, permits borrowing of parts under replacement agreements, and clarifies that all rules in Section 705 form part of every customer's contract for City water service.

RECOMMENDED ACTION/MOTION:

Staff recommends approval of the draft City Code Section 705 - Water System and forwarding to the City Council for final approvals and adoption.

FINANCIAL IMPACT: N/A



BRAINERD PUBLIC UTILITIES

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Business Office: 218.829.8726 ■ **Repair Service:** 218.829.2193
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Below is a summary of the questions that Commission members imposed as it relates to City Code Section 705 – Water System and their subsequent answers from staff.

Question: There is nothing about double rates in the ordinance?

Staff Response: The 200% rate is not included in the ordinance because it is a policy item established in the BPU fee schedule. Since this is a water use rate, staff recommends keeping it out of City Code to maintain flexibility. This allows future Commissions or Council to modify or remove the requirement without needing to amend the ordinance.

Question: 705.01 Subd. 1 Section C – Does this imply a property owner can just get water and not sewer?

Staff Response: In certain situations, a property owner may have access to water service without sewer service, or vice versa. This is tied to the “availability” provisions in the ordinance, which define service as available only when infrastructure is within a specified distance. Similar provisions exist in the sewer code, including allowances for sewer connections without water service.

Question: 705.01 Subd. 4 – Does this apply to the airport?

Staff Response: Yes, staff confirms that this provision would apply to the airport.

Question: 705.03 Subd. 2 – What is a “wet tap” connection?

Staff Response: A “wet tap” (also known as a “hot tap”) is a method of connecting to a water main without shutting down the system. This avoids service interruptions and allows connections to be made while the main remains in service. The Utility performs wet taps for services 2 inches and smaller, while some contractors have the capability to complete larger taps.

Question: 705.03 Subd. 5 – Why is installation under pressure optional for services larger than 2 inches?

Staff Response: The Utility has the equipment and capability to perform wet taps on services 2 inches and smaller. For larger services, some contractors have specialized equipment to complete wet taps. In those cases, staff would coordinate with contractors to ensure all work is properly completed and tested, which is why installation under pressure is optional for larger connections.

Question: 705.03 Subd. 6 – Does this mean from the main to the curb stop?

Staff Response: Yes, this refers to the portion of the service line from the water main to the curb stop. Historically, the City has replaced this segment as part of watermain replacement projects.

Question: 705.04 – Does this restrict the City Council from changing the cost to property owners?

Staff Response: No, this section is intended to ensure that only state-licensed plumbers perform connections to the curb stop or water main. If the City Council wished to change how costs are allocated or participate in funding individual service connections, the ordinance would need to be amended accordingly.



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Question: 705.09 – Contractor is told to shut off water at the curb stop unless the owner has made provisions. What happens if this does not occur? What are the consequences?

Staff Response: In limited emergency repair situations, contractors may coordinate directly with Utility staff to complete repairs quickly and then submit permits and fees afterward. While these instances are rare, this provision is intended to ensure that contractors and plumbers obtain the required permits, pay applicable fees, and complete inspections prior to restoring water service. If these requirements are not met, the consequence is that water service will not be turned back on until all permit applications are completed and approved, all fees are paid, and required inspections are successfully completed.

Question: 705.10 – The section references “customer.” Does this mean the renter or the property owner?

Staff Response: Throughout the document, staff has addressed the “customer” and “property owner” discrepancy. Anytime the ordinance discusses charges for services, it is referred to as the “customer”. In cases where a tenant (customer) differs from the property owner, the property owner remains the responsible party.

Question: 705.11 – This section specifically references “property owner.” Why not “customer”?

Staff Response: Throughout the document, staff has addressed the “customer” and “property owner” discrepancy. Anytime the ordinance discusses charges for services, it is referred to as the “customer”. In cases where a tenant (customer) differs from the property owner, the property owner remains the responsible party.

Question: 705.14 – This section uses both “customer” and “property owner.” Would it be better to use one term consistently?

Staff Response: Throughout the document, staff has addressed the “customer” and “property owner” discrepancy. Anytime the ordinance discusses charges for services, it is referred to as the “customer”. In cases where a tenant (customer) differs from the property owner, the property owner remains the responsible party.

Question: How does this apply in situations where a renter is paying the water bill? Could this create confusion about responsibility?

Staff Response: Throughout the document, staff has addressed the “customer” and “property owner” discrepancy. Anytime the ordinance discusses charges for services, it is referred to as the “customer”. In cases where a tenant (customer) differs from the property owner, the property owner remains the responsible party.

Question: Exceptions for removal of service lines – “3. Any other reason determined by the City.” Is this intended as a catch-all provision?

Staff Response: Yes, this is intended to serve as a catch-all provision to address unique or unforeseen circumstances that may not be explicitly outlined elsewhere in the ordinance.



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Question: 705.33 Subd. 3 – Customers are charged for all consumption. Does the policy address how a customer can appeal charges?

Staff Response: Under seasonal customer provisions, customers are responsible for notifying the Utility and paying applicable fees to have water service shut off and turned back on. Customers may request that staff bring forward an appeal of charges to the Commission, which does occur from time to time. While the ordinance does not explicitly outline an appeal process, there is nothing that prevents a customer from appealing to the Commission. In such cases, staff would conduct an investigation and provide a recommendation to the Commission based on the findings.

Question: The ordinance references the term “his” in the first paragraph and “water and light department” in the second paragraph. Should these be updated?

Staff Response: Staff agrees that gender-specific language such as “his” should be removed and replaced with “property owner” for clarity and consistency. Staff has reviewed the ordinance and removed any such references. Additionally, staff was unable to locate any reference to “water and light department” in the current draft. If identified, it would be updated to reference the City to ensure consistency with current terminology.

Question: Consider adding “to the extent permitted by law to section 705.49. Does 705.48 warrant this addition?

Staff Response: Staff agrees with this recommendation and has added the language “to the extent permitted by law” to Sections 705.49. 705.48 only pertains to emergency situations in which would necessitate shutting off water.

Question: Section 705.01 Subd. 5 – This may conflict with Subd. 2 and 3 above granting Council authority.

Staff Response: This section has been reviewed by legal counsel, and staff was advised that it should remain as currently written.

Question: 705.01 Subd. 3 – What would be an example of “best interest of the City”? Should factors such as public health, system capacity, and infrastructure planning be included?

Staff Response: Staff agrees that additional clarity is beneficial and has added language to include factors such as, but not limited to, public health, system capacity, and infrastructure planning.

CHAPTER VII**PUBLIC UTILITIES****Section 705 – Water System**

705.01 Conditions Precedent to Receiving City Water. Subdivision 1. Any person desiring city water and/or sewer service to property lying outside the city's corporate limits must:

1. If the property is contiguous to the city's corporate limits, annex the subject property into the city as a condition precedent to receiving such water and/or sewer service.
2. If the property is not contiguous to the city's corporate limits, as a condition precedent to receiving either water and/or sewer service, enter into a legally valid and binding preannexation agreement. Such agreement shall in all instances be in form and substance satisfactory to the city attorney and shall, as a minimum, contain the following provisions:
 - a. A complete and accurate legal description of the property which is the subject of the agreement.
 - b. The common or street address of the subject property.
 - c. A declaration that water or sewer service, or both, are to be provided.
 - d. A declaration that the property owner(s) of record, at their sole expense, will within sixty (60) days of becoming contiguous to the city petition the city for voluntary annexation into the city and rezoning.
 - e. A declaration that such agreement is binding upon the present property owners and all future property owners; that such agreement shall constitute a covenant in perpetuity running with the land; and, that the city's original of said agreement shall be filed by the city with the Crow Wing County recorder and that such filing fee shall be paid by the city and added to the first sewer or water bill as a one-time special charge.
3. The entirety of the subject property shall be annexed into the city, or made the subject of the preannexation agreement, as applicable. Property shall not be divided or subdivided with less than the whole being annexed or made the subject of a preannexation agreement in order to receive city water or sewer services. The sole exception shall be tracts in excess of twenty (20) acres in size which are actually utilized as a farm; as to such farm ground, the site of the dwelling house and

dwelling house outbuildings may be annexed into the city or made the subject of a preannexation agreement. The permitted division of such property shall be drawn in such a manner that the tract to be annexed or made the subject of a preannexation agreement clearly conforms to all applicable requirements of state law, and local ordinance.

Subd 2. Exceptions. In extraordinary situations so declared by the city council, the council may deviate from the foregoing subsection of this chapter by requiring that all of a given tract of real property be annexed into the city or be made the subject of a requisite preannexation agreement.

Subd 3. Special Conditions. The City Council may, in addition to any of the foregoing conditions, require additional terms or conditions as may appear to be in the best interest of the city including but not limited to public health and safety, system capacity, and infrastructure planning as conditions precedent to the annexation or preannexation agreement.

Subd 4. Intergovernmental Agreements. Nothing in this chapter shall be interpreted as a restraint upon the power of the city to enter into intergovernmental agreements relating to the sale of or receipt of sewer or water services by the city.

Subd 5. Deviations. No city officer or official shall have any authority to deviate from the requirements of this chapter, or to bind the city to any such deviation. Service outside municipal limits shall comply with Minn. Stat. Ch. 414 and applicable intergovernmental agreements. Water service extensions shall not obligate the city to provide water or sewer services absent annexation compliance.

705.02 Water Service Connections: Permit Required. Subdivision 1. Plumbers and plumbing contractors are required to be licensed by the City of Brainerd and the State of Minnesota pursuant to Minnesota Plumbing Code and shall secure a permit from the city before making any connections to a watermain, and no plumber or other person shall make any attachment or connection to the watermain to serve other premises.

Subd. 2. Excavators are required to be licensed in the city and shall secure a permit before digging is done on public right-of-way or municipal easement. Fees for licenses and excavating are set by Section 1000 General Provisions Appendix A: Fee Schedule. Excavators shall abide by all construction and excavation requirements of the City Code.

Subd. 3. All public and municipal utilities shall be contacted before any excavation work is done by using Gopher State One Call (GSOC). All utility locations are the responsibility of the contractor.

Subd. 4. Safety precautions are the responsibility of the contractor and shall be always maintained.

705.03 Water Service Connections: Who to Make and Cost Of. Subdivision 1. Any property located in the city which requires a source of potable water shall be connected to the public water distribution system at the expense of the property owner whenever the public system is located in a public right-of-way or easement accessible to said property. The public water distribution system is considered accessible when the property abuts upon any public street or alley along which water mains have been constructed. For purposes of this chapter, "abut" shall mean that the property is either contiguous to the city street serviced by city water or benefits from an easement that enables service from said city street whereby they could connect to city utilities without further consent from any other landowner. As to non-abutting property which, in the case of residential use is within four hundred feet (400') and in the case of business or commercial use is within six hundred feet (600') of any public street or alley along with water mains have been constructed, the property owner shall, as to any new construction requiring water service, connect with the city water main in accordance with the provisions of this chapter, before any use or occupancy may be made on such premises. In the event a property owner of such property does not connect as so required, the city may, after providing written notice of property owner, begin assessment of a monthly water availability charge to the property owner at an amount as set by City Council. Any exception shall only be permitted through a written agreement by the administrative authority. A water well no longer needed to provide potable water because a property is connected to a public water supply must either be restricted to irrigation use or sealed and abandoned in accordance with the Minnesota Water Well Construction Code (Minnesota Rules, Chapter 4725).

Subd. 2. Wet tap service connections to the mainline watermain two (2) inches and smaller in diameter will be completed by the city. Wet tap service connections larger than two (2) inches in diameter shall be performed by a licensed contractor or other authorized personnel.

Subd. 3. Water connection permit fees are set by Section 1000 General Provisions Appendix A: Fee Schedule.

Subd. 4. A water connection fee will be charged any time a water service line installed or replaced and wet tapped to the main.

Subd. 5. All service taps two (2) inches or less in diameter shall be completed under pressure. Service taps larger than two (2) inches in diameter have the option of being completed under pressure.

Subd. 6. When a service lateral was installed with a watermain project (out to the curb stop), the property owner will connect at the curb stop. If any additional service is needed, the aforementioned described service connection fee will apply.

Subd. 7. All service lines, connections, piping, and appurtenances shall be installed and performed strictly in accordance with the Minnesota Plumbing Code and this Code and be

approved by the city. Failure to install or maintain the same in accordance therewith, or failure to have, or permit, required inspections shall be grounds for termination of water service to any customer.

705.04 Services: Construction. All services shall be constructed by a state licensed contractor in conformance with the Minnesota Plumbing Code and AWWA standards at the property owner's expense.

705.05 Services: Restriction on Laying Pipe. Subdivision 1. All service pipes shall be installed in accordance with the Minnesota Plumbing Code and the Minnesota Department of Health (MDH) watermain separation guidance. No consumer shall be permitted to extend water pipes across lots or buildings to adjoining premises. All service pipes shall be laid within public right-of-ways or public ground to the premises to be served and enter from the nearest mainline watermain.

Subd. 2. Water extensions to a sub-division within the corporate limits of City of Brainerd are to be petitioned by the developer. The City Administrator shall have a feasibility study conducted after which the City Council will approve, or disapprove, any utility improvements to the area. The cost of the feasibility study will be paid by the petitioner.

705.06 Services: Separate Service to Each Building. No new service shall be constructed, and no existing service shall be changed in such a manner that more than one building shall be on the service.

705.07 Separate Curb Stop Required for Each Building. Owners of premises having water services that do not have separate curb stops and boxes for each individual service or which otherwise do not conform to the requirements in this Chapter shall be required to put in such curb stops or make such other changes as are necessary to conform to these requirements, when so instructed by the city. Additional curb stops, when required, shall be installed, maintained, repaired, or replaced at the expense of the property owner of the premises for which it provides service. Each dwelling unit within a multi-tenant building, including but not limited to duplexes and triplexes, shall be served by an individual curb stop and service connection. The owner of such curb stops shall also, at all times, provide and allow the city access to the curb stops for the purpose of shutting off or turning on the water supply to the premise or service.

705.08 For Water Used During Construction. If a contractor requests water for construction purposes, a temporary metered connection shall be installed by the contractor and the meter supplied by the city. Under no circumstances shall a contractor use water without a meter. In cases where temporary water service is required to provide water to existing structures during construction of a new watermain, the city shall not charge for water utilized to serve those properties during the period of temporary water service.

705.09 Curb Stop: When to be Shut-Off. Plumbers shall leave all new water services shut-off at the curb stop after completion of testing, except that water may be left on only when the property owner or their agent has made application for the same and has a receipt from the city showing fees paid and permit verification.

705.10 Maintenance of Service Lines. The city shall maintain water service lines one (1) inch in diameter or smaller from the watermain to, and including the curb stop, at no cost to the property owner. For water service lines greater than one (1) inch in diameter, the property owner shall be responsible for maintenance of the entire water service and all appurtenances, including the connection to the watermain. In all cases, the property owner shall be responsible for maintenance of the water service located on the property owner's side of the curb stop.

705.11 Repair of Services to Conform to Chapter. Repairs made to existing services shall cause each service to conform in every respect with this chapter. If the plumbing is not within the City Code requirements, it is required to be brought up to City Code standards by the property owner. The property owner may choose to pay for said replacement, or they may elect to have the city pay for said repairs and have it assessed to the property. All repairs must comply with Minnesota Plumbing Code regardless of the age of the system.

705.12 Two or More Services on One Shut-Off: Turning on of Water. When there are two or more services on one curb stop, the water will not be turned on unless each service is properly metered and the water billings for all services are paid in full. The city may require that additional curb stops be installed as outlined in Section 705.13 of this Code.

705.13 Services: Location of Leaks. When a leak occurs, the city will determine which side of the curb stop the leak is located. It is then the responsibility of city or the property owner to repair the leak pursuant to the city's Residential Leaking Water Service Line Policy.

705.14 Service Line – Freeze-Ups. Subdivision 1. When a water service line freezes, property owners are responsible for thawing of the water service line pursuant to city's Frozen Water Service Line Policy. It is the sole responsibility of the property owner to thaw the service lateral from the house or building to the watermain for a water service larger than one (1) inch in diameter and from the house or building to the curb stop for a water service one (1) inch or smaller in diameter. Any cost resulting from the thawing of these frozen water lines will be paid by the property owner.

Subd. 2. If a water service lateral freezes, it is the sole responsibility of the property owner to let the water "drip or slow-run" to prevent freezing of the service line. The city does not allow credit on water used during the period in which the water "drips or slow-runs". If a bypass line is deemed necessary, the city will allow property owners to install a bypass to prevent freezing, however the installation will be at the property owner's expense and must be installed by a licensed plumber. Bypass line should be located before the water meter and must discharge to the drainage system through an air gap.

705.15 Abandoned Water Service Lines. Subdivision 1. When a water service line is abandoned in an improved street and determined to be no longer necessary, and pursuant to city's Abandonment and Removal of Water Service policy, the city shall keep a record of such abandonment and shall bill the property owner an abandonment fee. The abandonment fee shall be a fixed charge established by resolution of the City Council. All abandonment fees are to be billed to the property owner and if not paid by September 30th of the year in which the service is determined to be abandoned, the charges shall be assessed to the property owner in accordance with City policy for assessing current service charges. Abandonment fees billed to the property owner and paid after September 30th will be assessed to the property owner during the next assessment year period. Previously abandoned services shall be excavated and shut off at the main during the next street construction, reconstruction or overlayment project with the cost to be paid by the city.

Subd. 2. When a leak occurs in an abandoned water service line prior to construction, reconstruction or overlayment, the city shall repair the leak or remove the abandoned service.

Subd. 3. When a structure is demolished the water service line shall be shut off at the main line.

Exceptions for the removal of the service line may be made by the city for the following reasons:

1. The service line has been replaced in the last thirty (30) years, and the materials and installation of the service line are consistent with current standards and specifications of all city and state codes.
2. A street reconstruction project has occurred within the last five years, and the removal of the service line would damage the street.
3. Any other reason approved by the city.

705.16 Right to Shut-Off Water: Notice, When Required, Claims Against City. Subject to restrictions imposed by state law, the city reserves the right, at any time when necessary, without notice, to shut the water off at the main for the purpose of making repairs or extensions or for any other purpose. No claim shall be made against the city for any damage that may result from shutting off water for repairing, laying or relaying mains, hydrants or other connections. The city shall give notice of shutting off water if conditions are such that it is possible to do so.

CONTROL AND REGULATIONS OF WATER METERS

705.17 Water Meters: Required – By Whom Furnished. Subdivision 1. Except as otherwise provided in this chapter, any person, firm or corporation taking water from the water mains of the City of Brainerd is required to use a meter and such meter is required to be installed pursuant to the provisions of this Code and the Minnesota Plumbing Code.

Subd 2. Meters will measure water at gallon rates, and the consumer will pay for the water used. All meters are furnished by the city pursuant to the city's Disconnection of Utility Service policy. The city retains ownership of all meters, regardless of who purchased the meter and has the right to remove the meter pursuant to the Disconnection of Utility Service policy.

705.18 Water Meters: To be Attached to All Services, Exceptions. Meters shall be attached to all services except private fire protection services as herein provided.

705.19 Water Meters: Installation of. The property owner must have a licensed plumber install the meter and necessary fittings at their expense. The city will inspect the installation and approve it before the water is turned on. Meters shall be placed on the service pipe not to exceed two (2) feet from the wall where such pipe enters the premises and be in a horizontal position. There shall be a valve between the meter and the wall; and a suitable place shall be provided for the meter so as to keep it dry and clean, protected from frost, and it shall be readily accessible at all times to the meter reader and inspectors of the city.

705.20 Water Meters: Outdoor Metering. When a property owner requests metering for outdoor watering only, with no corresponding wastewater charges, the following procedure will be followed:

1. A separate water meter with remote meter reading capability and piping is to be installed in such a manner that the outdoor water system cannot be interconnected to a domestic system.
2. The outdoor metering and piping shall be inspected and approved by city personnel before use of the system is authorized.
3. Any use of the outdoor watering system which results in water entering the wastewater system of the city will be charged to the customer, based upon wastewater rates in effect at the time of use.
4. All charges for water used in the system and service charges in effect will be billed at rates which are in effect at the time of use.

705.21 Remote Meter Register. Remote meter registers are required on all new construction and or remodeling projects. Remote meter register wire shall be furnished by the city and constructed in conduit by the property owner's electrician or plumber. If a remote register is requested by the property owner for an existing meter, the city will

furnish and install the remote meter register and wire at no charge to the property owner. All remote registers are to be located next to the electric meter, unless the electric meter is not located on the external wall surface of a residence.

705.22 Water Meters: Valves on One and One-Half Inch and Larger Meters. Meters larger than one (1) inch in size shall be bypassed and shall have a suitable valve on either side of the water meter and a valve on the bypass, which will be sealed by the city. A property owner may opt to install two (2) meters, instead of one (1) meter and a bypass.

705.23 Water Meters: To Be Protected. Meters that are liable to become damaged by heating or cooling systems shall be protected by the installation of an approved back flow preventer located in the potable water line before the point where any chemicals may be introduced.

705.24 Water Meters: Damage to, Who Liable. The property owner or occupant of premises where a meter is installed shall be held responsible for its care and protection from freezing or hot water, and from other injury or interference or in case of its stoppage or imperfect working, they shall give immediate notice to the city. All meters that are broken or damaged by negligence of property owners or occupants of premises, or by freezing, hot water or other damage, except ordinary wear and tear, shall be repaired by the city and the cost of repairs shall be paid by the property owner or occupant.

705.25 Water Meter: Property Owner of Premises to Give Notice When Meter Not Needed. Whenever a water meter is installed on a water service in a premises that is to be remodeled, removed or destroyed, or where the service is discontinued so that the water meter is no longer needed, the property owner of such premises shall give notice to the city to remove such meter, and free access to such meter must be provided so that the meter may be removed. The property owner of the premises shall be held responsible for the meter and, if the meter is lost, they shall be required to pay for the same at the actual value.

705.26 Water Meter: Interference with Registration and the Breaking of Seal is Prohibited. No one shall in any way interfere with the proper registration of a water meter; and no one, except an authorized employee of the city shall break a seal of a meter; provided, however, that the city may grant specific permission to licensed plumbers to break such seal for draining pipes or stopping water leaks.

705.27 Water Meters: Tampering With, Water Bill to be Estimated. If any meter is found to have been tampered with, the water bill shall be estimated for that billing period and the meter repaired and tested. Upon repetition of the offense, it will be the option of the city to discontinue the water service pursuant to the city's Disconnection of Utility Service policy or collect the amount estimated due.

705.28 Water Meters: Testing and Expense for. In case there is doubt as to the accuracy of a water meter on the part of the consumer, they may have the meter, up to one (1) inch, tested by 3rd party testing consultant contracted by the city; at which time they may be present, or have a representative present if they so desire; and if the meter is found to register within two (2) percent of being correct, a charge will be made for making the test. If the meter is found to measure two (2) percent incorrectly, no charge shall be made for making the test. If the meter should be found to over-register more than two (2) percent, there shall be a proportional deduction made from the previous water bill. A water meter shall be considered to register satisfactorily when it registers within two (2) percent of accuracy.

705.29 Water Meters: Right of Access. In consideration for connecting to the City water system, the property owner authorizes the City to access all exterior service line valves, including the curb box valve. The city employees or agents shall have the right to enter the property owners' premises at all reasonable times for the purpose of operating service valves or for the reading, inspection, repairing or removal of the water meter.

WATER SERVICE RATES, BILLS AND ACCOUNTS

705.30 Water Rates and Rules, How Established, Changed. It is hereby expressly provided that the city reserves the right to change the rate for the use of water from time to time, by resolution; and at all times make such water restrictions, rules and regulations as, in the judgement of the city, may be necessary.

705.31 Water Rates: How Applies in Building Service Rentals. When two or more apartments are connected with one meter it will be the responsibility of the landlord to pay the water charges.

705.32 Water Service Bills, When Due and Delinquent: Turning Off of Water, When Turned On. All bills are due and payable on or before the 15th day after bills are sent out. Subject to state law, five days after a bill has become delinquent the water may be shut off from the premises; and, when so shut off, shall not be turned on again until all water bills and all other charges due for services to the consumer, together with a reconnect charge for turning water on, has been paid. Water will be turned on during regular working hours for the reconnect charge.

705.33 Water Service, Discontinuing of Service, Seasonal Customers, Freeze-Ups. Subdivision 1. Any consumer desiring to discontinue the use of water must notify the city.

Subd. 2. There are no seasonal customers for water and sanitary sewer services. Monthly charges are based upon the consumption of water. If there is no consumption for that month, a fee is charged according to the current rate schedule, or the customer may have the water shut off or turned on at the curb box at the current fee and pursuant to the city's Disconnection of Utility Service Policy.

Subd. 3. Any water breaks due to freezing lines are the responsibility of the property owner. The customer will be charged for all water consumption as well as any sewer rates pursuant to the city's Frozen Water Service Line policy.

705.34 Permission Necessary to Turn On, When. Once water was shut off for any of the reasons provided above, no one shall turn the water on without permission from the city.

705.35 Fire Services: Construction of. The construction of fire services shall be under the personal supervision of an authorized employee of the city, and the cost of this supervision shall be charged to the property owner.

705.36 Fire Services: When Meters Not Required. Private fire protection services may be constructed without meters provided that all outlet valves are sealed, and that the system is approved by the city and conforms with all building codes. All fire service lines shall be installed with a check valve or backflow prevention device.

705.37 Fire Services: When to be Opened. Fire protection systems shall be opened in case of fire or for inspection, and shall not supply water for domestic use, other than fire purposes.

705.38 Fire Services: Seals Broken On, Duty to Notify. When seals on a fire protection system are broken, it shall be the duty of the property owner or occupant to notify the city within 24 hours thereafter.

705.39 Fire Services: Limited Size Of. The city shall reserve the right to limit the size of fire protection services where the street mains are not adequately sized to protect public interest.

705.40 Fire Service: Use of For Other Purposes, Penalty. In any case when the property owner or occupant of any premises are found to be using water from a fire service for purposes other than fire protection, the city reserves the right, at any time, to require the property owner of the premises to furnish and install, at the property owner's expense and under the direction of the city, an approved water meter and to keep the same in accurate operating condition.

705.41 Fire Hydrants: Permit Required to Use. Hydrants are available throughout the city, but the use of a fire hydrant, unless authorized by the city, is strictly forbidden. Temporary service from fire hydrants is available for contractors. A hydrant rental fee, along with a metered charge, is required for contractor usage, tank fillings or other approved usages of fire hydrants. If a meter is required, it will be furnished and installed by the city unless the contractor has gone through city provided training on the installation and use of fire hydrants and use or installation of city provided metering equipment. The charges for water used will be billed at

the current water rates.

705.42 Fire Hydrants: How to Be Opened. Hydrants shall only be opened by the city unless the contractor has been trained as to such use by the city and permission is granted to the contractor.

705.43 Fire Hydrants: Use of In Flushing Streets and Sewers. Hydrants used for construction purposes and/or flushing sewers and streets shall have a reducing coupling attached to the nozzle of the hydrant with an independent throttling valve for regulating the supply.

705.44 Water Supply from Two Sources. Piping System to be Separate. On premises where water is supplied from two sources, the city water being one of the systems, the piping system for city water must be entirely separated from that of the other source. If such cross-connections are found to exist, the property owner or their plumber must give notice to the city and make an immediate correction of the problem. Failure to correct the problem will result in the discontinuation of the city's water supply by the city.

705.45 Cross Connections and Backflow Prevention. Subdivision 1. Purpose. The purpose of this subsection is to protect the health of water customers and the city's potable water supply.

Subd. 2. Definition. For the purposes of this subsection, "cross connection" shall consist of a connection or arrangement, physical or otherwise, between the city's water supply system and any plumbing fixture, tank, receptor, equipment, or other device, through which it may be possible for non-potable, used, unclean, polluted, or contaminated water, or any other substances to enter into any part of the city's water supply system under any condition.

Subd. 3. General rule. Cross connections between the city's water supply system and other systems or equipment are prohibited, except when and where, as approved by the city, suitable backflow prevention devices are installed, tested, and maintained in accordance with this subsection to ensure proper operation on a continuing basis. Backflow prevention devices shall be owned, tested, and maintained in working condition by the property owner or occupant of the premises being served.

Subd. 4. Installation, maintenance, testing. The installation, maintenance, and testing of backflow prevention devices shall be conducted in accordance with the Minnesota State Plumbing Code. Testing must be performed by a state certified backflow tester. All internal maintenance to any backflow prevention devices shall be performed by a state certified backflow prevention tester. The test results shall be furnished to the city. The city's fee for

administering a backflow preventer testing program is set by Section 1000 General Provisions Appendix A: Fee Schedule.

Subd. 5. Permit required. Prior to the installation of or repair to any private water line, system, apparatus, or equipment that is connected to or has a cross connection with the city's water supply system, the property owner or occupant must obtain a permit pursuant to City Code.

Subd. 6. Inspection and improvements.

1. All properties connected to the city's water supply system shall be subject to annual inspection by a city-designated inspector for the purpose of determining whether cross connection(s) exist, and if so, compliance with this subsection. The property owner or occupant shall allow the city-designated inspector onto the property and into any structure necessary to complete the inspection. The inspection shall occur within 30 days of written notice from the city that a compliance inspection is required. The compliance inspection shall occur at a time and in a manner as reasonably determined by the city-designated inspector. If the property owner or occupant fails to permit or have completed a compliance inspection as provided herein, the city may apply for an appropriate administrative search warrant authorizing the city-designated inspector to enter onto the property to conduct said inspection.
2. In the event that a backflow prevention device is required on the property and said device is not present or is not otherwise in compliance with this subsection, the installation or maintenance of a proper backflow prevention device shall be completed within 30 days of the city's written notice of noncompliance to the property owner or occupant. Following the written notice of noncompliance, a second compliance inspection shall be completed upon indication by the property owner or occupant of compliance with this subsection for the purpose of determining whether the necessary corrections have been made. In no event shall the second inspection be more than 60 days following the city's written notice of noncompliance related thereto.

Subd. 7. Noncompliance. In addition to any other penalty authorized by federal, state, or local law, the failure to comply with any of the provisions of this subsection shall be cause to discontinue water service.

705.46 The City Does Not Guarantee Accuracy of Information Given. Information obtained from the records, maps, employees, etc., of the city relative to the location of water mains and service pipes will be furnished to licensed plumbers and interested parties, but the city does not guarantee the accuracy of the same.

705.47 Unnecessary Waste, Right to Cut Off Supply. Consumers shall prevent unnecessary waste of water and keep all water outlets closed when not in actual use. If unnecessary waste of water takes place the city reserves the right to cut off the supply. The city reserves the right to prohibit the use of water for yard sprinklers, elevators, air conditioners, coolers and large consumers of water when in the judgment of the city, it shall be necessary to do so.

705.48 The City Does Not Guarantee Pressure or Supply. The city does not guarantee the consumer any fixed pressure or a continuous supply. In emergencies, water may be shut off without notice.

705.49 Non-Liability of The City for Water Service Breakage Failure in Supply. The city shall not be held responsible for any reason, such as, but not limited to the breaking of any service pipe or apparatus, water coil, shut off or failure in the supply of water.

705.50 Borrowing of Plumbing Supplies. When a contractor is in need of a certain part or fitting, the city may provide that part or fitting to the contractor with the agreement that the contractor will provide the City with a new replacement part or be charged the current replacement price.

APPLICATION RULES, PENALTY

705.51 Foregoing Rules and Regulations Considered Part of Every Contract. The foregoing rules and regulations shall be considered a part of the contract with every person who takes water supplied by the city and every such person who takes water shall be considered as having expressed agreement to be bound thereby.



Public Utilities Commission

Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Tabled Amended BPU_POL_2007-12 Fee for Checking Readings and Test/Change Meters

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 5 Minutes

SUBMITTED BY: Danny Loch, Finance Manager

PRESENTER: Danny Loch, Finance Manager

SUMMARY OF ISSUE: At last month's meeting, the Commission tabled the amended BPU_POL 2007-12, Fee for Checking Readings and Test/Change Meters, to allow for clarification regarding how far back an adjustment may be applied to a customer account. Upon further review, staff determined that applicable adjustment periods vary depending on the utility type and the underlying cause, as governed by regulatory requirements. In response, staff are proposing to revise the policy language to state that adjustments will be limited to the previous month's billing period or as otherwise required by applicable regulations.

Staff believe this approach provides sufficient flexibility to conduct a full and appropriate review of each situation on a case-by-case basis while maintaining consistency in standard billing practices. Additionally, this structure avoids tying the policy too narrowly to specific regulatory language that may change over time, allowing the utility to remain adaptable and administratively efficient without requiring frequent policy revisions.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

RECOMMENDED ACTION/MOTION: Approve the amended BPU_POL_2007-12 Fee for Checking Readings Test/Change Meters as presented.

FINANCIAL IMPACT:



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

Fee for Checking Readings and Test/Change Meters

BPU_POL_2007-12

Latest Revision/Effective Date: March 31, 2026

Original Adoption Date: October 30, 2007

I. Purpose

This policy establishes consistent standards for customer billing practices to promote fairness and transparency related to testing of meters.

II. Scope

This policy applies to any Brainerd Public Utilities (BPU) customer requesting tests of their meter reading.

III. Definitions

Customer: The individual or entity listed on the utility account responsible for payment of services and authorized to request meter testing.

Meter Accuracy Test: A formal evaluation of a utility meter's performance conducted by a qualified third-party testing consultant contracted by BPU to determine whether the meter is registering usage within acceptable tolerance levels.

Third-Party Testing Consultant: An independent, qualified entity contracted by BPU to perform certified meter accuracy testing in accordance with applicable industry standards.

Allowable Accuracy Range: The acceptable variance for meter performance, defined as within plus or minus two (2) percent of actual usage.

Over-Registration: A condition in which a meter records usage greater than the actual consumption beyond the allowable accuracy range of two (2) percent.

Under-Registration: A condition in which a meter records actual usage within the allowable accuracy range of two (2) percent.

Test Fee: A charge assessed to the customer for conducting a meter accuracy test when the meter is determined to be operating within the allowable accuracy range.

Billing Adjustment: A proportional correction applied to a customer's bill when a meter is found to be inaccurate beyond the allowable range, in accordance with this policy.

IV. Policy Statement

In case there is doubt as to the accuracy of a meter on the part of the consumer, they may request the electric meter, or water meters up to one (1) inch be tested by 3rd party testing consultant contracted by Brainerd Public Utilities. If the meter is found to register within two (2) percent of being correct, a charge will be made for making the test. If the meter is found to measure two (2) percent incorrectly, no charge shall be made for making the test.

If the meter should be found to over-register more than two (2) percent, there shall be a proportional deduction made from the previous months bill or as required by regulation. A meter shall be considered to register satisfactorily when it registers within two (2) percent of accuracy.

V. Procedures

A customer may request a meter accuracy test by contacting BPU for a specific service location. Upon receiving the request, BPU staff will review eligibility, including confirming the meter type and size, and inform the customer of applicable terms, including the potential for charges if the meter is found to be operating within the allowable accuracy range.

Once the request is confirmed, BPU will coordinate with a contracted third-party testing consultant to schedule and perform the meter accuracy test. The consultant will conduct the test in accordance with applicable industry standards and provide documented results indicating the meter's level of accuracy. BPU staff will review the results to determine whether the meter registers within the allowable accuracy range of plus or minus two (2) percent.

If the meter is found to register within two (2) percent of accuracy, a test fee will be charged in accordance with the BPU fee schedule. If the meter is determined to be inaccurate by more than two (2) percent, no test fee will be assessed. In cases where the meter is found to over-register by more than two (2) percent, BPU will apply a proportional adjustment to the customer's previous bill(s), based on available consumption data and staff determination. If the meter is found to under-register, no retroactive billing adjustment will be made unless otherwise required by applicable policy or regulation.

Following completion of the test and evaluation, BPU will notify the customer of the results, any applicable charges, and any billing adjustments. All documentation related to the request, testing, and outcomes will be retained in accordance with BPU record retention policies.

VI. Roles and Responsibilities

The Administrative Assistant/Dispatcher will receive the customer request and create a work order for the meter accuracy inquiry. The Meter Technician will review the request to confirm meter size and determine eligibility for testing in accordance with policy. The Administrative Assistant/Dispatcher or Billing Specialist will communicate with the customer regarding the request, including informing them of any potential applicable charges.

The Meter Technician will coordinate and oversee the meter accuracy test with the contracted third-party consultant, as applicable. Upon completion of the test, the Billing Specialist will calculate and apply any billing adjustments, subject to review and approval by the Business Office Supervisor.

VII. Compliance and References

Brainerd City Code.

VIII. Associated Forms and Attachments

None.

IX. Review and Update Schedule

This policy will be reviewed at the time City Code changes or as needed.

X. Approval and Authority

The Brainerd Public Utilities Commission approved this policy on March 31, 2026.



Public Utilities Commission

Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Amendment to BPU_POL_2005-08 Application for Service

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 5 Minutes

SUBMITTED BY: Danny Loch, Finance Manager

PRESENTER: Danny Loch, Finance Manager

SUMMARY OF ISSUE: As part of the ongoing 2026 comprehensive policy review, staff have evaluated the 2005-08 Application for Utility Service policy and are presenting minor revisions for consistency and clarity. The core provisions of the policy statement remain largely unchanged; however, updates have been made to clarify requirements related to dependents listed on an account and documentation required for customers occupying a property under a lease. Additionally, language related to disconnected service has been removed, as these provisions are addressed under the previously approved Disconnection of Service policy. All other revisions are administrative in nature and are intended to align the policy with the approved standard template format for consistency across all utility policies.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

RECOMMENDED ACTION/MOTION: Staff recommend approving the amended BPU_POL_2005-08 Application for Service Policy as presented.

FINANCIAL IMPACT:



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

Application for Service

BPU_POL_2005-08

Latest Revision/Effective Date: April 28, 2026

Original Adoption Date: December 06, 2005

I. Purpose

This policy establishes best practices and consistent treatment for applications of service.

II. Scope

This policy establishes the requirements and conditions under which customers may initiate, maintain, or re-establish utility service with Brainerd Public Utilities (BPU). It applies to all residential and commercial applicants and customers seeking electric and/or water service within BPU's service territory.

The policy defines application requirements, documentation standards, payment obligations, and account responsibilities necessary to receive service. It also outlines the conditions under which service may be denied, delayed, or disconnected due to non-compliance.

This policy governs all new service requests, transfers of service, reconnections, and situations involving outstanding balances or rental properties. Failure to comply with the requirements set forth in this policy may result in denial or disconnection of service and may subject the customer to additional administrative or legal action.

III. Definitions

Applicant: An individual or business entity that submits a request to establish, transfer, or re-establish utility service with Brainerd Public Utilities (BPU).

Customer: An individual or business entity that has an active utility service account with BPU and is responsible for all charges and compliance with applicable policies.

Utility Service Application: The official form required to request initiation, transfer, or reconnection of electric and/or water service, which must be completed in full and submitted with all required documentation. One of two formats: residential or commercial dependent on applicant need.

Valid Photo Identification: A government-issued identification document that

includes a photograph, such as a driver's license, state identification card, or passport, used to verify the identity of the applicant.

Lease Agreement: A signed legal document between a landlord and tenant that establishes occupancy of a rental property and is used to verify residency and account responsibility.

Account Holder: The individual or entity in whose name the utility service account is established and who is financially responsible for all charges associated with the account. The account holder is the primary individual responsible for charges associated with the utility use.

Unauthorized Use of Service: The use of utility service without an approved application, without fulfilling policy requirements, or after service has been disconnected, which may result in immediate disconnection and/or legal action.

Reconnection: The restoration of utility service following a disconnection, which may require completion of a new application, payment of outstanding balances, and payment of applicable fees.

Outstanding Balance: Any unpaid charges, fees, or past-due amounts owed to BPU by an applicant or customer, including prior bad debt.

Payment Arrangement: An approved agreement between BPU and a customer to satisfy an outstanding balance over time under specified terms and conditions, subject to approval by the Credit & Collections Representative.

Fee Schedule: The official listing of charges approved by BPU for services, including but not limited to reconnection fees, meter replacement costs, and other administrative or service-related fees.

Service Territory: The geographic area in which BPU provides electric and/or water utility services.

Disconnection of Service: The termination of utility service due to non-compliance with policy requirements, non-payment, or unauthorized use, in accordance with applicable regulations and procedures.

IV. Policy Statement

The provision for customers to receive utility service from BPU shall be contingent upon the customer complying with the following policy requirements. These policy requirements can be amended when deemed necessary in the future.

- All applications for utility service must be completed in full and filed at BPU's business office.
- A new application for service may be required to re-establish a disconnected service.
- A new application for service will be required for any change of residence or business.
- All previously incurred bad debts to BPU must be paid in full or arrangements made (at the discretion of credit/collections rep) before a new application for service will be accepted.

- If renting a residence, the utility service will remain in the landlord's name until BPU has received the tenant's completed application for service, a copy of their driver's license or photo ID, and a copy of the signed rental lease.
- All names listed on lease that are not dependents of the main applicant must be included on the Utility Billing Application and will be noted on account.
- If an occupant listed on the lease moves out, a copy of an updated lease or a lease addendum reflecting the change in occupancy is required.

Any customer that does not comply with the above list of requirements will be considered an unauthorized user of BPU's utility service and subject to immediate disconnection of service without further notice and/or legal action.

V. Procedures

Business Office Support: Business Office Support serves as the primary point of contact for customers and is responsible for the intake, review, and verification of all utility service applications. Key responsibilities include:

1. Provide the appropriate application and ensure all required fields are completed.
2. Verify all required documentation, including valid photo identification and lease agreements where applicable, and confirm consistency with the application.
3. For rental properties, confirm the lease is valid and that all non-dependent occupants are included on the application.
4. Upon completion of verification, document, scan, and route the application to the Billing Representative.
5. Communicate service requirements, applicable fees, and next steps to the customer, and refer balance or payment arrangement questions to the Credit & Collections Representative.

Billing Representative: The Billing Representative is responsible for account creation and service initiation following receipt of a fully verified application. Key responsibilities include:

1. Perform a final review for completeness from a system-entry perspective.
2. Establish the account in the billing system and apply all applicable fees per the approved fee schedule.
3. Coordinate with the Credit & Collections Representative if prior service history or outstanding balances exist.
4. Initiate service connection or reconnection once eligibility is confirmed.
5. Ensure all documentation is linked to the account and maintain accurate records and notes.

Credit & Collections Representative: The Credit & Collections Representative is responsible for determining service eligibility based on account history and payment status. Key responsibilities include:

1. Review account history for outstanding balances or prior bad debt.
2. Require full payment of outstanding balances or approve payment arrangements in accordance with established guidelines.
3. Document all payment arrangements within the customer account.
4. Communicate account clearance or restrictions to the Billing Representative.
5. Identify unauthorized use of service, initiate disconnection procedures when necessary, and coordinate escalated collection or legal actions with management.

Reconnection and Service Restoration: Reconnection or restoration of service requires coordination across all roles to ensure all conditions are met. Required steps include:

1. Confirm a verified application is on file and all documentation has been accepted.
2. Verify outstanding balances are resolved or approved arrangements are in place.
3. Confirm all applicable fees have been paid.
4. Billing Representative initiates reconnection.
5. Business Office Support communicates timing and next steps to the customer.

Exceptions and Escalation: Any deviation from these procedures requires supervisory approval. Situations involving disputes, complex account history, or repeated non-compliance must be escalated to management for review and direction.

VI. Roles and Responsibilities

Business Office Support

Business Office Support serves as the primary point of contact for customers and is responsible for the intake and verification of all utility service applications. This position ensures that applications are fully completed and that all required documentation, including valid photo identification and lease agreements where applicable, is received and verified for accuracy and consistency. Business Office Support confirms that all non-dependent occupants listed on a lease are included on the application, answers general questions regarding service requirements and fees, and ensures customers understand the steps required to establish service. Once verification is complete, all materials are properly documented, scanned, and routed to the Billing Representative for account creation.

Billing Representative

The Billing Representative is responsible for establishing and maintaining customer accounts following receipt of a fully verified application from Business Office Support. This includes reviewing submitted materials for completeness from a system-entry perspective, creating the account within the billing system, and applying all applicable fees in accordance with the utility's fee schedule. The Billing Representative coordinates with the Credit & Collections Representative to confirm eligibility when prior account history or outstanding balances exist and initiates service connection or reconnection once all requirements have been satisfied. This role also ensures that all

documentation is properly linked to the account and that accurate records and notes are maintained.

Credit & Collections Representative

The Credit & Collections Representative is responsible for reviewing customer account history to identify outstanding balances or prior bad debt and determining eligibility for new or re-established service based on payment status. This position has the authority to require full payment or approve payment arrangements in accordance with established guidelines and documents all agreements within the customer account. The Credit & Collections Representative communicates account clearance or restrictions to the Billing Representative, supports enforcement of the policy by identifying unauthorized use of service, and initiates disconnection procedures when necessary. This role also coordinates escalated collection efforts or legal actions with management when appropriate.

VII. Compliance and References

Not applicable

VIII. Associated Forms and Attachments

Residential and Commercial Service Applications accompany this policy.

IX. Review and Update Schedule

This policy will be reviewed on an as needed basis.

The policy was first adopted in December of 2005 and revised on April 28, 2026.

X. Approval and Authority

The BPU Commission approves this policy.

BRAINERD PUBLIC UTILITIES

POLICY 2005-8

Adopted 12/06/05

APPLICATION FOR SERVICE

The provision for customers to receive utility service from Brainerd Public Utilities (BPU) shall be contingent upon the customer complying with the following policy requirements. These policy requirements can be amended when deemed necessary in the future.

- All applications for utility service must be completed in full and filed at BPU's business office.
- A new application for service ~~will~~may be required to re-establish a disconnected service.
- A new application for service will be required for any change of residence or business.
- All previously incurred bad debts to BPU must be paid in full or arrangements made (at the discretion of credit/collections rep) before a new application for service will be accepted.
- If renting a residence, the utility service will remain in the landlord's name until BPU has received the tenant's completed application for service, a copy of their driver's license or photo ID, and a copy of the signed rental lease.
- All names listed on lease that are not dependents of main applicant, ~~will~~must be included on the Residential Utility Billing Application and will be noted on account.
- If an occupant listed on the lease moves out, a copy of an updated lease or a lease addendum reflecting the change in occupancy is required.
- If there is not any electric and/or water service to the property address, all reconnects fees have to ~~must~~ be paid before the service will be is restored. Per Policy No. 2003-5, all water meters that are broken and/or frozen will be replaced and charged to the customer, per in accordance with the BPU's fee schedule.

Any customer that does not comply with the above list of ~~requirements,~~requirements will be considered an unauthorized user of BPU's utility service and subject to immediate disconnection of service without further notice and/or legal action.



Public Utilities Commission

Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Guaranteed Maximum Price (GMP) and Authorization to Execute Construction Phase Contract with Rice Lake Construction Group for the 2026 Water Treatment Plant (WTP) Reclamation Tank Project

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 10 Minutes

SUBMITTED BY: Paul Sandy, Public Utilities Director **PRESENTER:** Paul Sandy, Public Utilities Director, Morgan Salo - Bolton and Menk

SUMMARY OF ISSUE:

Staff are seeking Commission approval of the Guaranteed Maximum Price (GMP) and authorization for Rice Lake Construction Group to proceed into the construction phase of the 2026 Water Treatment Plant (WTP) Reclamation Tank Project. This project is being delivered under the Construction Manager at Risk (CMAR) method, which is a relatively new delivery model for municipal utility projects in Minnesota.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

BPU staff have been coordinating closely with Bolton & Menk regarding the scope of services for the Reclamation Project. In early 2024, the BPU Commission entered into an agreement with Bolton & Menk to provide design and bidding phase services for the project. Brainerd Public Utilities subsequently received a direct legislative appropriation of \$5,000,000 to support project design and construction. Throughout 2024, BPU staff and Bolton & Menk advanced the project through design development, including preparation of detailed plans and specifications. On November 21, 2024, BPU received bids for the project; however, all bids came in significantly above the available budget, with Rice Lake Construction Group submitting the lowest bid at \$10,336,450. The BPU Commission rejected all bids and elected to transition the project to a Construction Manager at Risk (CMAR) delivery method.

After the CMAR was onboarded through a competitive proposal process, staff have had numerous meetings with Rice Lake Construction Group to review pricing models to reduce the project scope and fit the available budget for the project. Staff met with Rice Lake Construction Group and Bolton & Menk on Friday, April 24 to review and present the proposed GMP of \$5,300,000. The GMP reflects the progression of design, detailed cost estimating, subcontractor pricing, and risk evaluation developed collaboratively during the pre-construction phase.

Under the CMAR model, the construction manager provides input during design to improve constructability, refine project costs, and manage scheduling considerations. Establishment of the GMP

formalizes the maximum cost for the construction phase and allocates certain cost risks to the contractor while maintaining coordination with the project team.

Staff also note that \$5,000,000 of the project funding is supported through a direct State appropriation, which requires that the project be under contract by the end of calendar year 2026. The total project budget is \$5,650,000 for 2026 and 2027. In addition to the GMP, Bolton & Menk services are structured on an hourly basis with a not-to-exceed amount of \$187,300 for CMAR coordination and design services, and an estimated \$263,400 for construction phase services. Total estimated costs with the GMP for 2026 and 2027 are \$5,750,700. This amount includes \$225,000 in contingency.

Commission approval of the GMP and authorization to proceed is required to transition the project from pre-construction into the construction phase. This action will allow for competitive bidding with trade partners, execution of subcontract agreements, procurement of materials, and initiation of on-site construction activities to maintain the overall project schedule and meet State funding deadlines.

RECOMMENDED ACTION/MOTION: Staff recommend approving the attached CMAR contract with Rice Lake Construction with a GMP of \$5,300,000.

FINANCIAL IMPACT: \$5,300,000. The total project financial impact is estimated to be \$5,750,700 including engineering fees and construction expenses. \$5,000,000 of this total is reimbursable through the direct State appropriation.

AGREEMENT BETWEEN OWNER AND CONSTRUCTION MANAGER AT RISK

This Amended Agreement is by and between The Brainerd Public Utilities (“Owner”) and Rice Lake Construction Group (“Construction Manager at Risk” or “CMAR”) and amends the original agreement dated September 30, 2025.

Terms used in this Agreement have the meanings stated herein and in the General Conditions and the Supplementary Conditions.

Owner and CMAR hereby agree as follows:

ARTICLE 1—THE PROJECT

- 1.01 The Project, of which the CMAR Services and the Work under the Contract Documents are a part, is generally described as follows:

Filter Backwash Reclamation

OM2.132915

ARTICLE 2—OWNER’S ADVISOR AND ENGINEER; OWNER’S PROJECT TEAM

- 2.01 The Owner has retained Bolton and Menk, Inc. (Owner’s Advisor or OA) to act as Owner’s representative, assume all duties and responsibilities of advisor to Owner and construction contract administrator on behalf of Owner, and have the rights and authority assigned to Owner’s Advisor in the Contract.
- 2.02 The Owner has retained Bolton and Menk, Inc. (Engineer) to design the Project, to assume all duties and responsibilities of Engineer during the construction of the Project, and to have the rights and authority assigned to Engineer in the CMAR Contract.

ARTICLE 3—CMAR SERVICES

- 3.01 Scope of CMAR Services
- A. CMAR will perform the CMAR Services set forth in Exhibit A, Scope of CMAR Services, as authorized, and other specified CMAR Services as expressly set forth in a Contract Amendment. Services rendered by CMAR to meet its general construction and management obligations are not CMAR Services, and are not compensated as CMAR Services, unless expressly designated as such.
 - B. CMAR Services are categorized in Exhibit A as Basic Preconstruction Services; Basic Procurement Services; Additional Procurement Services; and Special Services.
 - C. In Exhibit A and in scope of CMAR Services provisions in Contract Amendments, imperative sentences with respect to the performance of services are directives to CMAR, unless expressly indicated otherwise.
- 3.02 Basic Services, Additional Services, and Special Services
- A. Basic Services are CMAR Services (categorized as Preconstruction or Procurement) that are identified as Basic Services in Exhibit A.

- B. In addition to Basic Services, CMAR shall provide specific Additional Preconstruction Services and Additional Procurement Services within the scope set forth in Exhibit A, if Owner authorizes CMAR to do so. Owner or Owner's Advisor will authorize the specified Additional Services in a Contract Amendment. The Contract Amendment will describe the tasks to be performed, the compensation to be paid, the time for performance, the deliverables to be provided, and other applicable terms, if any. If a specific Additional Service has been priced during the CMAR selection process, such price will be binding on CMAR and Owner unless modified by mutual agreement.
- C. In addition to the services identified as Basic Services and Additional Services, after the Effective Date of the Contract the Owner and CMAR may identify Project-related services that were not contemplated at the time the Agreement was executed, are necessary to the Project, and should be added to the scope of CMAR Services. If Owner and CMAR mutually agree, a Contract Amendment will be issued that specifies the scope of such Special Services, the compensation to be paid, the time for performance, the deliverables to be provided, and other applicable terms. Any amount included in the Agreement for Special Services will serve as the Owner's contingency for Special Services, if authorized by the Owner.

3.03 Authorization to Provide CMAR Services

- A. CMAR is authorized by the execution of this Agreement to begin providing Basic Preconstruction Services set forth in Article 1 in Exhibit A, Scope of CMAR Services, as of the Effective Date of the Contract.
- B. CMAR is authorized by the execution of this amended agreement to begin providing the Basic Construction phase services as set forth in Article 2 in Exhibit A, Scope of CMAR Services, as of the amended effective date of the contract.
- C. All other CMAR Services, including Additional Preconstruction Services, Additional Procurement Services, and Special Services, if any, must be authorized by Owner or Owner's Advisor.

3.04 Compensation for Basic CMAR Services

- A. Basic Preconstruction Services—Owner will compensate CMAR for Basic Preconstruction Services, provided per Article 1, Exhibit A—Scope of Work for CMAR Services, the lump sum of \$8,500 for CMAR Basic Preconstruction Services.
- B. Basic Construction Services—Owner will compensate CMAR for CMAR Basic Construction Services, provided per Article 2, Exhibit A—Scope of Work for CMAR Services, the lump sum price up to, but not to exceed, the Guaranteed Maximum Price (GMP) of \$5,300,000 as shown in the table in Table 1 within Article 2, Exhibit A.

3.05 Compensation for Special Services and Additional CMAR Services

- A. Owner will compensate CMAR for Special Services and Additional CMAR Services pursuant to the specific compensation terms in the Contract Amendment establishing and authorizing such Special Services.

3.06 Payment for CMAR Services

- A. Preparation and Submittal of Invoices
 - 1. CMAR will prepare and submit invoices for CMAR Services to Owner's Advisor on a monthly basis in a format acceptable to Owner's Advisor.

2. CMAR may not submit invoices and is not entitled to compensation for Additional Services or Special Services unless Owner has authorized such services through execution of a Contract Amendment.
3. CMAR will provide documentation acceptable to the Owner to allow Owner to verify CMAR's charges included in invoices.

B. Payments

1. Payment for CMAR Services compensated on a Lump Sum (stipulated price) basis:
 - a. The Lump Sum amount includes compensation for CMAR's services, and services of CMAR Subconsultants, if any. Appropriate amounts are to be incorporated in the Lump Sum to account for labor costs, overhead, profit, expenses, and other cost.
 - b. The amount invoiced each billing period will be based on the CMAR's estimate of the percentage of the total CMAR Services completed during the billing period.
 - c. The compensation paid to CMAR for Basic Services will not exceed the Lump Sum amount unless duly authorized by a Contract Amendment.
2. The amounts paid to CMAR under this Article are deemed to include full compensation for CMAR's overhead and profit associated with such labor and expenses.

C. Time of Payment

1. Owner will make payments for CMAR Services within **[10]** days after receiving an approved invoice from the Owner's Advisor.
2. If Owner fails to make any payment due CMAR for CMAR Services within 35 days after receipt of CMAR's invoice, then:
 - a. Amounts due CMAR will be increased at the rate of 1.0% per month, or the maximum rate of interest permitted by law, if less, from said thirtieth day; and
 - b. CMAR may, after giving 7 days' written notice to Owner, suspend services under this Agreement until Owner has paid all amounts due for services, expenses, and other related charges in full. Owner waives any and all claims against CMAR for this suspension.
3. Owner may withhold only the contested portions of an invoice and must pay the undisputed portion of the invoice.

- D.** Compensation for CMAR Services discussed in Article 3 is not compensation for the Work and is not included in the GMP. No retainage will be withheld from payments of CMAR Services; however, such payments are subject to the set-off provisions in General Conditions Article 15.

ARTICLE 4—COMPENSATION FOR PERFORMANCE AND COMPLETION OF THE WORK

- 4.01** Owner shall compensate CMAR for performance and completion of the Work in accordance with the Contract Documents. Payment for Work will consist of the following:
- A.** Payment for Construction Support Costs in accordance with Article 5, and as set forth in Contract Amendment.

- B. Payment for Cost of the Work as provided in Article 6; and
 - C. Payment of a CMAR Fee as set forth in Article 7 and in the Contract Amendment.
- 4.02 This Agreement establishes a CMAR Contingency Allowance for use in paying for unforeseen costs as set forth in Article 8.
- 4.03 The amounts for CMAR's compensation summarized in Paragraph 4.01 are subject to additions and deletions as provided in the Contract, up to limitations established in the Guaranteed Maximum Price (GMP) as provided in Article 11.

ARTICLE 5—CONSTRUCTION SUPPORT COSTS

5.01 Construction Support Costs

- A. Construction Support Costs (field overhead or “general conditions” costs) are those costs associated with and in support of construction that are not directly related to specific construction activities. Construction Support Costs are not compensable as Cost of the Work and must not be included by CMAR in proposed Work Authorizations submitted to the Owner for approval and issuance. Construction Support Costs include without limitation:
 - 1. CMAR project management costs, including project managers, superintendents, field engineering staff, and clerical support located at the Site;
 - 2. Management of Subcontractors and Suppliers;
 - 3. Management of delegated professional design services, if any;
 - 4. Costs associated with safety programs, including safety managers and safety representatives;
 - 5. Quality management not specifically designated to be covered in a Work Authorization;
 - 6. Costs associated with obtaining permits, or paying patent fees or royalties, if not specifically designated to be covered in a Work Authorization;
 - 7. Costs for permit inspections, and other inspections required by Laws and Regulations not specifically designated to be covered in a Work Authorization;
 - 8. Compliance with Laws and Regulations;
 - 9. Taxes, other than those specifically designated to be covered in a Work Authorization;
 - 10. Contract administration costs, including costs for:
 - a. Meetings, reporting, notifications, and other communications and coordination,
 - b. Document management,
 - c. Submittals, record data, and other documentation,
 - d. Creating and maintaining Project schedules per Article 4 of the General Conditions,
 - e. Changes to the CMAR Contract per Article 11 of the General Conditions,
 - f. Applications for Payment per Article 15 of the General Conditions,
 - g. Maintenance of Record Documents, and

- h. Other contract administration costs included in the Contract Documents;
 - 11. Performance, payment, and warranty bonds, if any, provided to cover the construction of the entire Project;
 - 12. General insurance costs, excluding Builder's Risk or other coverage that applies specifically to Work and specifically designated to be covered in a Work Authorization, and Worker's Compensation Insurance which is to be included in payroll cost per Paragraph 6.02.A.1;
 - 13. Costs associated with CMAR temporary facilities and temporary infrastructure at the Site;
 - 14. The cost of purchasing, renting, or furnishing small tools and hand tools. These are defined as any tool or equipment whose current price, if purchased new at retail would be less than \$1,000;
 - 15. Costs for site maintenance, storage of materials, waste disposal, environmental controls, management of water, protection of site and adjacent property, cleaning during construction and final cleaning;
 - 16. Costs associated with startup and commissioning of the Work, including training of Owner's personnel, temporary operation of facilities by the CMAR; and performance acceptance testing, if any;
 - 17. Costs associated with substantial completion, partial utilization, and final completion; and
 - 18. Costs associated with general warranty, guarantees and correction of defective work during the Correction Period.
 - B. The organization of the Work into Work Packages will not result in changes to the CMAR's compensation for Construction Support Costs.
- 5.02 Fixed Construction Support Costs
- A. Fixed Construction Support Costs are those costs which are not time sensitive and will not increase if the performance of the Work extends beyond the Construction Period designated for Substantial Completion of the Work described in Article 13. The amount for Fixed Construction Support Cost is shown in Amendment, Table 2—Basis of Compensation for Fixed Construction Support Costs.
- 5.03 Time-Sensitive Construction Support Costs
- A. Time-Sensitive Construction Support Costs are those costs which will increase if the performance of the Work extends beyond the Construction Period designated for Substantial Completion described in Article 13. The amount for Time-Sensitive Construction Support Costs based on the Construction Period is shown in Amendment, Table 3—Basis of Compensation for Time-Sensitive Construction Support Costs.
 - B. The Construction Support Costs Extended Rate is determined by dividing the Time-Sensitive Construction Support Costs by the projected number of days in the Construction Period. CMAR will be entitled to additional compensation for Time-Sensitive Construction Support Costs at the Construction Support Extended Rate shown in Amendment, Table 3—Basis of

Compensation for Time-Sensitive Construction Support Cost if the extended time is associated with a compensable delay under the provisions of the General Conditions.

5.04 Changes in Construction Support Costs

- A. Owner and CMAR acknowledge that the Construction Support Costs stipulated amounts set forth in this Agreement's Amendment, Table 1, lines 7, 8, and 9 (Construction Support Costs Contract Amounts) and the Construction Support Costs Extended Rate (determined as set forth in Paragraph 5.03.B) are approximations of actual costs intended to liquidate and stipulate CMAR's compensation for Construction Support Costs, encourage efficiency and cost control, and reduce Owner's and CMAR's administrative and accounting effort. The Construction Support Costs Contract Amounts and the Construction Support Costs Extended Rate will not be increased except in cases in which CMAR demonstrates:
 - 1. An excessive and unanticipated increase in Construction Support Costs resulting from scope changes in the Work or other causes directly attributable to Owner; and
 - 2. Such increase in costs has not otherwise been compensated in a Work Authorization, Contract Amendment, or Change Order.

5.05 Compensation for Construction Support Costs

- A. Payments for Fixed Construction Support Costs will be made in equal monthly increments determined by dividing the Fixed Construction Support Costs Contract Amount by the projected number of months in the Construction Period. No payment will be made for Fixed Construction Support Costs in excess of the Fixed Construction Support Costs Contract Amount unless this Amount is adjusted in accordance with provisions in Paragraph 5.04.
- B. Payments for Time-Sensitive Construction Support Costs will be made in equal monthly increments determined by dividing the Time-Sensitive Construction Support Costs Contract Amount by the projected number of months in the Construction Period. No payment will be made for Time-Sensitive Construction Support Costs in excess of the Time-Sensitive Construction Support Contract Amount unless this Amount is adjusted in accordance with provisions in Paragraph 5.04.
- C. Payments will be made for Time-Sensitive Construction Support Costs associated with compensable delays under the provisions of the General Conditions at the Construction Support Costs Extended Rate as described in Paragraph 5.03.B.

ARTICLE 6—COST OF THE WORK

6.01 Purposes for Determination of Cost of the Work

- A. The term Cost of the Work is defined in the General Conditions, Article 1, as the sum of eligible costs incurred by CMAR for the performance of the Work, as allowed by the Cost of the Work provisions set forth in the Agreement; such provisions are set forth in this Article 6. Cost of the Work is determined for each Work Authorization, subject to any limits described in this Article. The provisions of this Article are used for two distinct purposes:
 - 1. To determine Cost of the Work for purposes of CMAR's base compensation for construction under this Contract; or
 - 2. When needed to determine the value of a Change Proposal, Change Order, Claim, set-off, or other adjustment to the Guaranteed Maximum Price. When the value of any

such adjustment is determined based on Cost of the Work, CMAR is entitled only to those additional or incremental costs required because of the change in the Work or because of the event giving rise to the adjustment.

- B. For purposes of determining CMAR's base compensation, Cost of the Work applies only to Work that has been duly authorized in a Work Authorization.
- C. The Cost of the Work will include only those items identified in Paragraph 6.02.

6.02 Cost of the Work

- A. Payroll Cost—Payroll costs for employees in the direct employ of CMAR performing Work described in Work Authorizations, and excluding those efforts covered in Construction Support costs per Paragraph 5.01. Payroll costs will be based on actual amounts paid as indicated on Certified Payroll reports. Payroll costs are to include salaries and wages plus the cost of fringe benefits, which include social security contributions, unemployment, excise, and payroll taxes, workers' compensation insurance, health and retirement benefits, sick leave, and vacation and holiday pay applicable thereto. The expenses of performing Work outside of regular working hours, on Saturdays, Sundays, or legal holidays, will be included in the above to the extent authorized by Owner.
- B. Incorporated Equipment and Material Cost—Cost of all materials and equipment furnished or incorporated in the Work, including costs for transportation and storage prior to delivery to the site. Cost for proper storage at the Site is to be included in Construction Support Cost per Paragraph 5.01. Cost for equipment is to include Suppliers' services for submittals, factory and field testing and inspections, installation checks, start-up assistance, and training, if any. All cash discounts accrue to CMAR unless Owner deposits funds with Contractor with which to make payments, in which case the cash discounts will accrue to Owner. All trade discounts, rebates, and refunds and returns from sale of surplus materials and equipment will accrue to Owner, and CMAR shall make provisions so that they may be obtained.
- C. Consumable Equipment and Material Cost—Cost, including transportation and maintenance, of all materials, supplies, equipment, tools, and machinery at the Site, which are consumed in the performance of the Work, less market value of such items used but not consumed which remain the property of CMAR. In establishing costs for materials such as scaffolding, plating, or sheeting, consideration will be given to the actual or estimated life of the material for use on other projects; or rental rates may be established on the basis of purchase or salvage value of such items, whichever is less. CMAR will not be eligible for compensation for such items in an amount that exceeds the purchase cost of such items.
- D. Subcontractor Cost—Payments made by CMAR to Subcontractors for Work performed by Subcontractors. CMAR shall obtain competitive bids from subcontractors acceptable to Owner and CMAR and shall deliver such bids to Owner, which will then determine, with the advice of Owner's Advisor, which bids, if any, will be acceptable. If any subcontract provides that the Subcontractor is to be paid on the basis of Cost of the Work plus a fee, the Subcontractor's Cost of the Work and fee will be determined in the same manner as CMAR's Cost of the Work and fee as provided in this Article 6.
- E. Construction Equipment Cost—Cost of providing construction equipment and machinery to construct the Work described in the Work Authorization.

1. Include all the costs for transporting, loading, unloading, assembly, dismantling, and removal of the equipment and machinery with Consumable Equipment and Material Cost per Paragraph 6.02.C.
 2. Construction equipment and machinery cost will be billed at rates approved by the Owner's Advisor as part of each Work Authorization.
 - a. All operating costs will include costs for fuel, maintenance, parts, and associated labor. Billing rates for equipment fueling and maintenance do not include payroll costs for equipment operators, which will be included in Payroll cost per Paragraph 6.02.A.
 - b. Costs for equipment and machinery owned by CMAR or a Subcontractor cannot exceed the rates shown for equipment in the EquipmentWatch Cost Recovery Rental Rate Blue Book, (<https://equipmentwatch.com/blue-book-cost-recovery>) An hourly rate will be computed by dividing the monthly rates by 176. These rates will include all operating costs per Paragraph 6.02.E.2.a.
 - c. Payment for rented equipment will be in accordance with rental agreements as to price, including any surcharge or special rates applicable to overtime use of the construction equipment or machinery, and all such costs will be in accordance with the terms of said rental agreements. The rental of any such equipment, machinery, or parts must cease when the use thereof is no longer necessary for the Work.
 - d. No markup is allowed on equipment rented or leased from any company owned in total or in part by CMAR or a Subcontractor, or is owned by the same holding company or a company with a close legal affiliation to CMAR or Subcontractor, since markups are included in rental or lease rates.
 - e. Equipment used for site maintenance is to be included in Construction Support Costs. Equipment used for multiple Work Authorizations must be billed on the basis of time worked on each Work Authorization.
 3. With respect to Work that is the result of a Change Order, Change Proposal, Claim, set-off, or other adjustment in Guaranteed Maximum Price (changed Work), included costs will be based on the time the equipment or machinery is in use on the changed Work and the costs of transportation, loading, unloading, assembly, dismantling, and removal when directly attributable to the changed Work. The cost of any such equipment or machinery, or parts thereof, must cease to accrue when the use thereof is no longer necessary for the changed Work.
- F. Supplemental Costs which consist of the following:
1. The proportion of necessary transportation, travel, and subsistence expenses of CMAR's employees incurred in the discharge of duties connected with the Work Authorization.
 2. Costs of special consultants including engineers, architects, testing laboratories, and surveyors, employed or retained for services specifically related to the Work Authorization and expressly excluding costs incurred by consultants performing CMAR Services.
 3. Sales, consumer, use, and other similar taxes related to the Work, and for which CMAR is liable, as imposed by Laws and Regulations.

4. Deposits lost for causes other than the negligence of CMAR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable.
5. Royalty payments and fees for permits, patents, and licenses directly related to a Work Authorization.
6. The cost of premiums for performance, payment, and warranty bonds obtained by CMAR as a requirement of a Work Authorization, in addition to the bonds purchased for the construction as a whole within the scope of Construction Support Costs per Paragraph 5.01.A.11. Final compensation for such premium costs will be based on reconciled costs at the conclusion of the Work.
7. Cost for any Subcontractor bonds that must be required to protect Owner's and CMAR's interests in the event of a Subcontractor default associated with a Work Authorization. Final compensation for such premium costs will be based on reconciled costs at the conclusion of the Work.
8. The cost of premiums for Builder's Risk insurance and other Work Authorization-specific insurance that CMAR is required by the Contract Documents to purchase and maintain, but not including costs of commercial general liability, automobile liability, and contractor's pollution liability insurance which are covered as Construction Support Costs per Article 5. The compensation for worker's compensation is included as part of payroll costs per Paragraph 6.01.A.1. Final compensation for such premium costs will be based on reconciled costs at the conclusion of the Work.

6.03 Specific Exclusions from Cost of the Work

- A. The following items are not included in the Cost of the Work. This express itemization does not confer Cost of the Work or compensable status to otherwise ineligible items not listed here. Cost for any items not included in the Cost of the Work are to be included in the CMAR Fee unless specifically itemized at Construction Support Costs described in Article 5.
 1. Payroll costs and other compensation of CMAR's officers, executives, principals, general managers, project managers, superintendents, safety managers, safety representatives, engineers, architects, estimators, attorneys, auditors, accountants, purchasing and contracting agents, expeditors, timekeepers, clerks, and other personnel employed by CMAR, whether at the Site or in CMAR's principal or branch office for general administration of the Work. The payroll costs and other compensation excluded here are to be considered administrative costs covered by Construction Support Cost or the CMAR Fee.
 2. Expenses of CMAR's principal and branch offices.
 3. Any part of CMAR's capital expenses, including interest on CMAR's capital employed for the Work and charges against CMAR for delinquent payments.
 4. Costs due to the negligence of CMAR, any Subcontractor, or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable.
 5. Cost for the correction of defective Work, disposal of materials or equipment wrongly supplied, and making good any damage to property not paid from CMAR's Contingency per Article 8.

6. Expenses incurred in preparing and advancing Claims.
 7. Other overhead or general expense costs of any kind and the costs of any item not specifically and expressly included in Paragraph 6.03.
 8. Costs recovered or reimbursed under other Construction Support Cost or Cost of the Work provisions.
- 6.04 Compensation for the Cost of the Work
- A. Compensation for the Cost of the Work is based on the amount earned for Work completed for each Work Authorization.

ARTICLE 7—CONSTRUCTION MANAGER AT RISK FEE

- 7.01 The CMAR Fee will be determined as follows:
- A. The CMAR Fee is a lump sum fee as shown in Amendment Table 1. This CMAR Fee is subject to increases or decreases for changes in the Work as provided in General Conditions Paragraph 11.01.

ARTICLE 8—CMAR CONTINGENCY ALLOWANCE

- 8.01 CMAR Contingency Allowance
- A. The CMAR Contingency Allowance funds, shown in Amendment Table 1—Estimated Guaranteed Maximum Price, are for the exclusive use of CMAR while executing the Work, to reimburse CMAR for costs due to unforeseen causes, unintentional errors, or events which cannot specifically be anticipated at the time Work Authorizations are issued.
 - B. The CMAR Contingency Allowance funds may be used by CMAR for costs sustained by either CMAR itself or a Subcontractor, at CMAR's discretion. The CMAR contingency funds may not be used for costs which are reimbursable or recoverable under other provisions of the Contract.
 - C. Without excluding other possible uses of the CMAR Contingency Allowance, the following uses are expressly acknowledged as eligible uses of the CMAR Contingency Allowance funds:
 1. Losses and damages, and related expenses, caused by damage to the Work, not compensated by insurance or otherwise, sustained by CMAR or a Subcontractor in connection with the performance of the Work;
 2. Corrective work, regardless of fault if non-conformance is unintended;
 3. Subcontractor defaults;
 4. Overruns in Construction Support Costs;
 5. Builder's Risk deductibles;
 6. Verified excusable errors in estimates; or
 7. Non-compensable overtime and other acceleration costs.
 - D. CMAR shall replenish the CMAR Contingency Allowance by restoring money withdrawn with money recovered (1) from bonds and insurance coverage payments for such expenditures, and (2) from defaulting Subcontractors or Suppliers.

- E. The CMAR Contingency Allowance will not be used to fund Owner-directed changes in the Work. Such changes will be administered through the contractual procedures established for changes in the scope of the Work, including expenditures from the Owner's Contingency Allowance, if any, Work Authorizations as modified by Change Order, and Contract Amendments or other modifications that impact the Guaranteed Maximum Price.
- F. The CMAR Contingency Allowance will not be used to recover the cost of items that are compensable as a Cost of the Work.
- G. The CMAR Fee does not apply to expenditures from the CMAR Contingency Allowance. CMAR will not be entitled to any additional overhead, profit, or other markup on any CMAR Contingency Allowance expenditure.
- H. The designated CMAR Contingency Allowance, as duly replenished, is the maximum amount available to CMAR to recover eligible costs under this Article; Owner will not increase the CMAR Contingency Allowance or otherwise reimburse CMAR for eligible costs incurred in excess of the CMAR Contingency Allowance.
- I. CMAR will submit applications for reimbursement from the CMAR Contingency Allowance to Owner's Advisor, in a format acceptable to Owner's Advisor, together with appropriate documentation. Payments from the CMAR Contingency Allowance will be recorded in the Application for Payment.

ARTICLE 9—WORK AUTHORIZATIONS

9.01 General Provisions Regarding Work Authorizations

- A. Work Authorizations will be based on Work Packages prepared by Owner's Advisor and Engineer describing equipment and materials to be purchased for installation or Work to be performed in accordance with the approved Work Authorization.
- B. All Work to be provided by CMAR must be authorized by the issuance of a Work Authorization specifying or referencing the scope of Work to be conducted.
- C. Owner's Advisor will issue each Work Authorization using the Work Authorization form provided by the Owner's Advisor.
- D. The Work Authorization will indicate the compensation to which CMAR is entitled for providing the authorized Work.
- E. CMAR is not entitled to compensation for providing Work that Owner's Advisor has not authorized.

9.02 First Work Authorization

- A. The first Work Authorization, authorizing the commencement of construction, will include, in addition to authorization for a specific Work Package, or multiple specific Work Packages, the authorization of expenditures by CMAR for Contract-specific (1) performance and payment bond premiums (2) Builder's Risk premiums, if CMAR is required to purchase and maintain Builder's Risk insurance, and (3) premiums for other specific insurance policies required by the Contract.

ARTICLE 10—PROCUREMENT OF SUBCONTRACTORS; CMAR SELF-PERFORMANCE OF AUTHORIZED WORK

10.01 Performance of the Authorized Work

- A. CMAR will solicit and receive competitive bids on the Work included in each Work Authorization, including the purchase of materials and equipment. CMAR will prepare bid packages supporting the Work Authorization and make opportunities available to Subcontractors and Suppliers in a way that will increase competition and allow bids by trade contractors or specialty entities. CMAR may prepare bid packages for Work the CMAR may wish to self-perform, so long as doing so will not limit bidding by competing bidders (prospective subcontractors).
- B. CMAR must submit its bids in advance of receiving other bids, and in the same manner that other bids are to be submitted. Bids are to be opened in the presence of the Owner's Advisor.
- C. CMAR will award the subcontract for the Work under the Work Authorization to the responsible bidder submitting the lowest responsive bid for that portion of the Work for which bids are received. CMAR may self-perform Work when CMAR is the low bidder.
- D. CMAR shall meet requirements of Minnesota Statue 471.463 when soliciting competitive bids for contract work.

ARTICLE 11—GUARANTEED MAXIMUM PRICE

- 11.01 Subject to the provisions of Article 4, CMAR guarantees that the maximum amount payable by Owner (Guaranteed Maximum Price, or GMP) for the sum of the amounts for Paragraphs 11.01.A through D that follow will be the binding GMP established by the process stated in Paragraphs 11.02 and 11.03.
 - A. Construction Support Cost Amount (Article 5);
 - B. Cost of the Work (Article 6);
 - C. CMAR Fee (Article 7); and
 - D. CMAR's Contingency Allowance Amount (Article 8).
- 11.02 The Estimated GMP indicated in Amendments—Estimated Guaranteed Maximum Price is a preliminary figure as of the Effective Date of the Contract. The GMP will be revised as the design is continued and completed.
- 11.03 A binding GMP will be established at any time agreeable to Owner and CMAR, but not later than the following:
 - A. If the Work is performed under Work Packages released and authorized concurrently for the complete Project, then the binding GMP will be established on the basis of Contract Documents that are 90% complete.
 - B. If the Work will be authorized over time, as the design for individual Work Packages is completed, in a series of incremental Work Authorizations (fast tracking or similar design/construction process) then the binding GMP will be developed in a series of incremental changes as the design for each Work Package reaches 90% completion,

culminating, when all Work Packages have been authorized, in a binding GMP for the Contract.

11.04 Owner's Construction Budget

- A. Owner's Advisor will establish an updated Owner's Construction Budget (Budget) based on the CMAR's procurement strategy which identifies Work Packages used to construct the Work. Owner's Advisor, working with CMAR, will update this Budget with actual amounts for each line item as Work Authorization amounts identified in the updated Budget are determined.
- B. Owner's Advisor will revise the Budget to incorporate Change Orders or authorized allocation of contingency funds which change the funds available for Budget line items. When amounts for all Work Authorizations have been determined and the binding GMP is established for the Contract, the Budget must correlate to GMP line items, and the Budget must equal the GMP.
- C. CMAR will identify variances between the budgeted amount and actual amounts as Work Authorization amounts are determined.
 - 1. Positive variances are created when actual cost for a Work Authorization is less than the budgeted amount. Positive variances identify unused funds that can be used to offset negative variances.
 - 2. Negative variances are created when actual cost for a Work Authorization is more than the budgeted amount. Negative variances identify where additional funds are needed. Unused funds from positive variances can be used to offset these negative variances.
 - 3. Net variances for the Contract are used to determine the current status of the Owner's Construction Budget.
 - a. A net positive variance for the Contract represents a savings to the Owner. A final Contract Amendment will be issued at the completion of the Contract (Final Payment) to adjust the GMP to the actual amount of Contract costs.
 - b. A net negative variance for the Contract represents the amount for which the CMAR is at risk, and no additional compensation will be made to the CMAR.

11.05 Options for Costs Exceeding the Owner's Budget

- A. The Guaranteed Maximum Price resulting from the tabulation of cost for self-performed CMAR Work, bids for Work by Subcontractors and Suppliers, Construction Support Costs, CMAR Contingency Allowances and CMAR Fee cannot exceed the Owner's Construction Budget. The Owner may exercise any of the following options at the sole discretion of the Owner if the proposed Guaranteed Maximum Price exceeds the Owner's Construction Budget:
 - 1. Approve an increase in the Owner's Construction Budget in writing.
 - 2. Authorize rebidding or renegotiation for some or all parts of the Project within a reasonable time without an increase in the Guaranteed Maximum Price.
 - 3. Cooperate in the revision of the scope of the Project to reduce the actual cost of construction to the Owner's Construction Budget.

4. Abandon the Project, in whole or in part, and terminate this Contract in accordance with applicable termination for convenience provisions.
 - B. If Owner selects the option described in Paragraph 11.05.A.1, CMAR shall proceed with performance of the Work, and provide CMAR Services as described in these Contract Documents without additional compensation for Procurement Services. Other fees and expenses related to the Cost of Work will be adjusted in accordance with the revised Cost of Work.
 - C. If Owner selects the option described in Paragraph 11.05.A.2, Owner and CMAR shall proceed with rebidding or renegotiation of some or all parts of the Project. The OPT will work with CMAR to determine if rebidding or restructuring Work Packages is likely to lead to lower bid prices; if so determined, CMAR will rebid selected original Work Packages or restructured Work Packages identified as having the potential to reduce the overall cost of construction to the Owner's Construction Budget. CMAR will advise the OPT of the likely impact to the schedule resulting from rebidding Work Packages. CMAR will provide CMAR Services for rebidding these Work Packages without additional compensation.
 - D. If Owner selects the option described in Paragraph 11.05.A.3, CMAR shall assist the OPT in studies to revise the scope of the Project to bring the Project cost within the Owner's Construction Budget. CMAR will provide research and cost estimates to evaluate the potential cost savings of each proposed change in scope for Work Packages and advise the OPT of the likely impact to the schedule resulting from rebidding Work Packages and changes in Contract Times that will result from the changed Work Packages. CMAR will provide CMAR Services for consultation in modifying the Project scope and rebidding these Work Packages without additional compensation.
 - E. CMAR shall revise the project schedule to incorporate delays caused by actions taken to bring the Project within the Owner's Construction Budget.
- 11.06 Conversion of Cost of Work to a Lump Sum Amount
- A. If Owner and CMAR mutually agree, compensation for all Work on the Project, or for any Work Authorization, may be converted to a lump sum (stipulated amount). If compensation for all Work on the Project is converted to a lump sum amount, this lump sum amount will include costs for Construction Support Cost, Cost of the Work, the CMAR Fee, and all other costs associated with the Contract, all as if bid as a lump sum amount. CMAR will no longer have access to CMAR Contingency Allowance funds and bears all risk associated with delivering the Work for the lump sum amount.
 - B. If a Work Authorization is converted to a lump sum amount, this lump sum amount will include costs for Cost of the Work, the CMAR Fee, and all other costs associated with the Work Authorization, all as if bid as a lump sum amount; provided, however, that Construction Support Costs will continue to be compensated per Paragraph 5.05.
 - C. The following will continue to apply for conversions to lump sum covered in Paragraphs B and C:
 1. The Cost of the Work provisions in Article 6 will continue to apply to pricing certain Change Orders and other similar matters, as set forth in Paragraph 6.01.A.2.
 2. Construction Support Costs Extended Rate provisions of Paragraph 5.04 will continue to apply for Change Orders.

3. Owner's Contingency will continue to be available per Article 12.

ARTICLE 12—OWNER'S CONTINGENCY ALLOWANCE

12.01 Owner's Contingency Allowance

- A. Owner's Contingency Allowance is used at the sole discretion of the Owner to cover unforeseen costs, Owner-directed changes in the scope of the Work, or any other unanticipated change in the Contract Price. These funds can only be accessed by the CMAR when and to the specific extent authorized by the Owner.
- B. The Owner's Contingency Allowance is to be included in the Contract Amount awarded but is not part of the CMAR's GMP.

ARTICLE 13—PAYMENT PROCEDURES

13.01 Submittal and Processing of Payments

- A. Billing and payment for CMAR Services are addressed in Article 3. The provisions in this Article 13 pertain to billing and payment for the Work.
- B. CMAR shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will indicate the amount of the CMAR Fee then payable. Applications for Payment will be processed by Owner's Advisor as provided in the General Conditions.

13.02 Progress Payments; Retainage

- A. Owner shall make progress payments on the basis of CMAR's Applications for Payment as recommended by Owner's Advisor on or about the 25th day of each month during construction as provided in Article 13, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract.
- B. Progress payments on account of the Cost of the Work will be made for each Work Authorization.
 1. Prior to Substantial Completion, for each Work Authorization progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.
 - a. 95 percent of the value of the Work completed, with the balance being retainage.
 - b. 95 percent of cost of materials and equipment not incorporated in the Work, with the balance being retainage.
 2. Upon completion of the Work under a Work Authorization, including completion of all punch list items, Owner shall pay an amount sufficient to increase total payments to CMAR to 98 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 200 percent of Owner's Advisor's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

13.03 Final Payment

- A. Upon final completion and acceptance of the Work, Owner shall pay the remainder of the Contract Price in accordance with Article 15 of the General Conditions.

13.04 Consent of Surety

- A. Owner will not make final payment or return or release retainage at Substantial Completion or any other time, unless CMAR submits written consent of the surety to such payment, return, or release.

13.05 Interest

- A. All amounts not paid when due will bear interest at the rate of 3 percent per annum.

ARTICLE 14—DOCUMENTATION AND AUDIT

14.01 Documentation

- A. Whenever the Cost of the Work for any purpose is to be determined pursuant to this Contract, CMAR and pertinent Subcontractors will establish and maintain records of the costs in accordance with generally accepted accounting practices.
- B. CMAR will provide documentation of all Costs of the Work with the Application for Payment as directed by the Owner's Advisor.

14.02 Audit

- A. Subject to prior written notice, Owner will be afforded reasonable access, during normal business hours, to all CMAR's accounts, records, books, correspondence, instructions, drawings, receipts, vouchers, memoranda, and similar data relating to the Cost of the Work and the CMAR Fee. CMAR shall preserve all such documents for a period of three years after the final payment by Owner. Subcontractors performing Work on a Cost of the Work basis will afford such access to Owner, and preserve such documents, to the same extent required of CMAR.

ARTICLE 15—CONTRACT TIMES

15.01 Contract Times—Dates

- A. The dates by which the Work will be substantially complete, and by which the Work will be completed and ready for final payment, are set out in this Contract Amendment and comply with provisions of Article 15.
- B. Substantial Completion:
 - 1. Substantial completion is defined as the date when construction is sufficiently completed so that the owner can occupy or use the improvement for the indented purpose. The intended purpose of the improvement is to pump backwash reclaim to the treatment plant and pump waste sludge to the sewer in an automated fashion and to be able to control all operations from the SCADA system. A certificate of occupancy must also be issued so the owner can occupy the intended space.
 - 2. The project shall be substantially complete by October 31, 2027

C. Final Completion:

1. The project shall be complete in and ready for final payment by June 30, 2028.

15.02 Liquidated Damages

- A. CMAR and Owner recognize that all time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and CMAR agree that as liquidated damages for delay, but not as a penalty:
1. Substantial Completion—CMAR shall pay Owner \$1,200 for each day that expires after the time, as duly adjusted pursuant to the Contract, specified above for Substantial Completion, until the Work is substantially complete.
 2. Completion of Remaining Work—After Substantial Completion, if CMAR shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, as duly adjusted pursuant to the Contract, for completion and readiness for final payment, CMAR shall pay Owner \$600 for each day that expires after such time until the Work is completed and ready for final payment.
 3. If Owner recovers liquidated damages for a delay in completion of the Project or a specified Milestone by CMAR, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages, if any, specified in this Agreement.

15.03 Special Damages

- A. CMAR shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of CMAR's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for construction management, engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 15.02 for Substantial Completion, as duly adjusted pursuant to the Contract, until the Work is substantially complete.
- B. After CMAR achieves Substantial Completion, if CMAR shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, CMAR shall reimburse Owner for the actual costs reasonably incurred by Owner for construction management, engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 15.02 for Work to be completed and ready for final payment, as duly adjusted pursuant to the Contract, until the Work is completed and ready for final payment.
- C. The special damages imposed in this Paragraph are supplemental to any liquidated damages for delayed completion established in this Agreement.

ARTICLE 16—CONTRACT DOCUMENTS

16.01 Contents

- A. The Contract Documents consist of all of the following:
 - 1. This Agreement.
 - 2. General Conditions.
 - 3. Supplementary Conditions.
 - 4. General Requirements (Division 01 of the Specifications.)
 - 5. Drawings and Specifications completed as of the Effective Date of the Contract.
 - 6. Exhibits to this Agreement (enumerated as follows):
 - a. Exhibit A, Scope of CMAR's Services;
 - b. Amendment, Basis of Compensation; and
 - 7. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Contract Amendments;
 - b. Executed Work Authorizations, including any exhibits identified as Drawings, Specifications, or other Contract Documents;
 - c. Work Authorization Modifications;
 - 1) Work Change Directives;
 - 2) Change Orders; and
 - 3) Field Orders.
 - d. Performance and Payment Bonds; and
 - e. Warranty Bonds, if any.
- B. There are no Contract Documents other than those listed above in this Article 16.
- C. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 17—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

17.01 CMAR's Representations

- A. To induce Owner to enter into this Contract, CMAR makes the following representations:
 - 1. CMAR has examined and carefully studied the Contract Documents, including Addenda.
 - 2. CMAR has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.

3. CMAR is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
4. CMAR has carefully studied the reports, if any, of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings, if any, of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
5. CMAR has carefully studied the reports and drawings, if any, relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. CMAR has considered the information known to CMAR itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; with respect to the effect of such information, observations, on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by CMAR; and (c) CMAR's safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, CMAR agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Guaranteed Maximum Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. CMAR is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
9. CMAR has given Owner's Advisor written notice of all conflicts, errors, ambiguities, or discrepancies that CMAR has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Owner's Advisor is acceptable to CMAR.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. CMAR's entry into this Contract constitutes an incontrovertible representation by CMAR that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

17.02 CMAR's Certifications

- A. CMAR certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 17.02:
 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the proposal process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the Proposal process or the execution of the Contract to the detriment of

Owner, (b) to establish proposal Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;

3. “collusive practice” means a scheme or arrangement between two or more Proposers, with or without the knowledge of Owner, a purpose of which is to establish proposal prices at artificial, non-competitive levels; and
4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the proposal process or affect the execution of the Contract.

IN WITNESS WHEREOF, Owner and CMAR have signed this Agreement.

This Amended Agreement will be effective on **April 28, 2026**, which is the Effective Date of the Contract.

Owner:

Brainerd Public Utilities

(typed or printed name of organization)

By:

(individual's signature)

Date:

(date signed)

Name:

(typed or printed)

Title:

(typed or printed)

Attest:

(individual's signature)

Title:

(typed or printed)

Address for giving notices:

Designated Representative:

Name:

(typed or printed)

Title:

(typed or printed)

Address:

Phone:

Email:

(If **[Type of Entity]** is a corporation, attach evidence of authority to sign. If **[Type of Entity]** is a public body, attach evidence of authority to sign and resolution or other documents authorizing execution of this Agreement.)

CMAR:

Rice Lake Construction Group

(typed or printed name of organization)

By:

(individual's signature)

Date:

(date signed)

Name:

(typed or printed)

Title:

(typed or printed)

(If **[Type of Entity]** is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Attest:

(individual's signature)

Title:

(typed or printed)

Address for giving notices:

Designated Representative:

Name:

(typed or printed)

Title:

(typed or printed)

Address:

Phone:

Email:

License No.:

(where applicable)

State:

EXHIBIT A—SCOPE OF CMAR SERVICES

ARTICLE 1—BASIC PRECONSTRUCTION SERVICES

- 1.01 Roles and responsibilities of the CMAR during the design phase will include, but are not limited to:
- A. Lead project planning and scheduling efforts in agreement with the project goals.
 - B. Provide recommendations on alternative approaches and/or methods to the project design that would promote project cost savings.
 - C. Provide recommendations on alternative materials to the project design that would promote project cost savings.
 - D. Develop and promote a process for issuing bid packages in agreement with the needs for construction sequencing and to meet the project schedule.
 - E. Participate in Project kick-off meeting. Be prepared to discuss CMAR's team and organizations structure, assignments for responsibilities and Teams CMAR's plan for implementation of Preconstruction Services.
 - F. Participate in periodic meetings with Owner, Owner's Advisor, and Engineer (collectively, Owner's Project Team or OPT) to review progress, coordinate efforts, and discuss planned activities for the next period. It is anticipated that these progress meetings will occur monthly.
 - G. Provide a project cost model and schedule for the design and construction phases.
 - H. Provide written comments advising on constructability and value engineering of the proposed design at 60% and 90% design completion.
 - I. Provide cost estimates at 60% and 90% design steps.
 - J. Provide written recommendations on bidding procedures in consideration of the proposed design at 60% and 90% design completion.
 - K. Provide information on availability of materials, lead times, and delivery schedules. Disclose potential issues with supply of materials.

ARTICLE 2—BASIC CONSTRUCTION SERVICES

- 2.01 Bidding and Construction Phase
- A. The CMAR should anticipate multiple bid packages and develop a strategy for issuing multiple bid packages that facilitate the completion of those packages. The purpose is to utilize this bidding package strategy to gain the most advantageous issuing of document for the proposed work, minimize construction duration while allowing the bid packages to be completed efficiently and to allow for the competitive bidding of each bid package.
 - B. While ensuring full bid coverage of the entire scope of the project, the CMAR will divide the work into multiple bid packages that allow for smaller local contractors (Key Firms) to competitively bid the work. The CMAR is responsible for managing and coordinating these multiple bid packages and contractors throughout the construction phase.

- C. The CMAR will aggressively promote and generate interest of small, local and regional bidders (Key Firms) and shall develop a master list of vendors and subcontractors. The list should include vendors and subcontractors for all categories of work and be presented to the City for review and approval.
- D. The vendor list should include only pre-qualified companies that are professionally capable of managing and performing the desired work.
- E. The CMAR is to manage the overall bidding and procurement process including, but not limited to:
 - 1. Solicit interest from potential Key Firms in the local community,
 - 2. Develop and Issue an RFQ for determination of approved subcontractors who are allowed to bid on the bid packages.
 - 3. Evaluate, score and provide recommendations on the list of approved subcontractors from the RFQ.
 - 4. Assemble and publicly issue competitive work scopes,
 - 5. Conduct pre-bid meeting and issue meeting minutes to the Project Team.
 - 6. Receive RFI's and facilitate issuance of project Addendum,
 - 7. Publicly open and tabulate bids,
- F. In collaboration with the Engineer, evaluate, interview, qualify and perform other necessary due diligence on the apparent low bidders in for each work scope,
- G. Make recommendation for award of contracts to the City and,
- H. Issue Notice of Award, Notice to Proceed and prepare contracts as approved by the City, but held by the CMAR, for each work scope/trade contractor.
- I. The CMAR will provide a performance bond or payment bond for the complete construction of the project (i.e., a penal amount of 100% of the GMP) per the State of Minnesota.
- J. Upon assignment by the City after award to the contractor, the CMAR is the primary administrator of all assigned construction contracts. Administration of contracts will include:

2.02 Project Management

- A. The CMAR is to provide competent, experienced, full-time staff, including an experienced on-site construction field superintendent and project management team to proactively coordinate and manage the work, maintain the progress of the subcontractors, coordinate with an emphasis of ongoing activities and operations, and provide overall direction to the project during the construction phase.
- B. The Project Management team shall establish on-site organization and levels of authority to carry out the overall plans of the Project Team. The Project Management team shall demonstrate high levels of effective, proactive project leadership and shall support the City's staff throughout the duration of the project.
- C. The CMAR shall work cooperatively and constructively with members of the Project Team to foster positive relationships that support positive outcomes for the team members and the project.

Furthermore, assist the City with obtaining building permit and coordination of utility service connections/upgrades.

D. The CMAR will prepare and issue daily construction logs with a record of all on-site activities, weather conditions, progress of the work and issues that require resolution.

E. CMAR will be contractually obligated to not reassign key staff members to other projects without the City's prior written consent. The City will have approval rights of any and all new personnel assigned to this project.

2.03 Coordination Meetings

A. During construction, conduct weekly on-site job site meetings that include appropriate contractors and sub-contractors, City representatives, and A&E representatives to review open issues, scheduling of the work, outstanding RFI's and submittals and resolve pending or upcoming issues. CMAR to prepare a written agenda in advance of each meeting, maintain a list of action items with identification of responsible party and due dates for each item and distribute written meeting minutes and action item lists within 3 business days of each meeting.

2.04 Schedule Management

A. The CMAR will prepare and maintain a Master Project Schedule using incorporating the activities of City, the Design Team and each Prime Contractor that indicate key milestone events, dates and responsibilities. CMAR is to provide regular monitoring of the actual progress versus the scheduled progress, identify any variances and prepare a recommended action plan along with an updated schedule to maintain the scheduled completion dates.

B. Throughout the construction process, the CMAR will determine the adequacy of the contractor's personnel and equipment in conjunction with the availability of materials and supplies to meet the schedule. Status reports will be provided to the City and the Project Team weekly in regular weekly coordination meetings in conjunction with preparing short-term (3 to 4 week look-ahead) schedules (on a weekly basis).

2.05 Project Reporting

A. CMAR to prepare a monthly status report that details the progress of the work with applicable job-site photos, schedule status and 4-week schedule outlook, budget status of each construction subcontract and City costs, and change order log.

2.06 Quality Management:

A. Quality management of contracts will include:

1. Coordination/constructability reviews of each bid package by the CMAR prior to issuing bid documents to contractors.
2. Complete and ensure construction of the work is in strict accordance with the quality requirements established by the contract documents.
3. Assemble and issue 3rd Party Materials Testing/Special Inspections bid packages to local vendors for direct contract to CMAR.
4. Coordinate CMAR's 3rd Party Materials Testing and Special Inspections work with the Key Firms.

5. Provide all 3rd Party Materials Testing and Special Inspections work to the City and A&E for review and approval.

2.07 Project Closeout:

- A. Facilitate construction close-out procedures including assembling of punch lists, operations and maintenance manuals, record drawings, warranties/guarantees, Mechanical and Electrical system commissioning, start-up and testing, training, etc.
- A. Promote opportunities for DBE firms to participate in submitting offers for subcontracts. Provide potential Subcontractors and Suppliers with a copy of Owner's DBE policy with bid documents. Make a good faith effort to encourage DBE participation and make potential Subcontractors and Suppliers aware that participation is taken into consideration when awarding contracts.

2.08 Start Up and Commissioning Program

- A. Provide CMAR's organizational structure for startup and commissioning. Identify the individuals from CMAR, Subcontractors and Suppliers actively involved in the process. Identify testing personnel required for startup, including independent testing agencies. Work with Owner's Advisor to develop a table of roles and responsibilities for CMAR team and the OPT.
- B. Develop a written start up and commissioning program consistent with the requirements of the Contract Documents. Write the plan in a way that will allow specific details to be added or information updated as equipment and materials are purchased and delivered.
- C. Identify all systems to be included in the startup plan, each item of equipment involved with each system and the interface between each item of equipment and other operating equipment. Identify how each equipment component fits into operations of the completed facility.
- D. Identify control systems associated with operating the system or facility, and how each is used to start-up, operate, and shut down its associated system. Identify prerequisite conditions for startup and testing for each system and facility. Identify conditions which would merit termination of startup or testing procedures.
- E. Compile a list of all documents required for startup, including Contract Documents, Shop Drawings, operations and maintenance manuals, verification of warranty information, lists of spare parts and their location, and contact information for manufacturer's representatives to be included in startup readiness testing /verification and performance testing.
- F. Identify testing required for factory witness testing, startup readiness verification, equipment and performance testing, and functional and performance testing.
- G. Provide a preliminary schedule for startup and commissioning plans which can be updated as more detailed information is available. Incorporate this schedule in the master schedule and construction schedule for the Project.

2.09 Project Management

- A. Participate in Project Meetings

1. Participate in kick-off meeting for Procurement Services. Be prepared to discuss changes in CMAR's team and organization structure for Procurement Services, assignments of responsibilities, and CMAR's plan for implementation of Procurement Services.
 2. Participate in periodic meetings with the OPT to review progress, coordinate efforts, and discuss planned activities related to procurement. It is anticipated that these progress meetings will occur weekly at times when procurement activities for Work Packages are underway.
- B. Provide administration of Agreement for CMAR Procurement Services, including Applications for Payment, progress reporting, management of CMAR staff, schedule for services, and deliverables.

C.

2.10 Construction Phase Services Guaranteed Maximum Price (GMP)

A. The guaranteed maximum price is as below in Table 1.

Table 1: GMP		
BPU Backwash Reclamation Tank		
Construction Phase GMP		
Category	Description	Cost
DIV 01	General Conditions, Bonds, Insurance	\$ 318,868
DIV 02	Demo	\$ 42,680
DIV 03	Cast-In-Place Concrete	\$ 1,745,170
03 41 13	Precast Concrete - Hollowcore	\$ 30,892
DIV 04	Masonry	\$ 98,930
DIV 05	Metals	\$ 49,300
DIV 06	Carpentry	\$ 7,389
DIV 07	Thermal & Moisture Protection	\$ 57,091
DIV 08	Doors & Windows	\$ 13,694
DIV 09	Coating System for WTF	\$ 39,992
DIV 10	Specialties	\$ 4,632
DIV 13	Special Construction - Chlorine Shed	\$ 35,000
DIV 22	Plumbing	\$ 79,282
DIV 23	HVAC	\$ 25,900
DIV 26	Electrical	\$ 442,134
DIV 31	Earthwork	\$ 233,770
	Landscape Allowance	\$ 16,000
DIV 32	Exterior Improvements	\$ 117,838
DIV 33	Utilities	\$ 750,510
DIV 40	Process Integration	\$ 521,720
WTP	Actuator Replacement (Labor)	\$ 43,240
BW Tank	Purchase 12" Electric Modulating & 12" HW BFs	\$ 20,712
DIV 41	Material Processing and Handling Equipment	\$ 4,983
DIV 43 & 46	Process Equipment	\$ 85,431
	SUBTOTAL	\$ 4,705,206
	CONTINGENCY - 4%	\$ 225,000
	CONTRACTOR FEE	\$ 369,794
	CMAR TOTAL GMP	\$ 5,300,000



Public Utilities Commission

Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Large Industrial Power > 5 MW Application Process and Guidebook

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 10 Minutes

SUBMITTED BY: Danny Loch, Finance Manager

PRESENTER: Trent Hawkinson, Operations Manager, Danny Loch, Finance Manager, Paul Sandy, Public Utilities Director

SUMMARY OF ISSUE:

Discussion regarding the development of a large customer load application process began at the last Commission meeting, where staff presented an initial draft framework and received questions and feedback for further refinement.

Brainerd Public Utilities, consistent with trends across Minnesota municipal utilities and regional peers, has experienced increasing interest from large electric load customers, particularly those with demands of 5 MW and greater. These requests often include high-density, energy-intensive operations such as data processing, data storage, and similar large-scale commercial or industrial uses.

Projects of this scale require significant coordination and evaluation, including distribution system capacity, substation and feeder impacts, transmission availability, and potential effects on existing customers. In addition, these requests require substantial staff time and engineering resources to assess feasibility and system impacts, particularly in early stages when project viability may still be uncertain.

To address this growing interest and align with best practices observed through peer utilities BPU has developed a formalized large customer load application process. The intent is to establish a consistent, transparent, and defensible framework for evaluating requests, managing risk, and ensuring appropriate cost recovery.

Following the previous Commission discussion, staff met with legal counsel to review the proposed application and address all questions raised. Based on that review, revisions have been incorporated to improve clarity, consistency, and overall structure of the process. Staff also reviewed application practices from other utilities and determined that establishing a 60-day review period for the pre-application phase aligns with the current process utilized. In addition, a 365-day timeline for completion of the formal application has been incorporated to remain consistent with current MN Power guidelines.

The primary update relates to the Schedule of Fees, which has been revised and clarified based on Commission feedback. The updated application fee structure is as follows:

- **5 MW to <10 MW:** \$5,000
- **10 MW to <25 MW:** \$10,000
- **25 MW and above:** \$10,000 plus \$250 per each additional MW

These updates are intended to provide a clear and predictable framework for applicants while ensuring appropriate cost recovery for staff time and technical review associated with large load requests.

Staff is seeking Commission acknowledgment of these updates and direction to proceed with implementation of the revised application materials and most notably the fee structure.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

RECOMMENDED ACTION/MOTION: Staff recommend approval and implementation of the attached documents and the fee structure related to the application process for large industrial applications over 5MW and above.

FINANCIAL IMPACT:



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

BRAINERD PUBLIC UTILITIES DATA PRIVACY NOTICE: "TENNESSEN WARNING"

As part of your application for utility service, and in providing those services, BPU requests private or confidential data about you. The private or confidential information that you provide is not available to the public. In accordance with the Minnesota Government Data Practices Act, Minnesota Statutes, Section 13.04, subd. 2, BPU must notify you of the following three points:

1. The purpose and intended use of the requested information:
To confirm your identity; to process your application; to consider infrastructure needs; to determine your credit status for receipt of services; to provide products and services; to communicate with you; to respond to your questions; to provide customer support; to schedule or respond to maintenance or service calls; to collect monies owed for the services or equipment provided; to protect against fraud, unauthorized transactions, and claims; to operate, evaluate, and improve our business; and to determine eligibility for and administer customer participation in events, utility programs, surveys, promotions, rebates, and assistance.
2. You may refuse to provide private or confidential data to BPU. If you do not supply this information, however, BPU will be unable to process your application or provide utility services.
3. The information that you provide may be accessible to the following persons or entities:
 - You, and persons who have your express written consent;
 - BPU and City officials and staff, MISO staff, and power supplier representatives who reasonably require access to your information in the course of their work duties or responsibilities;
 - Credit or collection agencies to assist in determining credit or collecting on an account if it becomes delinquent;
 - State agencies such as the Minnesota Department of Commerce; and
 - Outside vendors required under contract with BPU to maintain the confidentiality of the information, including, but not limited to, billing and credit card processing, energy consultants, rebate providers, and energy assistance agencies.

In addition, as permitted by Minnesota Statutes, Section 13.685, BPU may release your private or confidential data to:

- A law enforcement agency that requests access to the data in connection with an investigation;
- A school for purposes of compiling pupil census data;
- A public child support authority to establish or enforce child support; or
- Any other person when use of the data directly advances the general welfare, health, or safety of the public.

Other government entities accessing private or confidential data must also comply with the Minnesota Government Data Practices Act.

I acknowledge by signing this form that I have been informed of and understand my rights and I hereby consent to the release of the above information to BPU for the purposes stated herein. The information that I have provided is accurate.

Date: _____ Signature: _____

(Signature of Individual Authorizing Release)



Large Load Interconnection Guide (For Customers ≥ 5 MW)

This guide provides an overview of the process for connecting large electric loads to the Brainerd Public Utilities system. It is intended to help customers understand key steps, timelines, and potential costs associated with high-demand projects.

1. Project Overview

This process applies to projects with electric demand of 5 MW or greater, including industrial facilities and high-density computing operations such as data storage or cryptocurrency.

2. Typical Process

1. Pre-Application Meeting
2. Formal Application Submission
3. Engineering Studies
4. Service Agreement Execution
5. Construction and Interconnection

3. Pre-Application Meeting

Fee: \$500

Potential applicant must meet with utility staff early in the process to review feasibility, identify potential constraints, and discuss next steps. Applicants must provide a site location and explain whether the project desires interruptible load or firm load. BPU has established an interruptible load rate (www.bpu.org). BPU has not established a firm load rate at this time and will require a rate study and separate electric service agreement.

4. Formal Application

Application Fees (Non-Refundable):

- 5 MW to <10 MW: \$5,000
- 10 MW to <25 MW: \$10,000
- 25 MW and greater: \$10,000 plus \$250 per MW above 25 MW

Required information includes project description, location, demand, timeline, one-line diagram, proof of site control, and 8760 load data. Application fees are applied to staff planning and review and outside consultants, as needed.

5. Engineering Studies

Engineering studies evaluate system impacts and identify required upgrades.

Study phases may include screening, system impact, and facilities studies, each requiring an initial deposit. All required studies must be completed by the appropriate agency before BPU may approve any application.

6. Transmission Coordination

Some projects may require coordination with regional transmission providers. This may involve additional studies, timelines, and costs outside of BPU's control.

7. Service Agreement

A service agreement will be required prior to construction. This agreement outlines terms of service, cost responsibilities, and project commitments.

8. Costs and Responsibilities

Customers are responsible for all costs associated with connecting their project, including engineering studies and required distribution and transmission system upgrades. Costs may vary depending on project size and system conditions.

9. Processing Applications

Applications will not enter the queue for processing unless and until BPU has received (1) all application materials, (2) all fees, (3) all engineering, screening, transmission, system impact, MISO, facilities studies, regional transmission studies, and any other required studies are completed, and (4) executed construction agreement(s) with the regional transmission provider for any required upgrades.

Contact Information

For questions or to begin the process, please contact Brainerd Public Utilities.



BRAINERD PUBLIC UTILITIES

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www.bpu.org

PRE-APPLICATION
Large Industrial Customer
Required for expected load of 5 megawatts or more
Interruptible ☐ Firm Load ☐

Date: _____

Contact information for business. Please also include contact information for technical lead.

Contact Information

Name: _____

Title: _____

Email: _____

Phone: _____

Address: _____

Location

Address: _____

Application fee: \$500

Note: The pre-application meeting will not be scheduled or processed until the pre-application fee has been received. A complete formal application, including all required fees, must be submitted within 60 days of the pre-application meeting. If the formal application and associated fees are not received within the 60-day period, the applicant will be required to reapply.

Technical Requirements

Expected load factor: _____

Requested capacity: _____

Requested Service (e.g. three-phase, 60 hertz, alternating current at high voltage of 34,500/19,900): _____

Water usage expected: _____

By signing below, I confirm that I am duly authorized to provide this information, and that the information provided is accurate and complete. I understand and acknowledge that this application provides preliminary information to Brainerd Public Utilities to evaluate potential service and does not constitute any guarantee, agreement, understanding, or pledge by Brainerd Public Utilities to provide service.

Name: _____

Signature: _____

Date: _____



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

Brainerd Public Utilities Large Industrial Customer Application Required for expected load of 5 megawatts or more

Interruptible ☐ Firm Load ☐

Date: _____

Contact information for business. Please also include contact information for technical lead.

Business Contact Information

Name: _____

Title: _____

Email: _____

Phone: _____

Address: _____

Technical Lead Contact Information

Name: _____

Title: _____

Email: _____

Phone: _____

Application fee: _____

Note: the application will not be processed until receipt of application fee. The application is valid for 365 days from the date of application.

Additional Requirements:

Signed copy of Data Privacy Notice: _____

Business Information

Business Name: _____

Authorized to do business in Minnesota? _____

Provide a copy of certificate from the Minnesota Secretary of State.

Location: _____

Describe nature of business: _____

What construction or remodeling is required for the site? _____ Specify City
_____ construction or remodeling approvals received.

Expected project completion date: _____

Requested electric service date: _____

Describe any phases for the project (such as construction, expected increases in electric consumption, attach additional items as needed, etc.)

Regulatory Approvals

Has the project received approval from the proper Governing Body (City, County, Township)? _____
Note: Electric contractual documents require Governing Body project approvals in advance.

Has a noise study been completed? _____

Technical Requirements

Has a system impact study been performed by Minnesota Power and/or MISO? _____ If so, provide a copy.

Expected load factor: _____

Requested capacity: _____

Requested Service (e.g. three-phase, 60 hertz, alternating current at high voltage of 34,500/19,900): _____

Type of electric service requested (Interruptible, MISO transmission, firm, other): _____

Water usage expected: _____

Is the business expected to participate in MISO load reduction programs, such as MISO Load Management Resource Program, MISO DDR-1 Program, or Real-Time Energy Optimization? _____
If so, provide proof of MISO registration.

Provide a copy of:

1. Project site map
2. One-line electrical diagram
3. Proposed interconnection point with BPU facilities
4. Proof of ownership of land
5. Other project information?

By signing below, I confirm that I am duly authorized to provide this information, and that the information provided is accurate and complete. I understand and acknowledge that this application provides preliminary information to Brainerd Public Utilities to evaluate potential service and does not constitute any guarantee, agreement, understanding, or pledge by Brainerd Public Utilities to provide service.

Name: _____

Signature: _____

Date: _____



Public Utilities Commission

Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Approve Resolution 2026-03 for Bond issuance 2026A

ACTION REQUESTED: Adopt Resolution

ESTIMATED TIME (MIN): 5

SUBMITTED BY: Danny Loch, Finance Manager

PRESENTER: Danny Loch, Finance Manager

SUMMARY OF ISSUE: The City needs to issue debt for the local share of road improvements, special assessments, water improvements, sanitary, and storm sewer costs for the upcoming 2026 construction project, as well as CIP bonds for the fire station remodel project. The \$13,055,000 General Obligation bonds are broken down as follows:

- \$1,675,000 Improvement Bonds — This represents the amount of the local share of the cost of the road improvements with respect to the 10th Street, and Ronald/Joseph/Hawkins projects. These two projects will be more economically completed as a single consolidated improvement project, and once consolidated will enable the City to meet the statutory requirements for the issuance of 429 bonds. This portion of the debt will be repaid with levy dollars and assessment collections and structured with a 10-year repayment term.
- \$5,700,000 Utility Revenue Bonds — This represents the amount needed to pay for the water, sanitary, and storm sewer improvements on the 10th Street, and Ronald/Joseph/Hawkins projects, as well as the TH 210/Washington Street. This portion of the debt will be repaid with net revenues of the City's water, sanitary and storm sewer utilities. The water debt (\$4,945,000) is structured over a 20-year period and the sanitary sewer and storm sewer debt (\$635,000 and \$120,000 respectively) is structured over a 10-year period.
- \$5,680,000 CIP Bonds — This represents the amount needed to pay for the fire station 1 remodel project. Repayment is structured over 20 years.

All the amounts above include an estimate of the cost of issuance as well as assuming the City will have a premium on the debt issuance. A premium reduced the amount of debt needed to be issued.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

The City Council approved the resolution at its April 20, 2026 meeting.

As it relates to the utility, the Commission is requesting that the City Council support the allocation of \$5,700,000 of utility revenues for future bond payments. The attached resolution formalizes this request and is required to be approved by roll call vote. Of the total amount, \$4,945,000 is associated with construction costs for the TH 210/Washington Street project. This project was originally budgeted

over a two-year period; however, the State of Minnesota is requiring full upfront payment, which necessitates action at this time.

RECOMMENDED ACTION/MOTION: Adopt a Resolution Providing for the Issuance and Sale of General Obligation Bonds, Series 2026A in the Proposed Amount of \$5,700,000; and Consolidating Certain Assessable Improvement Projects and funding for current year projects.

FINANCIAL IMPACT: \$4,945,000 in Water Distribution Debt for Hwy 210 Project over 20 year period

BRAINERD PUBLIC UTILITIES COMMISSION

RESOLUTION NO. 2026-_____

**REQUESTING THE ISSUANCE AND SALE BY THE CITY OF
BRAINERD, MINNESOTA OF GENERAL OBLIGATION BONDS
PAYABLE FROM NET REVENUES OF THE CITY'S UTILITIES**

WHEREAS, the Brainerd Public Utilities Commission (the "BPU"), a department of the City of Brainerd, Minnesota (the "City"), is responsible for the operation and management of the following utilities of the City: waterworks system (the "Water Utility"); wastewater system, including for storm sewer (the "Storm Sewer Utility") and sanitary sewer (the "Sanitary Sewer Utility"); electric generation and distribution; and any other public utilities owned by the City; and

WHEREAS, the BPU has recommended the construction of various improvements to the Water Utility, the Storm Sewer Utility, and the Sanitary Sewer Utility (collectively, the "Utility Improvements"), pursuant to Minnesota Statutes, Chapters 444 and 475, as amended (the "Utility Revenue Act"); and

WHEREAS, the City proposes to issue general obligation bonds payable from the net revenues of the Water Utility, the Storm Sewer Utility, the Sanitary Sewer Utility in the proposed aggregate principal amount of \$5,700,000 (the "Utility Revenue Bonds"), pursuant to the Utility Revenue Act, to provide financing for the Utility Improvements; and

WHEREAS, the Utility Revenue Bonds are expected to be issued as part of the General Obligation Bonds, Series 2026A, to be issued by the City in the proposed aggregate principal amount of \$13,055,000; and

NOW THEREFORE, BE IT RESOLVED, by the Brainerd Public Utilities Commission, as follows:

1. The BPU requests that the City issue the Utility Revenue Bonds, payable from the net revenues of the Utilities.
2. The BPU staff is authorized and directed to cooperate with City staff and the City's legal and municipal advisors in offering the Utility Revenue Bonds for sale.
3. This resolution shall take effect immediately upon adoption.

Adopted this 28th day of April, 2026.

President

ATTEST:

Secretary



Public Utilities Commission

Agenda Request

MEETING DATE: April 28, 2026

TITLE OF ITEM: Review and Approve the 10-Year Capital Improvement Plan

ACTION REQUESTED: Approve/Deny Motion

ESTIMATED TIME (MIN): 10 Minutes

SUBMITTED BY: Paul Sandy, Public Utilities Director **PRESENTER:** Paul Sandy, Public Utilities Director,
Jessie Dehn, City Engineer

SUMMARY OF ISSUE:

Staff has been actively coordinating across departments to develop an updated 10-Year Capital Improvement Plan (CIP) for the 2027–2036 planning period. This effort has included a comprehensive review of existing infrastructure conditions, regulatory requirements, and long-term system needs to ensure the plan aligns with both operational priorities and future growth considerations. The attached document represents a draft version of the proposed 10-Year CIP.

Consistent with prior discussions, staff has continued to prioritize projects in areas with a high concentration of lead and galvanized water service lines that must be replaced in order to comply with deadlines established by the EPA and the Minnesota Department of Health. In addition, significant emphasis has been placed on identifying and addressing locations where aging or deteriorating water, sewer, and street infrastructure presents increased risk of failure, higher maintenance costs, or reduced service reliability. By aligning underground utility improvements with street reconstruction projects, the plan aims to maximize efficiency, minimize disruption to residents, and reduce overall project costs.

Staff is presenting the draft 10-Year CIP to the Public Utilities Commission (PUC) to solicit feedback and obtain a formal recommendation on the proposed project priorities, sequencing, and funding approach. Following PUC review, the CIP will be brought forward to the City Council as part of upcoming capital budget discussions, where it will serve as a foundational planning document to guide investment decisions and ensure the continued reliability, safety, and regulatory compliance of the City's utility systems.

ALTERNATIVE, OPTIONS, EFFECTS ON OTHERS/COMMENTS:

Staff has continued to refine and expand the City's inventory of lead and galvanized water service lines, incorporating updated field data, historical records, and ongoing verification efforts. These enhancements have provided a more accurate understanding of system conditions and have directly informed adjustments to the Capital Improvement Plan (CIP). As a result, project timing and

prioritization have been modified to better align with areas demonstrating the greatest need for service line replacement.

One notable adjustment includes the addition of the South Brainerd Reconstruction Project in 2032. This project encompasses key corridors such as S. 8th and 9th Streets, as well as Broadway, Vine, and Lake Streets—areas identified as having a high concentration of lead and galvanized service lines. By coordinating full street reconstruction with water service line replacement in these locations, the City can improve overall efficiency, reduce long-term costs, and minimize repeated disruptions to residents and businesses.

Additionally, following City Council direction to incorporate ongoing investment in sanitary sewer system maintenance, the CIP now includes an annual allocation for cured-in-place pipe (CIPP) lining. This proactive rehabilitation method allows the City to extend the useful life of existing sanitary sewer infrastructure, address structural deficiencies, and reduce the risk of inflow and infiltration. The inclusion of an annual CIPP project reflects a more strategic and preventative approach to maintaining the integrity and performance of the wastewater system over time.

RECOMMENDED ACTION/MOTION: Staff recommends that the Public Utilities Commission approve the proposed 2027–2036 10-Year Capital Improvement Plan and forward it to the City Council for further review and discussion.

FINANCIAL IMPACT: N/A



YEAR	PROJ. NO.	PROJECT DESCRIPTION	TOTAL	CONSTRUCTION FUND	SPECIAL ASSESSMENTS	MUNICIPAL STATE AID	SANITARY SEWER FUND	STORM WATER UTILITY	WATER FUND (BPU)	OTHER SOURCES	COMMENTS
2027	27-01	Seal Coat	\$170,000	\$170,000	\$0	\$0	\$0	\$0	\$0	\$0	Wright St, 10th St, Beech St, Oakridge Rd, Graydon Ave, Ridge Dr, Ridge Ct, Aspen Ct, Crestview Ln, Woodcrest Rd, Pineview Dr, Belle Rae Cir
2027	27-02	Street Patching	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	
2027	27-03	Street Striping	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	
2027		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	North Brainerd - Juniper Street
2027		TH 210/Washington Street Reconstruction Project (MnDOT)	\$2,431,105	\$0	\$0	\$80,007	\$328,454	\$0	\$2,022,644	\$0	Costs are 50% of the two year total. Paid in 2026.
2027		Lynnwood/Edgewood/Brentwood Reconstruction Project	\$2,550,000	\$500,000	\$500,000	\$0	\$350,000	\$175,000	\$1,025,000	\$0	Graydon Avenue (S. Leg Birchridge to S. 6th), Birchridge Drive (S. Leg Graydon to S. 6th), Linden Lane
2027		Haines Addition Reconstruction Project	\$2,775,000	\$750,000	\$575,000	\$0	\$525,000	\$225,000	\$700,000	\$0	6th Avenue NE (E to H), 7th Avenue NE (E to H), F Street NE (6th to 8th), G Street NE (6th to 8th)
2027		East River Road Sanitary Sewer Interceptor Lining Project	\$1,400,000	\$0	\$0	\$0	\$1,400,000	\$0	\$0	\$0	Sanitary Sewer Main CIPP Lining - College Drive to Main Lift
2027		28th Street/Clara Street Resurfacing Project	\$200,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	28th Street (Oakridge Rd to Oak St), Clara Street (28th St to Addison Ave)
2027		Northtown Street Resurfacing Project	\$325,000	\$200,000	\$125,000	\$0	\$0	\$0	\$0	\$0	
2027		Gilbert View Resurfacing Project	\$200,000	\$100,000	\$100,000	\$0	\$0	\$0	\$0	\$0	Island Drive, Sunset Way, Sandhill Circle
2027		Laurel Street Patching Project	\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	Laurel Street (SW 4th St to S 6th St)
		TOTAL 2027	\$10,286,105	\$1,905,000	\$1,400,000	\$130,007	\$2,703,454	\$400,000	\$3,747,644	\$0	
2028	28-01	Seal Coat	\$170,000	\$170,000	\$0	\$0	\$0	\$0	\$0	\$0	Hawkins Dr, Joseph St, Ronald St, Willow St, Pine St, S. 11th St, Dal Mar Dr, Dal Mar Cir, 17th St SE, 18th St SE, 19th St SE, Norwood St, Maple St
2028	28-02	Street Patching	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	
2028	28-03	Street Striping	\$35,000	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	
2028		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	North Brainerd - Between N. 8th and N. 10th Streets and between Ivy and Fir Streets
2028		St. Paul Addition Reconstruction Project	\$2,650,000	\$825,000	\$600,000	\$0	\$400,000	\$150,000	\$675,000	\$0	14th Avenue NE (L to N), 15th Avenue NE (Lum Park Rd to L), J Street NE (13th to 15th), K Street NE (13th to 15th), L Street NE (13th to 14th), M Street NE (13th to 14th)
2028		Southeast Brainerd Reconstruction Project	\$2,975,000	\$825,000	\$575,000	\$0	\$400,000	\$100,000	\$1,075,000	\$0	Quince Street (11th to 15th), 11th Street SE (Quince to Oak), 12th Street SE (Quince to Oak), 14th Street SE (Quince to Oak), Pine Street (13th to 16th)
2028		2028 Storm Sewer Outfall Replacement Project	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	NW 2nd Street Stormwater BMP
		TOTAL 2028	\$6,090,000	\$1,915,000	\$1,175,000	\$0	\$900,000	\$350,000	\$1,750,000	\$0	



YEAR	PROJ. NO.	PROJECT DESCRIPTION	TOTAL	CONSTRUCTION FUND	SPECIAL ASSESSMENTS	MUNICIPAL STATE AID	SANITARY SEWER FUND	STORM WATER UTILITY	WATER FUND (BPU)	OTHER SOURCES	COMMENTS
2029	29-01	Seal Coat	\$180,000	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2027
2029	29-02	Street Patching	\$65,000	\$65,000	\$0	\$0	\$0	\$0	\$0	\$0	
2029	29-03	Street Striping	\$26,000	\$26,000	\$0	\$0	\$0	\$0	\$0	\$0	
2029		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2029		Oak Street Reconstruction	\$3,225,000	\$0	\$600,000	\$0	\$75,000	\$0	\$1,550,000	\$1,000,000	Oak Street (19th St SE to TH 18/25) - STBGP Grant (Federal)
2029		Woodland Park/Shady Brook Reconstruction Project	\$3,375,000	\$975,000	\$725,000	\$0	\$600,000	\$150,000	\$925,000	\$0	Cedar Street, Emma Avenue, Pennsylvania Avenue, Mary Street
2029		Northeast Brainerd Resurfacing Project	\$350,000	\$175,000	\$175,000	\$0	\$0	\$0	\$0	\$0	C Street NE (1st to 3rd), D Street NE (Gillis to 3rd), F Street NE (1st to 3rd), G Street NE (1st to 3rd)
		TOTAL 2029	\$7,321,000	\$1,421,000	\$1,500,000	\$0	\$775,000	\$150,000	\$2,475,000	\$1,000,000	
2030	30-01	Seal Coat	\$180,000	\$180,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2028
2030	30-02	Street Patching	\$65,000	\$65,000	\$0	\$0	\$0	\$0	\$0	\$0	
2030	30-03	Street Striping	\$36,000	\$36,000	\$0	\$0	\$0	\$0	\$0	\$0	
2030		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2030		Sleepers Addition Reconstruction Project	\$2,475,000	\$675,000	\$475,000	\$0	\$375,000	\$300,000	\$650,000	\$0	Maple Street (15th to 17th), Norwood Street (15th to 17th), 15th Street SE (Maple to Laurel), 16th Street SE (Norwood to Laurel)
2030		15th Street SE Resurfacing Project	\$50,000	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	Oak Street to Maple Street
2030		Northeast Brainerd Reconstruction Project	\$2,775,000	\$775,000	\$575,000	\$0	\$425,000	\$250,000	\$750,000	\$0	8th Avenue NE (O to Q), 9th Avenue NE (L to Q), O Street NE (Mill to 9th)
		TOTAL 2030	\$5,681,000	\$1,756,000	\$1,075,000	\$0	\$900,000	\$550,000	\$1,400,000	\$0	
2031	31-01	Seal Coat	\$190,000	\$190,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2029
2031	31-02	Street Patching	\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	
2031	31-03	Street Striping	\$27,000	\$27,000	\$0	\$0	\$0	\$0	\$0	\$0	
2031		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2031		North Brainerd Reconstruction Project	\$3,875,000	\$1,000,000	\$1,000,000	\$350,000	\$275,000	\$175,000	\$1,075,000	\$0	Bluff Avenue (3rd to 8th), Grove Street (3rd to 8th), 3rd Street (Holly to Bluff), 6th Street (Holly to Bluff), 7th Street (Holly to Bluff)
2031		Pine/Quince Reconstruction Project	\$2,300,000	\$0	\$375,000	\$650,000	\$350,000	\$250,000	\$675,000	\$0	Pine Street (S. 6th to S. 10th), Quince Street (S. 6th to S. 11th)
		TOTAL 2031	\$6,562,000	\$1,287,000	\$1,375,000	\$1,000,000	\$725,000	\$425,000	\$1,750,000	\$0	
		TOTALS 2027-2031	\$35,940,105	\$8,284,000	\$6,525,000	\$1,130,007	\$6,003,454	\$1,875,000	\$11,122,644	\$1,000,000	
		% PARTICIPATION	100.0%	23.1%	18.2%	3.1%	16.7%	5.2%	31.0%	2.8%	



YEAR	PROJ. NO.	PROJECT DESCRIPTION	TOTAL	CONSTRUCTION FUND	SPECIAL ASSESSMENTS	MUNICIPAL STATE AID	SANITARY SEWER FUND	STORM WATER UTILITY	WATER FUND (BPU)	OTHER SOURCES	COMMENTS
2032	32-01	Seal Coat	\$380,000	\$380,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2030, Chip Seal streets completed in 2022
2032	32-02	Street Patching	\$70,000	\$70,000	\$0	\$0	\$0	\$0	\$0	\$0	
2032	32-03	Street Striping	\$37,000	\$37,000	\$0	\$0	\$0	\$0	\$0	\$0	
2032		South Brainerd Reconstruction Project	\$1,850,000	\$350,000	\$300,000	\$200,000	\$350,000	\$150,000	\$500,000	\$0	S. 8th Street (Willow to Broadway)/S. 9th Street (Willow to Broadway)/Broadway Street (S. 9th to S. 8th)/Vine Street (S. 8th to S. 10th)/Lake Street
2032		Northeast Brainerd Resurfacing Project	\$800,000	\$300,000	\$400,000	\$100,000	\$0	\$0	\$0	\$0	H Street NE (1st to Mill), I Street NE (1st to Mill), J Street NE (2nd to Mill), 3rd Avenue NE (H to K), 4th Avenue NE (H to M)
2032		East River Road Sanitary Interceptor Lining Project	\$2,000,000	\$0	\$0	\$0	\$2,000,000	\$0	\$0	\$0	College Drive to Highway 210
2032		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
		TOTAL 2032	\$5,237,000	\$1,137,000	\$700,000	\$300,000	\$2,450,000	\$150,000	\$500,000	\$0	
2033	33-01	Seal Coat	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2031, Chip Seal streets completed in 2023
2033	33-02	Street Patching	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	
2033	33-03	Street Striping	\$28,000	\$28,000	\$0	\$0	\$0	\$0	\$0	\$0	
2033		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2033		Northeast Brainerd Reconstruction Project	\$3,100,000	\$675,000	\$525,000	\$225,000	\$575,000	\$200,000	\$900,000	\$0	12th Avenue NE (J to M), 13th Avenue NE (J to M), K Street NE (11th to 13th), L Street NE (11th to 13th), M Street NE (11th to 13th)
2033		Southeast Brainerd Reconstruction Project	\$3,875,000	\$1,150,000	\$675,000	\$0	\$475,000	\$200,000	\$1,375,000	\$0	11th Street SE (Willow to Quince), 12th Street SE (Willow to Quince), Rosewood Street (11th to 15th), 14th Street SE (Rosewood to Quince)
2033		South Brainerd Sanitary Sewer Rehabilitation Project	\$500,000	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0	
		TOTAL 2033	\$8,078,000	\$2,328,000	\$1,200,000	\$225,000	\$1,650,000	\$400,000	\$2,275,000	\$0	
2034	34-01	Seal Coat	\$400,000	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2032, Chip Seal streets completed in 2024
2034	34-02	Street Patching	\$75,000	\$75,000	\$0	\$0	\$0	\$0	\$0	\$0	
2034	34-03	Street Striping	\$38,000	\$38,000	\$0	\$0	\$0	\$0	\$0	\$0	
2034		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2034		Northeast Brainerd Reconstruction Project	\$4,750,000	\$1,175,000	\$850,000	\$0	\$475,000	\$1,075,000	\$1,175,000	\$0	Gillis Avenue, 1st Avenue NE, C Street NE (Gillis to 2nd), D Street NE (Gillis to 2nd)
2034		Park/Jenny Reconstruction Project	\$1,400,000	\$425,000	\$250,000	\$0	\$150,000	\$100,000	\$475,000	\$0	Jenny Street, Park Street (Emma to S. 4th)
		TOTAL 2034	\$6,763,000	\$2,113,000	\$1,100,000	\$0	\$725,000	\$1,175,000	\$1,650,000	\$0	



YEAR	PROJ. NO.	PROJECT DESCRIPTION	TOTAL	CONSTRUCTION FUND	SPECIAL ASSESSMENTS	MUNICIPAL STATE AID	SANITARY SEWER FUND	STORM WATER UTILITY	WATER FUND (BPU)	OTHER SOURCES	COMMENTS
2035	35-01	Seal Coat	\$420,000	\$420,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2033, Chip Seal streets completed in 2025
2035	35-02	Street Patching	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	
2035	35-03	Street Striping	\$29,000	\$29,000	\$0	\$0	\$0	\$0	\$0	\$0	
2035		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2035		Oak Street/TH 18/TH 25 Roundabout Project	\$1,075,000	\$0	\$0	\$1,000,000	\$0	\$0	\$75,000	\$0	
2035		Southeast Brainerd Reconstruction Project	\$2,475,000	\$700,000	\$400,000	\$0	\$375,000	\$275,000	\$725,000	\$0	Norwood Street (12th to 15th)/Maple Street (14th to 15th)/14th Street (Oak to Laurel)/Laurel Street (13th to 15th)
2035		Front/Maple/Norwood Resurfacing Project	\$400,000	\$125,000	\$175,000	\$100,000	\$0	\$0	\$0	\$0	Front Street (4th to 6th), Maple Street (5th to End), Norwood Street (5th to 8th)
		TOTAL 2035	\$4,579,000	\$1,354,000	\$575,000	\$1,100,000	\$475,000	\$275,000	\$800,000	\$0	
2036	36-01	Seal Coat	\$420,000	\$420,000	\$0	\$0	\$0	\$0	\$0	\$0	Pavements completed in 2034, Chip Seal streets completed in 2026
2036	36-02	Street Patching	\$80,000	\$80,000	\$0	\$0	\$0	\$0	\$0	\$0	
2036	36-03	Street Striping	\$39,000	\$39,000	\$0	\$0	\$0	\$0	\$0	\$0	
2036		Sanitary Sewer Lining	\$100,000	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	
2036		Crestview/Greenwood/Ridge/Woodland Hills Reconstruction Project	\$3,825,000	\$1,150,000	\$675,000	\$0	\$675,000	\$25,000	\$1,300,000	\$0	Crestview Lane (Woodland Hills to Buffalo Hills), Greenwood Street (Woodland Hills to Buffalo Hills), Ridge Drive (Woodland Hills to Buffalo Hills), Woodland Hills Lane
2036		Tanager/Woodridge Resurfacing Project	\$350,000	\$175,000	\$175,000	\$0	\$0	\$0	\$0	\$0	
		TOTAL 2036	\$4,814,000	\$1,864,000	\$850,000	\$0	\$775,000	\$25,000	\$1,300,000	\$0	
		TOTALS 2032-2036	\$29,471,000	\$8,796,000	\$4,425,000	\$1,625,000	\$6,075,000	\$2,025,000	\$6,525,000	\$0	
		% PARTICIPATION	100.0%	29.9%	15.0%	5.5%	20.6%	6.9%	22.1%	0.0%	
		TOTALS 2027-2036	\$65,411,105	\$17,080,000	\$10,950,000	\$2,755,007	\$12,078,454	\$3,900,000	\$17,647,644	\$1,000,000	
		% PARTICIPATION	100.0%	26.1%	16.7%	4.2%	18.5%	6.0%	27.0%	1.5%	

MEMORANDUM

TO: Mayor Badeaux and City Councilmembers
FROM: Nick Broyles, City Administrator
DATE: 20 April 2026
SUBJ: City Administrator Report

In addition to routine administrative matters and in preparation of topics and business action items on the Council's work sessions and meeting agendas, the following is a summary of tasks and activities the City Administrator's office has been working on since the last report of 16 March 2026.

Community Engagement

16 Mar: Transit update from staff; Kuepers preconstruction meeting; city council
17 Mar: Staff visit to water distribution; Sourcewell better health collective board meeting
18 Mar: Planning commission
19 Mar: Meeting re: potential development
20 Mar: Visit w/friends of the Brainerd public library
23 Mar: Finishing annual performance reviews; YMCA board meeting
24 Mar: Attended CWC commission meeting w/city engineer and community development director to support as needed for annexation discussion; met w/council president O'Day; more annual reviews; and park board meeting
25 Mar: CGMC legislative action day in St. Paul – met w/Senator and Representative Heintzeman
26 Mar: Staff visit w/HRA; continued w/performance reviews; joint city council/charter commission meeting
27 Mar: Technology discussion w/misdemeanor prosecution office
30 Mar: Continued performance reviews; meeting at CWC re: emergency sirens
31 Mar: PUC meeting; MnDOT open house for highway 210
1 Apr: Staff visit w/water-wastewater personnel; meeting w/airport liaisons and various staff at CWC to discuss airport levy
2 Apr: Staff discussion re: food licensing for events; PMT meeting for 2029 Oak Street project
3 Apr: Monthly meeting w/Baxter city administrator
6 Apr: City council meeting
8 Apr: Attended BLAEDC executive board meeting; staff visit w/police leadership; discussion surrounding the fire station remodel project; Q2 wellness committee meeting; discuss Kuepers permit fees
9 Apr: Planning discussions around the resignation of the city engineer; wastewater treatment facility tour
10 Apr: Water treatment facility tour
13 Apr: Monthly community focus w/WJJY – discussed wastewater treatment plant upgrades and recreation programming
14 Apr: Joint city council/charter commission meeting re: chapter 5 charter changes, organizational chart changes, and four personnel changes
15 Apr: Staff visit w/BPU service center front office team
16 Apr: Hydro dam facility tour; agenda review w/President O'Day; discussions around orderly annexation
17 Apr: Internal staff facility utilization discussion; CWC community health day
20 Apr: YMCA board meeting; city council meeting

Charter Update

There was a joint city council/charter commission meeting on 14 Apr. Revisions to chapter 5 were approved by both bodies and the first reading of an ordinance to amend the charter will occur on 20 Apr. Yet to come are a second reading, a public hearing, and hopefully a unanimous vote to approve the ordinance to amend. Once approved, the ordinance must sit for 90 days before it becomes effective.

Finance

- **Audit:** Staff are beginning to prepare for the audit. Auditors are scheduled to be on site at city hall during the weeks of 27 Apr and 11 May.
- **Election:** 2026 is an election year with the primary on 11 Aug and the general election on 10 Nov. Staff have reached out to secure the polling locations and have begun the recruiting process for election judges.

Human Resources

- **Annual Performance Reviews:** All final reviews were submitted as of 3 Apr. Following completion of the evaluation process, staff received two appeals and are actively working through that process.
- **Staffing Update:** We have hired and onboarded several seasonal positions. If you know anyone who may be interested in seasonal employment, please encourage them to apply through the city's website.

Engineering

- Hwy 210/Washington Street project: RL Larson was low bidder, MnDOT working on contract award. Public meetings to discuss access/detours have occurred - anticipated start of construction around mid-to-late April.

Streets

- Patch potholes
- Street sweeping (main routes are swept once, moving into residential areas)
- Assist public utilities with water service location
- Winter plow damage repair
- Stump grinding in boulevards

Recreation

- 25 Apr - early bird tournament
- Softball leagues begin soon
- 1 May - pickleball registration deadline
- 8 May - spring movie in the park
- 16 May - fishing clinic

Parks

- Getting parks, park buildings, and athletic fields ready for spring and summer
- Spring mulching and mowing
- DNR outdoor recreation grant submitted for Memorial Park playground replacement
- Epoxying concessions and restrooms at Memorial Park (restrooms), Lyman P. White (restrooms), Lions Park at Buffalo Hills (restrooms), Kiwanis Park (restrooms), and Jaycees Park (concession) dates TBD.
- Batting cages are to be installed this spring at Jaycees Park and Bane Park, date TBD.

Transit

- 2025 ridership reached 40,704 trips (+12% over 2024).
- On-time performance averaging 95%+, exceeding MnDOT target of 90%.
- Ongoing use and promotion of rider app and web booking to improve efficiency.

- Replacement of aging, end-of-life diesel bus with new ADA-accessible transit van (summer 2026).
- Ongoing contractor oversight, including performance monitoring, billing review, and service quality.
- Continued coordination with community partners to support transit access.

Community and Economic Development

- **Section 530 – Shoreland Management Regulations:** The city’s existing shoreland management ordinance was last approved by the DNR 25 Jul 03. Current zoning districts do not match/align with the zoning districts identified in the city’s shoreland management ordinance. The planning commission directed staff to negotiate with the DNR to reduce lot sizes for non-riparian sewered lots to align with our zoning code. A representative from the DNR presented code requirements in exchange for reduced lot sizes at the 18 Mar meeting. The commission directed staff to continue to negotiate with the DNR. Staff presented a draft revision at the 15 Apr meeting. The commission reviewed the changes and were generally in favor of the proposed ordinance and directed staff to hold a public hearing at the 20 May meeting.
- **Comprehensive Plan Update:** The city should consider reviewing the comprehensive plan every five years to ensure all the goals and objectives listed in the plan are still relevant for our city. The city council elected to accept Bolton & Menk’s proposal at the 2 Mar meeting. Staff met with Bolton and Menk on 12 Mar to begin the comprehensive plan update process. The planning commission held a special meeting on 15 Apr to provide initial comments and directions to Bolton & Menk regarding the comprehensive plan update. The commission’s comments included strengthening the goals to make Brainerd more walkable/ bikeable and strategies for public engagement. The commission was in general agreement on the direction of the update.

Fire

- March remained a steady month for operations, with call volume consistent with historical averages. While fire and rescue responses remained stable, the department maintained high levels of activity through proactive fire prevention, community outreach, and intensive training.
- Our new firefighters surpassed the 50% milestone of their initial fire certification program. They demonstrate strong proficiency and remain on track to meet our operational standards.
- Several personnel attended the Minnesota State Fire Chiefs Association (MSFCA) annual leadership academy in Duluth, furthering our commitment to succession planning and professional excellence.
- We participated in the Central Lakes College career exploration day, engaging nearly 2,000 students from area schools. This was a premier opportunity to discuss fire service careers and represent the department to the next generation of our local workforce.
- Chief Holmes and Deputy Chief Cox attended several annual township meetings for our contracted areas. We appreciate the opportunity to engage with these boards, discuss department capabilities, and answer questions directly from the communities we serve.
- Continuing work related to the renovation project.

Technology

- Wrapping up city-wide computer replacements.
- As part of a security software change, a new endpoint protection has been pushed out to all devices. A new SIEM (security information and event management) has also been rolled out and is being monitored/tested.

- All city network infrastructure (firewalls, switches, etc.) is being replaced, phase one - core switches are complete, phase two - replacement of all access switches underway, phase three - firewall replacement/cutover early May.
- Ongoing planning for total network integration of the public utility network, anticipated late Aug.
- Migration of city public domain from ci.brainerd.mn.us to brainerdmn.gov is underway, website deadline is 1 Jun but has already been implemented. Dotgov domain is also in place for email with plans to switch over in the works. Lots of work to do with updating existing documents, etc.
- Technology support for Baxter is winding down after their new IT staff began 16 Mar.

Suspense Tracker

HR Director's Report to the Public Utilities Commission

April 2026

Personnel:

- Two Public Utilities Department employees were off work intermittently, with one absence due to work-related medical issues.
- At the April 6 Council meeting, the Council approved the retirement of Jana Pernula and authorized staff to begin the hiring process to backfill the position. Staff have posted the position externally, with a closing date of May 5, 2026.
- At the April 14 joint Charter Commission and City Council meeting, the Council approved the new Electric Director position and authorized staff to begin the hiring process. The posting closed on April 20, and staff plan to bring a recommendation to the Council at the May 4 meeting.
- Following the approval of the Water/Wastewater Operator job description, staff have been corresponding with the Union regarding the proposed Memorandum of Agreement (MOA). Staff have received a signed copy of the MOA and will place it on the May 4 Council agenda for consideration of approval.

Charter Work Group:

At the April 14 joint Charter Commission and City Council meeting, staff brought forward the recommended changes to Chapter 5. The Council approved the recommended changes and directed staff to draft an ordinance for the first reading to be presented at the April 20 Council meeting. A public hearing will then be scheduled for May 4 at 7:30 p.m.

Organizational Change:

At the April 14 joint Charter Commission and City Council meeting, staff brought forward an updated organizational chart for consideration, which was approved. The updated chart renamed the Utilities Department as the Public Works Department and moved the Electric and Finance Divisions under the new Electric Department. With Electric becoming its own department, the Engineering Division will now fall under the Public Works Department.

Wellness Committee:

Our annual biometric screening took place on April 8. Staff would like to thank everyone who participated, and you should see your 50 points in your WellRight account soon!

The Wellness Committee will be hosting a "Walk in the Park" for the May Lunch N Learn. Staff are invited to sign up to enjoy a walk followed by lunch from Micky's at Rotary Park. For more information or to RSVP, please contact Toni.



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Brainerd Public Utilities Utilities Director Report April 2026

Utilities Director Activities – March – April 2026

In addition to the discussion items on today's agenda, I have participated in numerous staff- and consultant-led meetings over the past month to advance projects currently underway. These meetings have supported ongoing coordination, project development, and planning efforts across departments and with external partners. Activities included the following:

- Weekly Brainerd Public Utilities (BPU) management team meetings
- Bi-weekly hydro coordination meetings
- Bi-weekly construction coordination meetings with staff
- Utility coordination meetings for the 2028 TH 371/210 Baxter Interchange project
- Meeting with prospective data center developer for the Brainerd Industrial Park
- Meeting with Mayor Badeaux at Central Lakes College alongside Senator Amy Klobuchar to introduce staff and present Phase I Wastewater Treatment Facility (WWTF) biosolids improvements
- 2029 Oak Street Project Management Team meetings with City staff and Council members
- Coordination meetings with Eden Renewables regarding solar development
- Coordination meetings with developer and staff for the Voyageur Heights project
- Tour of the Morris Water Treatment Plant as part of the Water Treatment Plant and Well Siting Study (Bolton & Menk)
- Interview process for water distribution intern position
- Coordination with the Fire Department on the Fire Department remodel project
- Staff scoring and evaluation meetings for the FY 2027–2029 Professional Engineering and Architecture On-Call Roster
- Organizational transition discussions and project handoffs from the City Engineer
- Facility tours (Wastewater Treatment Facility, Water Treatment Facility, Hydro Dam) for interested stakeholders
- Main Lift Station coordination meetings with HR Green and Widseth
- Review of leadership position descriptions with HR and staff (Public Works Director, Public Services Director, City Engineer/Deputy Public Works Director, Electric Director)
- Transition planning following resignation of City Engineer, Jessie Dehn
- Water system modeling check-in meeting with SEH
- Testimony before the House Capital Investment Committee regarding 2026 Lead and Galvanized Water Service Line funding
- Discussions with consulting engineers regarding interim program management support during City Engineer transition
- Department Head meetings
- Joint Brainerd City Council and Charter Commission meeting regarding position descriptions, Charter updates, and City Engineer resignation
- Staff discussions on large industrial power application, guidebook, and draft term sheet with Eden Renewables
- Staff coordination meetings regarding the Riverside Drive orderly annexation agreement

UTILITIES DIRECTOR REPORT APRIL 2026 (CONTINUED)

- Utility Commission Special Meeting to award galvanized water service line contracts (Ronald/Joseph/Alley project) and authorize bidding for additional projects
- Meeting with Bolton & Menk regarding Water Treatment Plant and Well Siting Study and well driller proposals
- TH 371B/Willow Street Roundabout project closeout meeting and punch list walkthrough
- Staff coordination meetings for the Rotary Park solar project
- Staff review meetings for the proposed 10-year Capital Improvement Plan
- Staff meeting with Rice Lake Construction Group to review final Guaranteed Maximum Price (GMP) prior to Commission consideration
- Utility coordination meeting for the 2026 resurfacing project
- Staff review meeting of the draft Southwest Brainerd stormwater report (HR Green)

Continued Capital Construction Design Engineering Coordination

Design activities are actively underway across both City-led capital improvement projects and private development initiatives, with multiple efforts progressing concurrently. To maintain effective planning, scheduling, and execution, staff continue to hold regular bi-weekly coordination meetings. These meetings provide a structured forum to review the status of active projects, anticipate upcoming work, and coordinate efforts across City infrastructure and development projects currently in the review and approval process.

This coordinated approach allows staff to better align project timelines, identify cost-saving opportunities, reduce the potential for construction conflicts, and ensure that utility improvements are efficiently integrated with street reconstruction and resurfacing projects. Key coordination efforts include early design review, utility layout and conflict resolution, construction sequencing, and permitting. Proactive communication planning is also emphasized to minimize impacts to residents, businesses, and other stakeholders.

Current projects being coordinated across multiple City departments include, but are not limited to:

- Ronald and Joseph Alley construction coordination
- Highway 210 Reconstruction Project
- Lead service line replacement projects (both in conjunction with planned reconstruction/resurfacing and as standalone utility projects)
- Southeast Brainerd Reconstruction Project
- 2026 Street Resurfacing Project
- Main Lift Station design and planning
- Backwash/Reclaim CMAR Project
- East River Road trunkline rehabilitation project
- Kuepers development project south of Woodland Hills Lane
- Country Manor construction project
- Coordination related to 2027 street reconstruction and resurfacing projects

Coordination across these efforts involves multiple City divisions, including engineering, utilities, public works, planning, and administration. Activities include design integration, construction phasing, budget alignment, and long-term asset management. This collaboration remains strong and effective, ensuring City investments are strategically aligned, regulatory requirements are met, and infrastructure improvements are delivered efficiently with minimal community disruption.

Joint Charter Commission and City Council Meeting on March 14, 2026 - The City Council and Charter Commission held a special joint meeting on March 14, 2026, to address several key organizational and governance items, including proposed amendments to Brainerd Charter Chapter 5, acceptance of the resignation of Jessie Dehn, and review of updated job descriptions for multiple senior leadership positions. The positions reviewed included the Public Works Director, Public Services Director, City Engineer/Deputy Public Works Director, and Electric Director.

UTILITIES DIRECTOR REPORT APRIL 2026 (CONTINUED)

During this meeting, the Charter Commission formally approved and recommended forwarding amendments to Chapter 5 of the City Charter to the City Council. These revisions designate the Public Utilities Commission as the authority responsible for establishing rates for all infrastructure systems currently under its jurisdiction. The amendments also expand the Commission's rate-setting authority to include sanitary sewer collection and stormwater utilities. Additional procedural changes were approved requiring the Public Utilities Commission to review the proposed 10-year Capital Improvement Plan and provide a formal recommendation to the City Council prior to its first meeting in September each year. No other substantive amendments to the Charter were recommended or approved.

These governance updates prompted a broader organizational restructuring of senior leadership roles across the City. As part of this restructuring, the Public Utilities Director position was revised and retitled as Public Works Director. The existing Public Works Director position was modified and retitled as Public Services Director. The City Engineer position was revised and reclassified as City Engineer/Deputy Public Works Director. Additionally, a new Electric Director position was created to provide focused leadership for the electric utility function.

The City Council approved the updated organizational structure and corresponding revised organizational chart, which reflects these changes as well as additional departmental realignments. The approved chart and related materials are included in the March 14, 2026 Special Council meeting packet. The City Engineer/Deputy Public Works Director and Public Services Director positions have been formally approved and are currently being recruited. The Electric Director position was posted internally, and applications are currently under review. My title has been officially updated from Public Utilities Director to Public Works Director as part of this reorganization.

In addition, the City Council approved the draft Charter amendments and directed staff to prepare an implementing ordinance. The ordinance received its first reading at the April 20, 2026 Council meeting. The second reading and final consideration are scheduled for the May 4, 2026 City Council meeting. Approval of the ordinance requires a unanimous vote of all Council members. If adopted, the Charter amendments will take effect 90 days following final approval.

House Capital Investment Committee Testimony - On April 14, I testified before the Minnesota House Capital Investment Committee in support of continued funding for the state's Lead Service Line Replacement Program, joining representatives from the Coalition of Greater Minnesota Cities, St. Paul Regional Water, LIUNA, and IUOE Local 49. The program is a critical statewide initiative designed to identify and replace lead and galvanized steel water service lines that pose potential risks to public health and require significant financial resources for communities to address. In my testimony, I emphasized the importance of maintaining momentum in this program to ensure steady progress statewide and avoid delays that could increase costs and extend exposure risks. I specifically highlighted Brainerd's local need, which includes the replacement of approximately 1,100 known galvanized water service lines, along with an estimated additional 500 service lines that remain of unknown material composition and will require investigation and potential replacement. Continued state investment is essential to support communities like Brainerd in systematically addressing this infrastructure challenge in a timely and cost-effective manner.

2026 Facility Tours - Facility tours were recently held at the Wastewater Treatment Facility, Water Treatment Plant, and Hydro Dam, providing Community members, City Council members, Commission members, and staff with an opportunity to see these critical assets firsthand. These tours provided insight into the complexity, age, and operational demands of each facility, helping participants understand how essential infrastructure supports public health, environmental compliance, and reliable utility service on a daily basis. Seeing the facilities in person also underscored the scale of maintenance needs and the importance of continued investment to ensure long-term reliability and regulatory compliance. As these systems continue to age and regulatory requirements evolve, significant reinvestment will be required in the coming years to maintain operational efficiency, address deferred maintenance, and strategically upgrade equipment and processes.

UTILITIES DIRECTOR REPORT APRIL 2026 (CONTINUED)

The tours reinforced the importance of proactive planning and capital investment to ensure these facilities continue to operate safely, efficiently, and effectively for the community well into the future. Staff will be planning for another round of tours in the fall of 2026 for interested parties.

2026 Public Utilities Director Priorities

Pursuant to my last report, I have identified several opportunities for improvement that I plan to pursue in 2026 and updates from the previous meeting. Some of these priorities and projects include:

1. Bluebeam PDF Software – Procurement of the software has been completed, and staff attended a training session to review its capabilities. Sessions are scheduled for multiple ongoing City projects, including developer-led and consultant-led initiatives. As staff become more familiar with Bluebeam, the software's tools are expected to streamline project coordination and enhance communication across projects.
2. Pool Engineering Services – Staff is presenting the final recommendations for the FY 2027–2029 Professional Engineering and Architecture Pool Services (On-Call Roster) to the Utilities Commission, Park Board, and City Council at their respective meetings on April 28 and May 4.
3. Integrated Capital Improvement Planning (CIP) and Capital Asset Planning Sessions – Staff conducted the initial long-range capital improvement planning session and established a schedule for ongoing meetings and continued collaboration. Key deliverables from this effort will include long-range sanitary sewer and water system plans, with the potential for incorporation into the City's Comprehensive Plan.

The current schedule anticipates advancing several planning initiatives throughout 2026, followed by more detailed system modeling and analysis in 2027 once existing data gaps and modeling needs have been identified. These efforts will support evaluation of potential future sanitary sewer capacity upgrades, as well as watermain upsizing and looping to accommodate future development and improve system redundancy and reliability.

4. City Standard Details and Specifications – At its April 6 meeting, the City Council approved a contract with SEH to complete a comprehensive update of the City of Brainerd Standard Details and Specifications. Staff will now work with SEH to finalize the agreement and initiate the approximately six-month project.
5. Fats, Oils, and Grease (FOG) Control Program and Mercury Control Program - The Utilities Commission approved a contract with SEH, in coordination with the City of Baxter, to develop a comprehensive FOG (Fats, Oils, and Grease) and Mercury Control Program for both communities. Staff will work with SEH to finalize the contract and initiate program development, with deliverables anticipated by the end of 2026.
6. City Code 705 – Water System - The final draft of City Code Section 705 is included on the Commission agenda for review and approval prior to submission to the City Council for final consideration and codification. Staff has received comments from Commission members, which are summarized in the accompanying memorandum along with the updated draft language for the Commission's review.



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Brainerd Public Utilities Finance Managers Report April 2026

Monthly Financial Statements

The January through April financial statements are currently in process. Staff are awaiting final approval from the auditors to proceed with the January entries, consistent with standard first-quarter procedures. The budget analysis report reflecting current-year disbursements is included.

2025 Audit

The 2025 audit is nearing completion. On-site fieldwork was conducted on March 3, 2026, and final entries were completed during the week of April 20, 2026. Final data was provided Friday the 17th to align with the City's audit fieldwork scheduled to begin the week of April 27, 2026. With these final numbers and okay from the audit staff the Baxter true-up entry will be completed once final information is received from the auditors. This has been communicated to the City of Baxter.

Annual Reporting

The annual reports for the U.S. Energy Information Administration (EIA) were submitted on time. The EIA requires annual reporting of hydroelectric generation and general sales data through Forms 860 and 861. The Form 861, due April 30, 2026, has been submitted. The Form 860, due March 11, 2026, was also submitted on time, and all follow-up questions, which were due by April 28, have been completed and submitted.

Streetlighting/Water/Wastewater/Electric Cost Studies

With the completion of the audit entries this week, the following two weeks provide UFS the detail information that is required for the cost of service studies. With the electric Director hiring staff are awaiting finalizing of that process to making the first meeting on the electric cost of service study.

Payment Processing/Credit Card Transaction Fees

Staff met with Tyler Payments on April 17 to proceed with the implementation of the new card readers. During installation, it was identified that the devices had not been properly encrypted, preventing the installation from moving forward. As a result, staff continue to utilize the existing Global Payments card readers and associated processing systems.

Updated fee, rate, and structure information has been communicated through the website, in-person postings, and online platforms. Tyler Payments indicated that replacement card readers were shipped overnight; however, they had not been received as of the date of this memo. The initial delay from the October 1 go-live date was due to issues with receiving the required card reader inventory.

Staff are also providing an update that the missed December 1 go-live date has resulted in approximately \$194,000 in additional, unanticipated costs. As part of the 2026 budget, staff had anticipated some level of delay and included \$100,700 for related costs. To date, \$118,258 has been incurred, and staff estimate ongoing costs of approximately \$55,000 to \$60,000 for each additional month of delay.

Hydro Funding

To date, staff have been awaiting the potential scheduling of a Senate hearing; however, no hearing has been scheduled. We do not anticipate a second hearing at the house level.

Finance Managers Report April 2026 (Continued)

APPA Accounting and Finance Virtual Summit 2026

I attended the Accounting & Finance Summit hosted by the American Public Power Association. The summit focused on current issues and best practices in utility accounting, financial management, and regulatory compliance specific to public power entities.

Key topics included financial reporting updates, audit and internal control practices, rate design considerations, and emerging accounting standards impacting municipal utilities. Additional discussions addressed risk management, capital planning, and the evolving financial impacts of industry changes, including large load growth and infrastructure investment.

The summit provided an opportunity to compare practices with peer utilities and gain insight into maintaining financial stability, transparency, and compliance in a changing regulatory and operational environment.

Consultant Fees - Commissioner Request

In response to Commissioner Jay's request regarding consultant fees and charges, staff reviewed 2025 activity and identified that 13 consultants were engaged for various projects throughout the year, resulting in total expenditures of \$1,108,849. These expenses reflect specialized services across utility operations, engineering, compliance, and administration, including hydro dam licensing and generator design; water reclamation tank design and wastewater facility planning; financial statement audit services; administration of the state-required Conservation Improvement Program; executive recruitment services; wastewater systems and control integration; security and surveillance systems; water tower evaluations; website services and support; water system modeling; legal counsel; pole inspections and state-required solar and distributed energy compliance; and engineering support for the river crossing forcemain project. The largest expenditures were associated with water reclamation tank design and wastewater facility planning (\$334,878), hydro dam licensing and generator design (\$217,183), security and surveillance systems (\$155,439), and administration of the state-required Conservation Improvement Program (\$135,315).

Brainerd Public Utilities
Calculation of Net Benefit of Hydro Generation
For the Year Ended December 31, 2026

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Hydro Generation - kWh	985,000	918,000	1,125,000										3,028,000
Blended AEP Cost	\$ 0.08153	\$ 0.07578	\$ 0.09151										\$ 0.0829
Calculated Benefit	80,307.05	69,566.04	102,948.75	-	-	-	-	-	-	-	-	-	252,821.84

Brainerd Public Utilities
Calculation of Net Benefit of Hydro Generation
For the Year Ended December 31, 2025

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Total Hydro Generation - kWh	1,021,000	917,000	1,002,000	968,000	1,252,000	1,094,000	1,242,000	1,213,000	992,000	1,032,000	978,000	1,001,000	12,712,000
Blended AEP Cost	\$ 0.06472	\$ 0.07869	\$ 0.08077	\$ 0.08472	\$ 0.08864	\$ 0.09010	\$ 0.08977	\$ 0.08937	\$ 0.08497	\$ 0.07107	\$ 0.08715	\$ 0.09806	\$ 0.08400
Calculated Full Benefit	66,079.12	72,158.73	80,931.54	82,008.96	110,977.28	98,569.40	111,494.34	108,405.81	84,290.24	73,344.24	85,232.70	98,158.06	1,071,650.42



Brainerd Public Utilities, MN

Packet Summary Budget Report

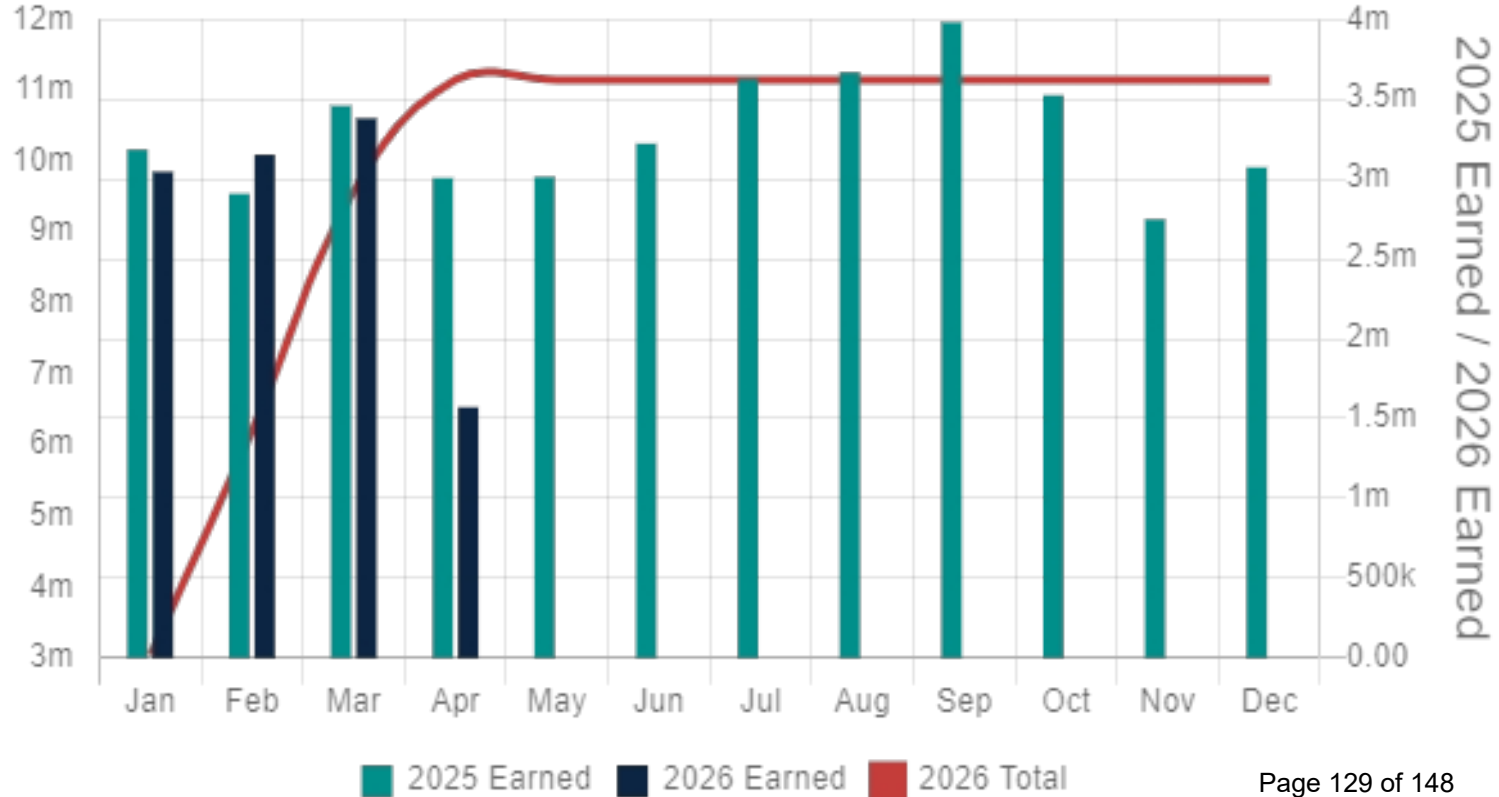
Group Summary

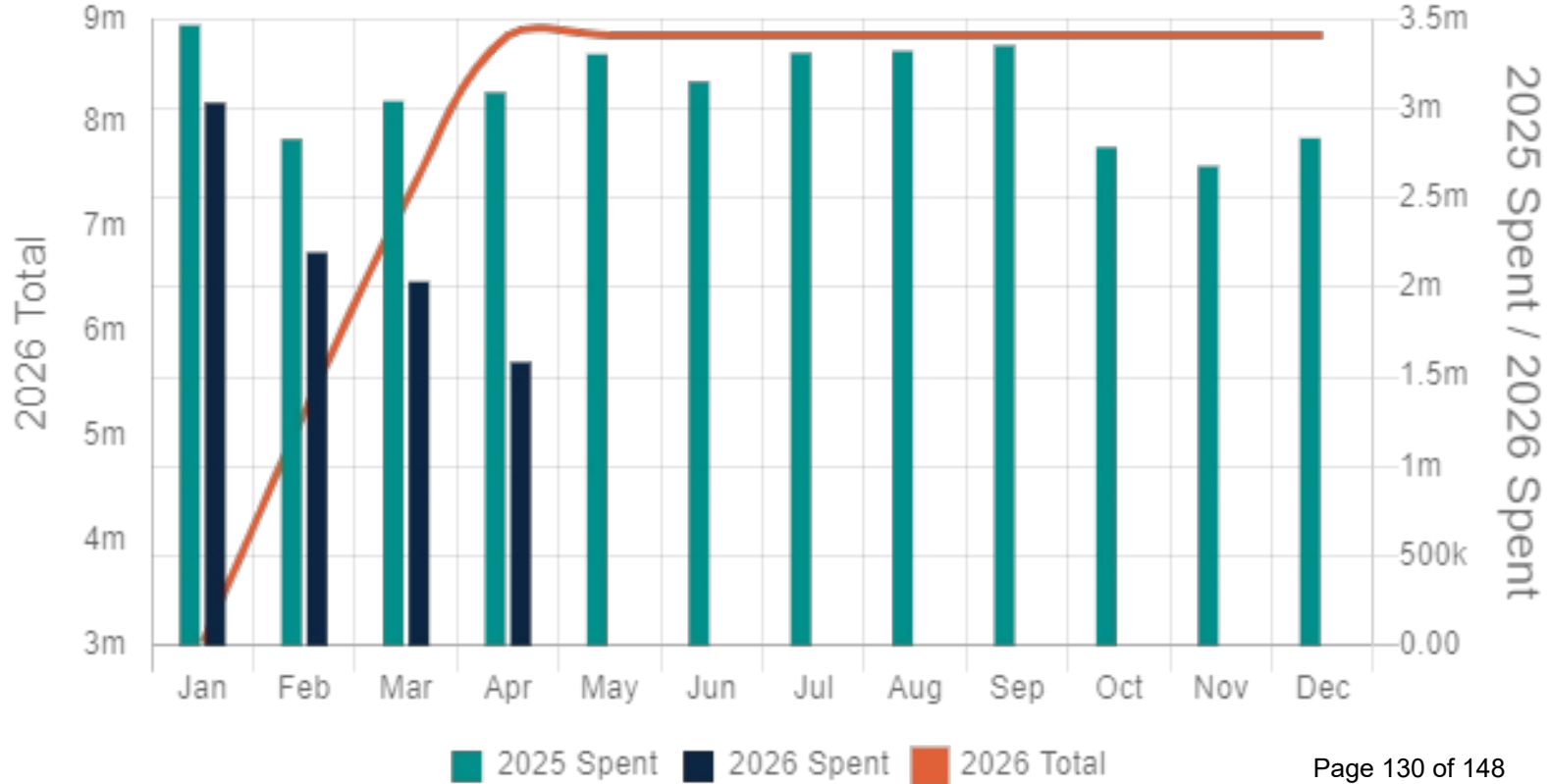
For Fiscal: 2026 Period Ending: 02/28/2026

Account Typ...	Original YTD Budget	Current YTD Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)	Percent Remaining
Fund: 1 - ELECTRIC						
Revenue	5,025,847.18	5,025,847.18	2,241,030.24	4,403,043.58	-622,803.60	12.39 %
Expense	4,877,150.12	4,877,150.12	1,884,534.06	4,287,333.62	589,816.50	12.09 %
Fund: 1 - ELECTRIC Surplus (Deficit):	148,697.06	148,697.06	356,496.18	115,709.96	-32,987.10	22.18 %
Fund: 2 - WATER						
Revenue	792,832.74	792,832.74	322,313.50	632,993.47	-159,839.27	20.16 %
Expense	784,750.56	784,750.56	134,776.25	438,940.16	345,810.40	44.07 %
Fund: 2 - WATER Surplus (Deficit):	8,082.18	8,082.18	187,537.25	194,053.31	185,971.13	-2,301.00 %
Fund: 3 - WASTEWATER TREATMENT						
Revenue	896,507.92	896,507.92	587,837.57	1,160,034.14	263,526.22	29.39 %
Expense	876,356.52	876,356.52	146,654.58	385,379.94	490,976.58	56.02 %
Fund: 3 - WASTEWATER TREATMENT Surplus (Deficit):	20,151.40	20,151.40	441,182.99	774,654.20	754,502.80	-3,744.17 %
Fund: 4 - HYDRO DAM						
Revenue	2,199.12	2,199.12	390.50	390.50	-1,808.62	82.24 %
Expense	138,545.96	138,545.96	29,812.55	115,088.44	23,457.52	16.93 %
Fund: 4 - HYDRO DAM Surplus (Deficit):	-136,346.84	-136,346.84	-29,422.05	-114,697.94	21,648.90	15.88 %
Report Surplus (Deficit):	40,583.80	40,583.80	955,794.37	969,719.53	929,135.73	-2,289.43 %

Fund Summary

Fund	Original YTD Budget	Current YTD Budget	Period Activity	Fiscal Activity	Variance Favorable (Unfavorable)
1 - ELECTRIC	148,697.06	148,697.06	356,496.18	115,709.96	-32,987.10
2 - WATER	8,082.18	8,082.18	187,537.25	194,053.31	185,971.13
3 - WASTEWATER TREATMENT	20,151.40	20,151.40	441,182.99	774,654.20	754,502.80
4 - HYDRO DAM	-136,346.84	-136,346.84	-29,422.05	-114,697.94	21,648.90
Report Surplus (Deficit):	40,583.80	40,583.80	955,794.37	969,719.53	929,135.73







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Brainerd Public Utilities Operations Manager Report April 2026

Field Operations Update

Crews are actively conducting comprehensive field inspections across the system, including GIS mapping verification, equipment labeling, and detailed asset condition assessments. This work is focused on improving system accuracy, enhancing operational awareness, and supporting long-term maintenance planning. Field data collected through these efforts will help identify potential issues early, ensure proper asset identification, and strengthen overall system reliability, safety, and response efficiency.

These inspection efforts are also being used to validate existing records, identify any discrepancies between field conditions and GIS data, and prioritize corrective actions where needed. This proactive approach supports more efficient outage response, improves coordination between departments, and ensures that system data remains reliable for both day-to-day operations and future capital planning.

We are currently awaiting seasonal road restrictions to be lifted, potentially around May 1, which will significantly drive the start and pace of construction activities. As these restrictions are removed, crews will transition into full construction mode, including service installations, system upgrades, and coordination with planned municipal and county road projects.

Based on current workload, project backlog, and development activity, it is shaping up to be another busy construction season. Staff are preparing for increased demand related to new construction, infrastructure improvements, and road work, while continuing to balance ongoing maintenance and reliability priorities across the system.

Overhead vs. Underground Primary Distribution

Brainerd Public Utilities (BPU) continues to evaluate both the long-term management of our existing underground system and the appropriate application of overhead and underground primary distribution. This evaluation is based on maintaining reliability, ensuring safety, and providing cost-effective service.

Approximately two-thirds of BPU's electric system is underground. Of that portion, roughly 30% is approaching or has reached a 60-year life expectancy and is being evaluated for replacement through our asset management program. Most of this underground cable has not experienced a fault during its service life.

Industry practice supports replacing underground cable after multiple faults, typically two or more; however, the cause of each fault must be considered. Events such as lightning or third-party damage do not necessarily indicate cable failure. Based on current system performance, most underground infrastructure continues to operate without negatively impacting overall reliability. BPU's approach is to prioritize replacement of assets with demonstrated performance issues while avoiding premature system-wide replacement.

For new construction and system rebuilds, overhead primary distribution remains the standard approach. Material cost comparisons using a one-mile baseline show approximately \$277,487 per mile for 34.5 kV underground, \$155,419 per mile for 4 kV underground, and \$75,194 per mile for 34.5 kV overhead. Underground construction at 34.5 kV is approximately 3.7 times more expensive than overhead, and this difference increases when installation, restoration, and long-term maintenance are included.

Converting existing overhead systems to underground requires full coordination across the system. Customers must upgrade service equipment to accommodate underground service, and complete pole removal is only possible when all customers on a circuit are converted. Additionally, communication providers are not required to relocate their facilities underground, so poles may remain even after electric conversion.

From an operational standpoint, overhead systems provide faster and more efficient restoration. Faults are visible and accessible, allowing crews to respond quickly in all seasonal conditions. Underground faults require specialized locating equipment and excavation, and winter conditions, particularly deep frost, can significantly delay restoration.

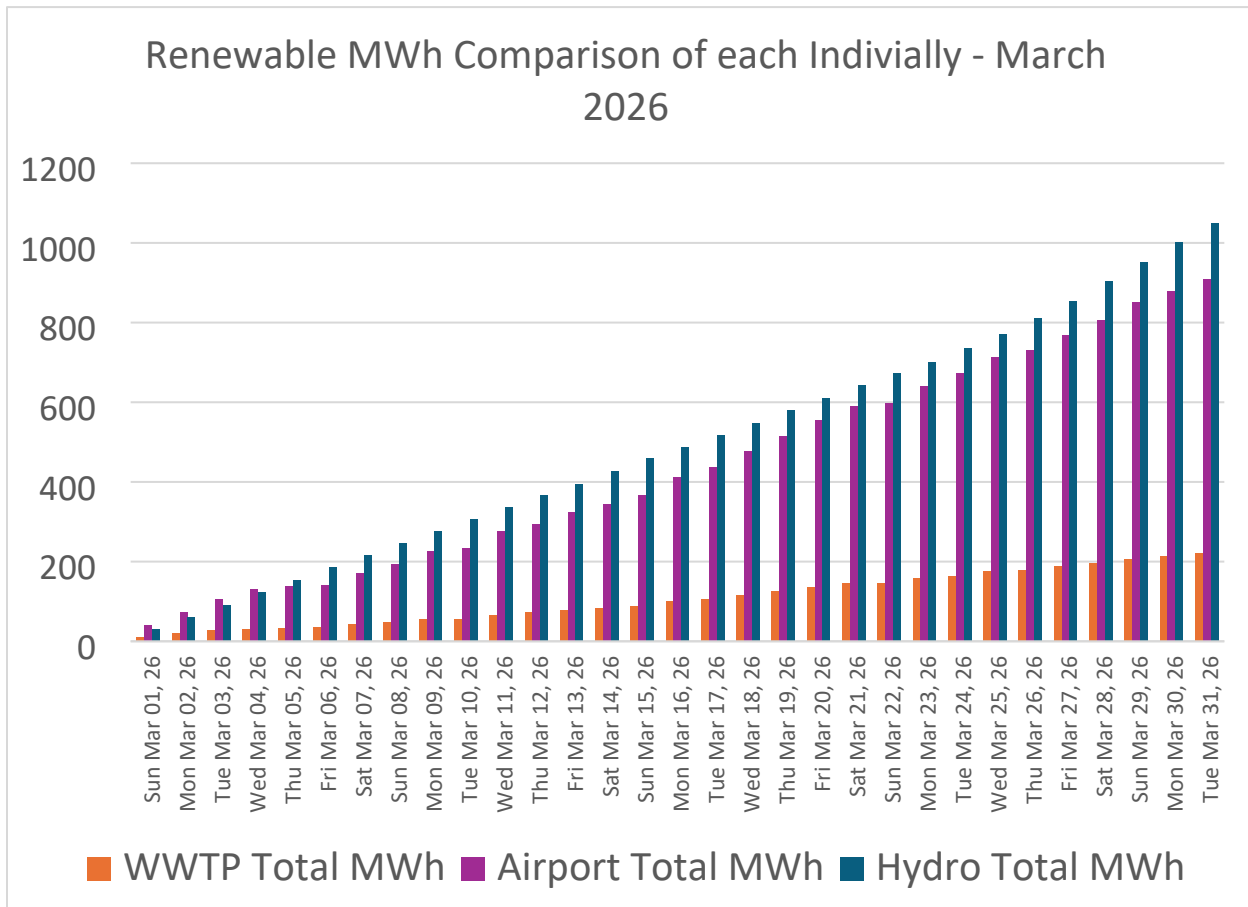
Underground systems are typically designed with looped configurations to improve reliability; however, this requires additional cable, switching equipment, and system complexity, increasing the cost to serve the same load.

From a lifecycle perspective, overhead infrastructure can often be rebuilt or upgraded in place, allowing reuse of existing alignments. Underground infrastructure is typically abandoned in place at end of life due to removal difficulty, limiting reuse and increasing future replacement costs.

In summary, overhead systems provide lower installation cost, faster restoration, and greater operational flexibility. Underground construction remains appropriate in targeted applications but is not a cost-effective solution for broad system conversion. This balanced approach allows BPU to maintain reliable service while managing long-term costs responsibly.

Renewable Comparison Monthly – March 2026

Below are a couple of graphs showing BPU Renewables production for March 2026

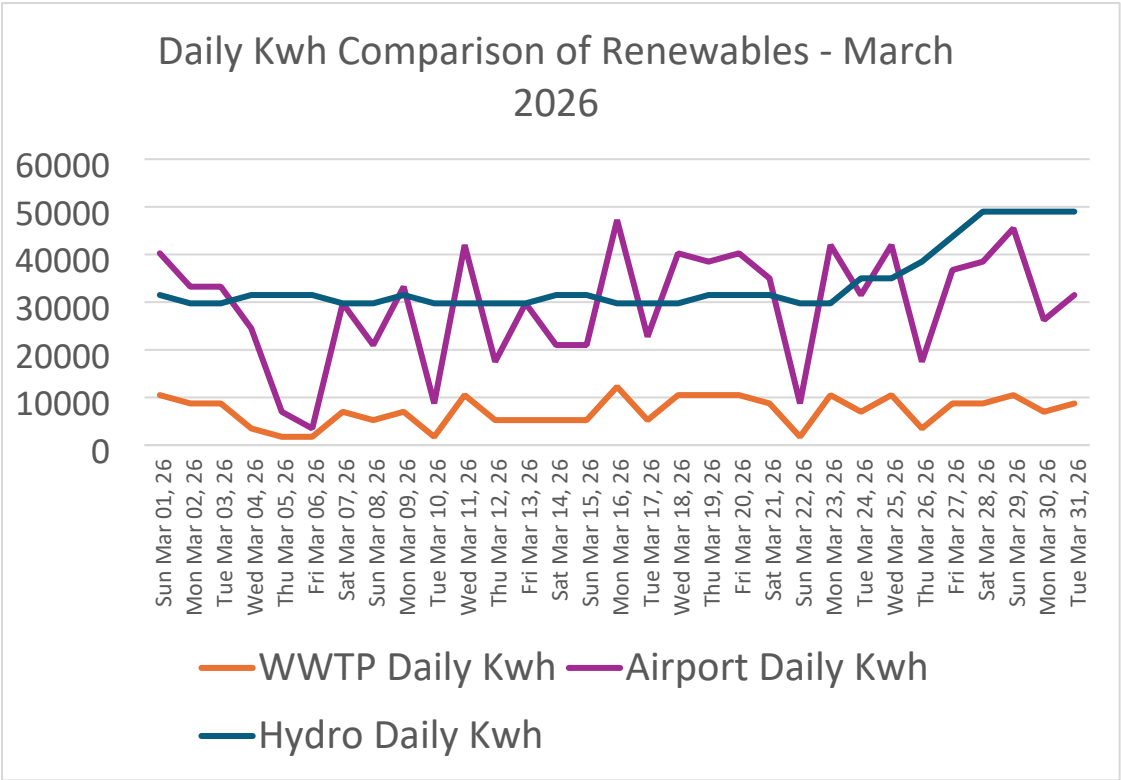


Hydro produced the most with 1,050 MWh or approximately 17.1% of Typical Residential Meters. WWTP Solar produced 225.25 MWh or approximately 3.6% of Typical Residential Meters. Airport Solar produced 910 MWh or approximately 14.8% of Typical Residential Meters in March.

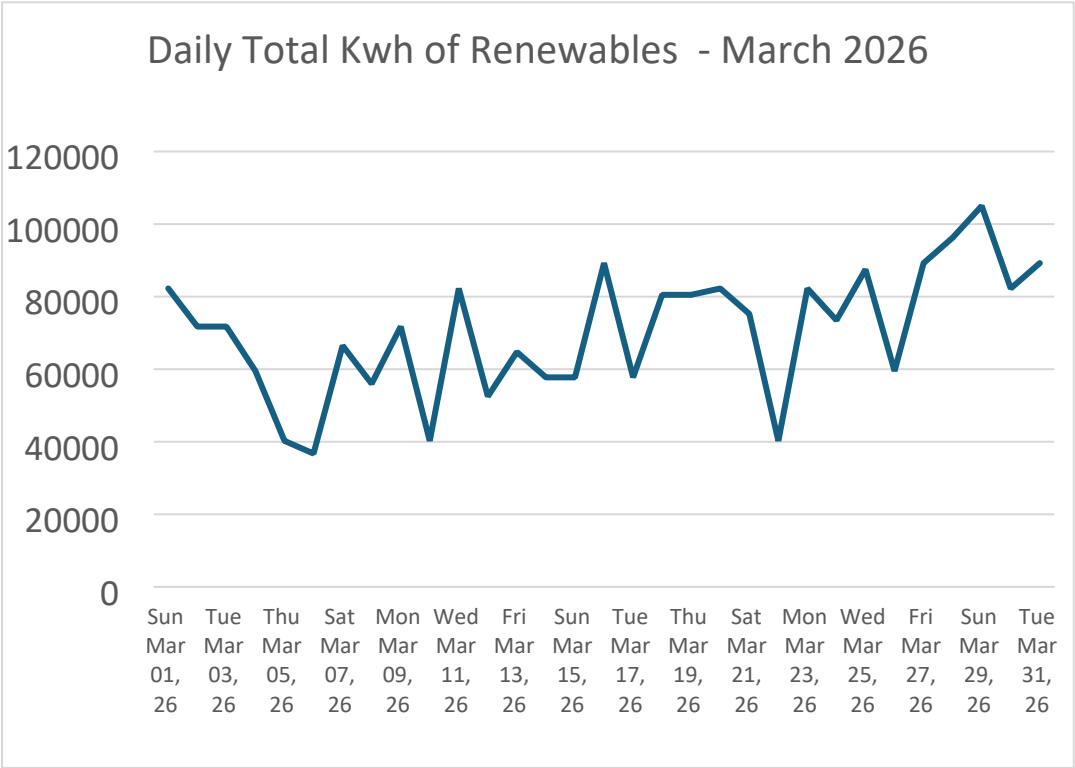
In February, hydro had the most production with 1,022.65 MWh (↑27.35 MWh this month). WWTP Solar produced 45.5 MWh (↑179.75 MWh this month). Airport Solar produced 253.75 MWh (↑656.25 MWh this month).

Airport Solar Capacity – 5.7 MW; WWTP Solar Capacity – 1.372 MW; Hydro Capacity – 3.1 MW.

Daily Kwh Comparisons of Renewables – March 2026



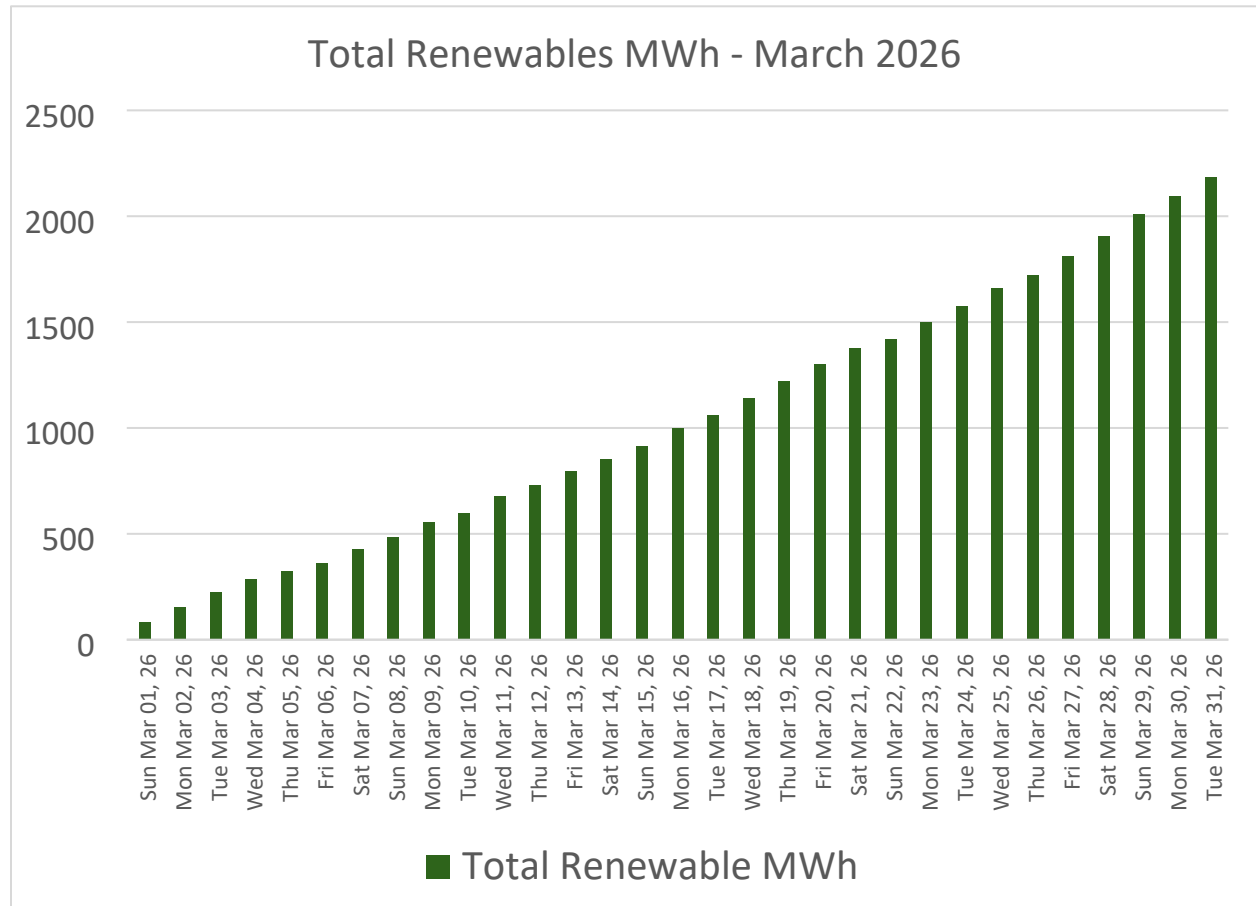
Daily Total Kwh of Renewables – March 2026



Together BPU Renewables produced 2,182.25 MWh or approximately 35.4% of Typical Residential Meters in March 2026.

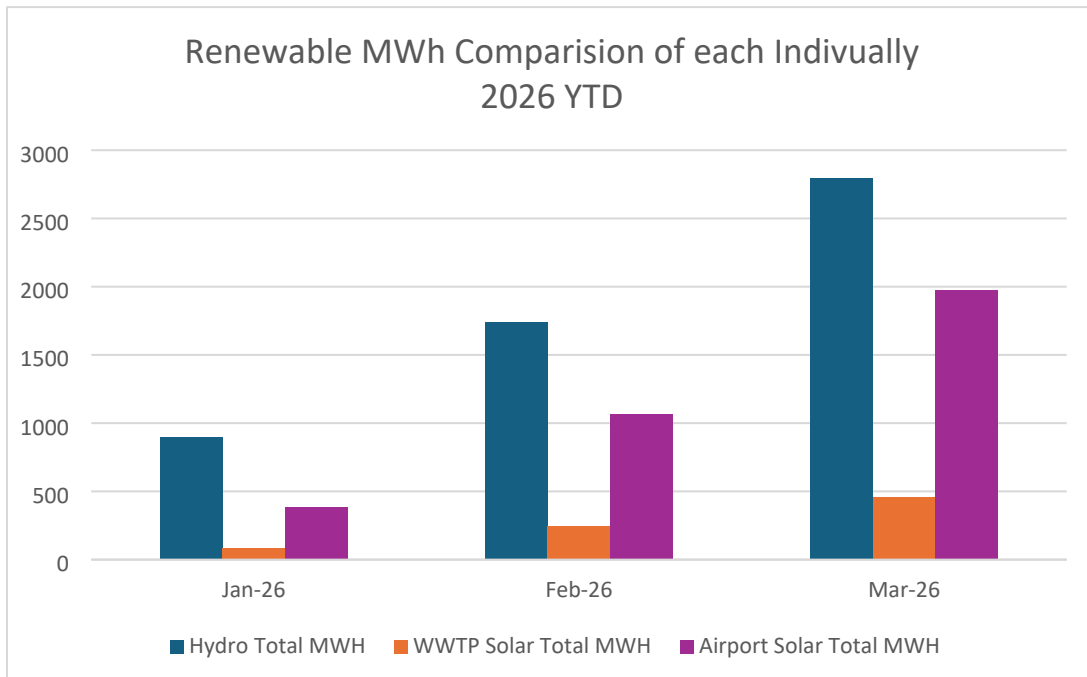
In February, together BPU Renewables produced 1,202.25 MWh (↑ 980 MWh this month) or approximately 19.5% (↑15.9% this month) of Typical Residential.

Residential meter Kwh use was based on approximately 800-1000 Kwh per meter. BPU had 6,974 Residential meters in March 2026 (Count updated every 3 Months).

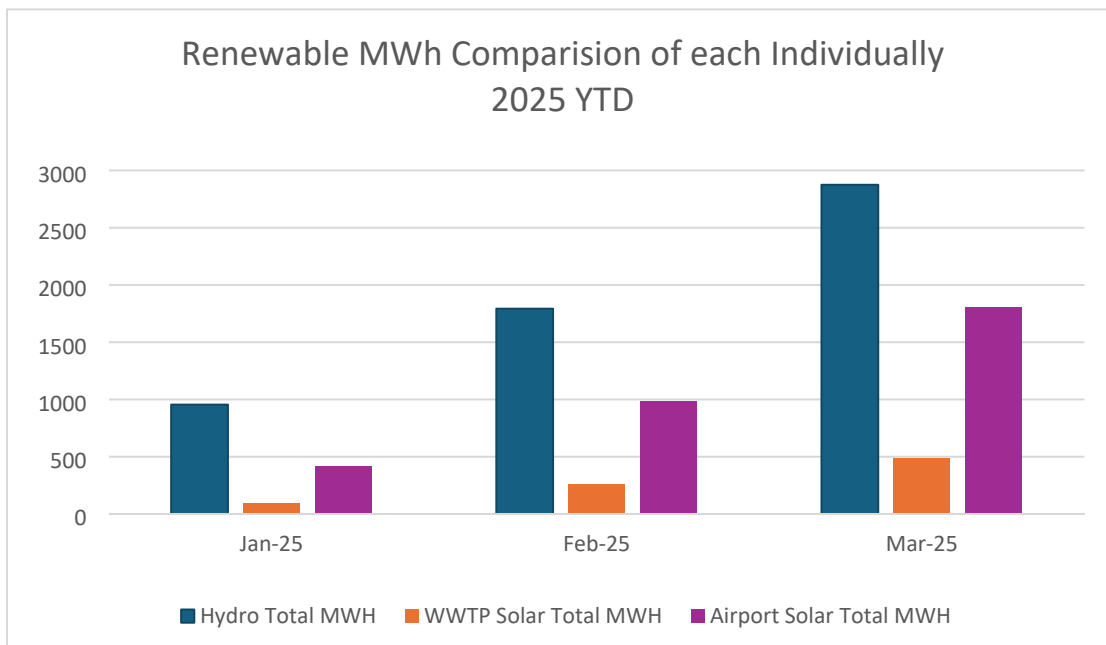


Renewable Comparison – YTD 2026

Below are a couple of graphs showing BPU Renewables production for YTD 2026



Previous Year – YTD March 2025



Year to date total production of each system: Hydro production was 2,794.03 MWh, WWTP Solar produced 456.55 MWh and Airport Solar produced 1977.2 MWh.

March was the best month of production so far this year, here are the numbers compared to the best months in 2025.

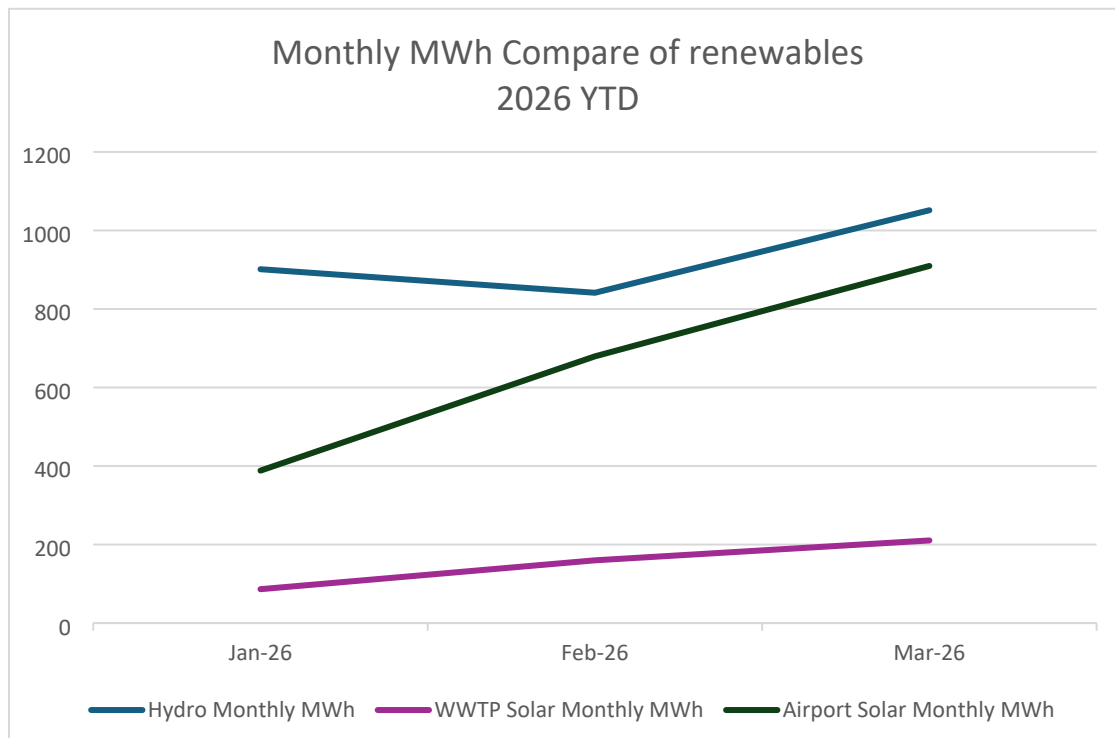
Hydro producing the most in March with 1,051 MWh (2025 July – 1,230 MWh)

WWTP Solar producing the most in March with 210 MWh (2025 May – 322 MWh)

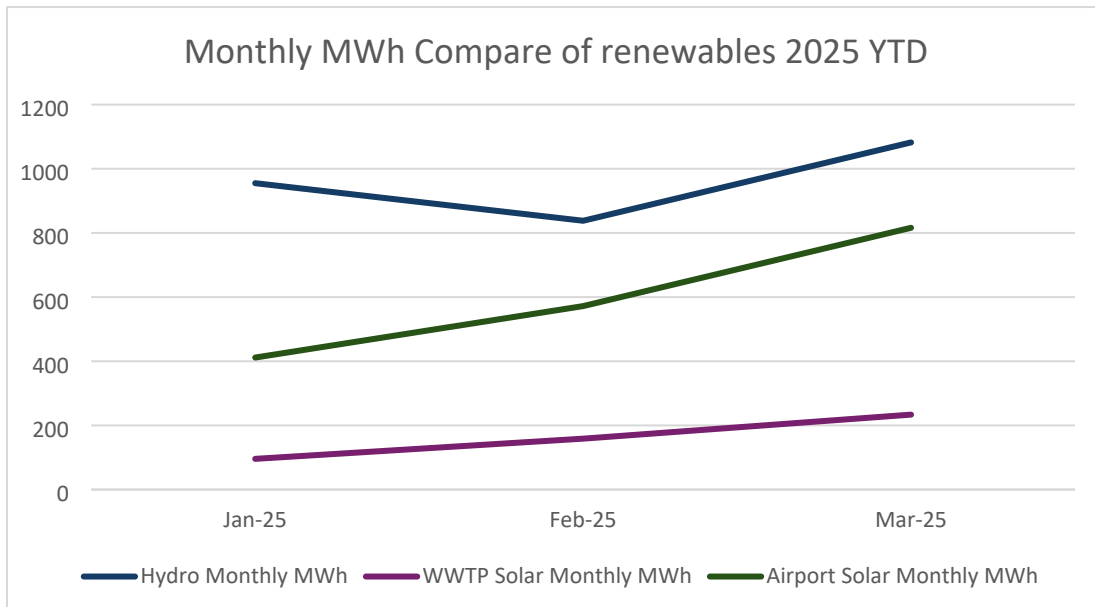
Airport Solar producing the most in March with 909 MWh (2025 May – 1,299 MWh)

BPU is producing very similar numbers in 2026 as the previous year. Below are few graphs to compare 2025 production to 2026

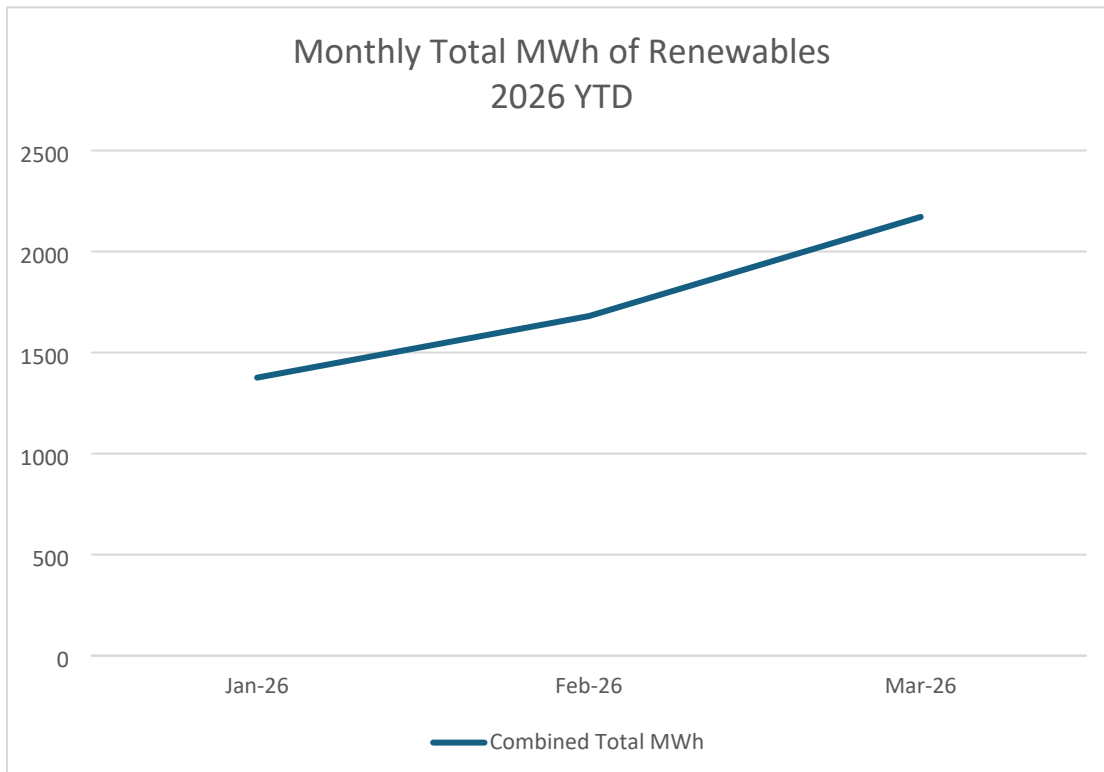
Monthly MWh Comparisons of Renewables – March 2026



Previous Year – YTD March 2025

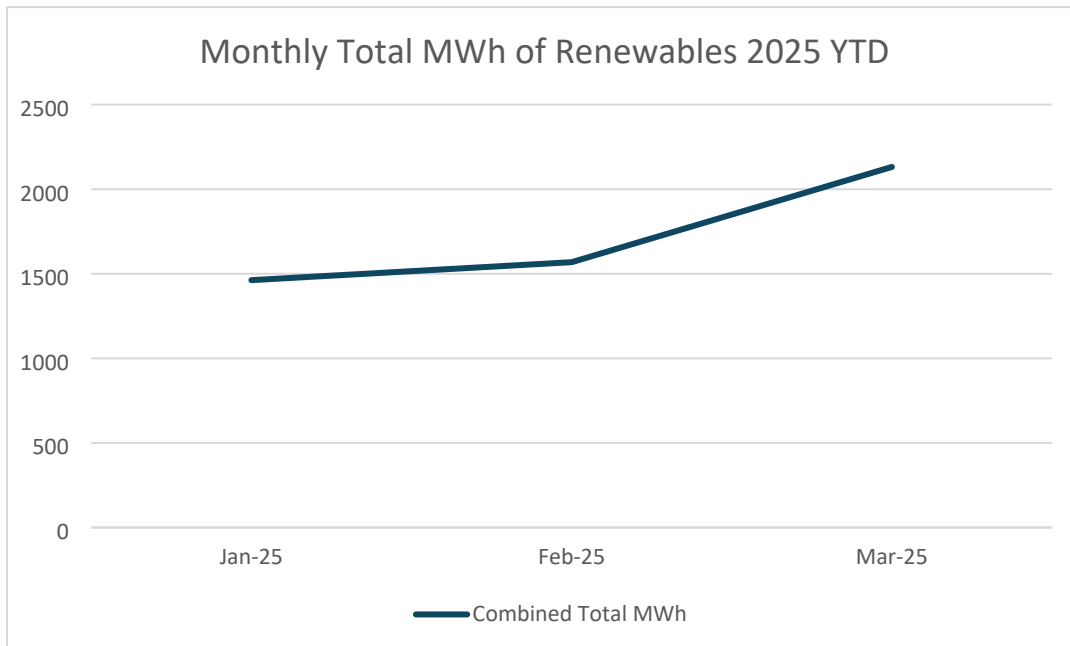


Monthly Total MWh of Renewables – March 2026

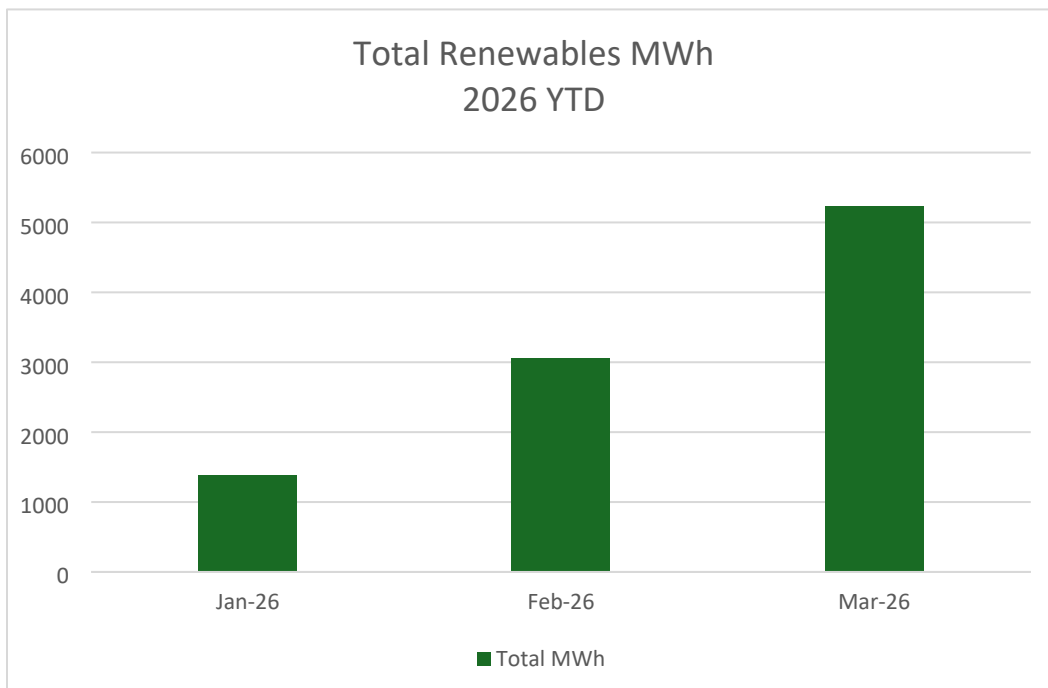


March (2,171 MWh) being the best month and January (1,375 MWh) being the least YTD.

Previous Year – YTD March 2025

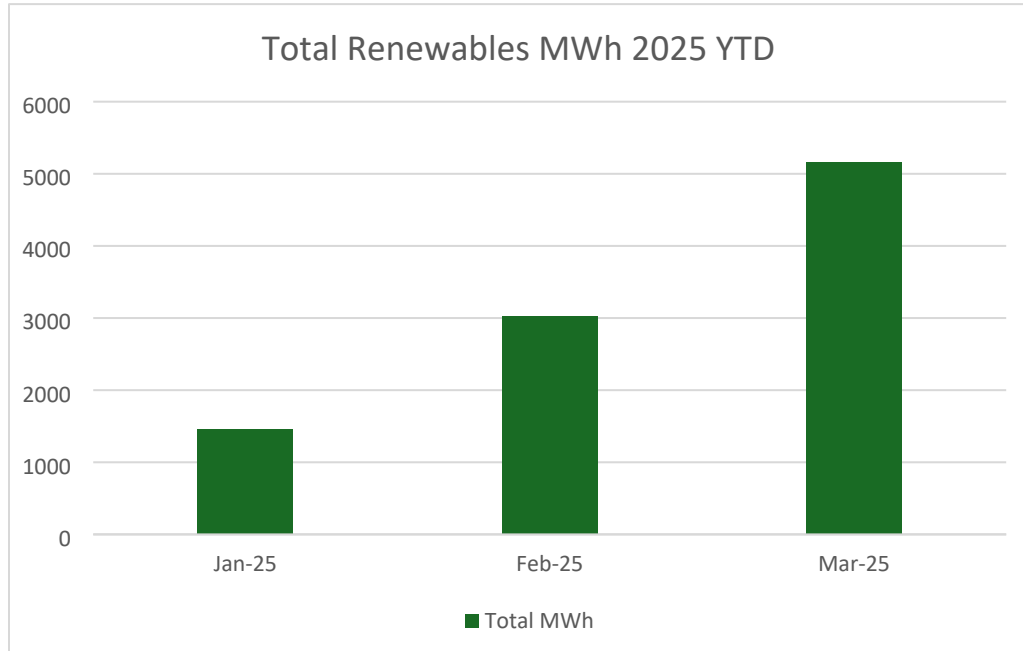


Together BPU Renewables produced 5,227.78 MWh YTD in 2026



Previous Year – YTD March 2025

Together BPU Renewables produced 5,162.59 MWh YTD in 2025





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Brainerd Public Utilities Water/Wastewater Manager's Report April 2026

Collection System Lift Stations

Continuous operations and maintenance of wet wells, pumps, generators, and controls for the 17 lift stations are ongoing. Cleaning and painting of main lift pumps and piping as time allows. Lift Station operations and maintenance labor hours were 123 at a cost of \$6,935.24 which includes weekends for the two stations that utilize pretreatment equipment.

Wastewater Treatment Facility Operations and Maintenance

On-going tank inspection and repairs to SBR 4 Influent valve, JMP 4 elbow. On-call operators tested weekly SCADA alarms for the Wastewater Treatment Facility and lift stations to ensure reliability of emergency systems.

Land Application of Biosolids Program

Mixing storage tank 2 and sent biosolids sample to lab for spring application on approved biosolid sites. Working on the Minnesota Biosolids Pre – and Polyfluoroalkyl Substances (PFAS) Strategy compliance consisting of PFAS sampling, required actions include reduction efforts and communications with users. On-going development of the Minnesota Biosolids PFAS Strategy program for the approved Biosolids application sites. Currently there are 1,421,000 gallons in storage.

Wastewater Lab Testing and Compliance

Sent March 2025 Electronic Daily Monitoring Report to Minnesota Pollution Control Agency (MPCA). Ongoing Mercury Minimization Plan, Copper Minimization Plan, PFAS Minimization Plan, and Phosphorus Management Plan. Ongoing meetings with Significant Industrial Users (SIU's) about PFOS and what strategies to take to reduce PFOS. Ongoing program evaluation of delegation requirements with Brainerd and Baxter collection systems for SIU and Categorical Industrial Users (CIU's).

Public Water System (PWS) Drinking Water Testing and Compliance

Collected 15 Coliform samples throughout the distribution system to comply with Minnesota Department of Health (MDH) coliform testing requirements. Labor hours were 15 hours at a cost of \$395.40.

Received 1 call from resident concerning drinking water in March 2026.

Emergency Generator Maintenance and Operations

Test ran Lum Park (Airport extension) water booster Lift station, Riverside water extension booster, Water plant. Evergreen Lift, Main Lift, SW6th Lift, Tyrol Lift, Walnut and Pine Lift. Portable 25KW, 150KW, 45KW and both Wastewater facilities generators and Godwin trash pump. Added fuel as needed. Updating the portable generator Standard Operating Procedures (SOP's) for standardized emergency operations as various issues arise.

Water and Wastewater Personnel

Water/Wastewater operators attended the Minnesota Municipal Utilities Association Annual Required Training (MMUA). 4 water/wastewater operators attended the 42nd Annual Technical Conference in St. Cloud. Minnesota Rural Water Association presented an Asset Management Training at Brainerd Public Utilities and was attended by Water/Wastewater operators.

March 2026 Water Pumping Statistics

Water pumped to the North distribution system was 26,720,000 gallons for an average of 862,000 gallons per day. Water pumped to the South distribution system was 4,743,000 gallons for an average of 153,000 gallons per day. Chemical usage averages for the month: 2.11 gallons of fluoride per day, 3.23 gallons of caustic soda per day, 6.31 gallons of orthophosphate per day, and 17.00 pounds of chlorine per day. Went through 21 filter backwash events totaling 88 hours of labor, at a cost of \$3,311.86. Backwash average of 275,000 gallons for each event.

Filtration Plant

March 2026 daily test results showed an average of 0.87 milligrams per liter of iron in the unfiltered raw water and an average of 0.01 milligrams per liter of iron in the filtered finished water, which indicates the plant is achieving an average of 98.3% removal of iron.

*Minimum standard for filtered finished water is 0.3 milligrams per liter of iron which would be 75% removal based on the unfiltered raw concentration.

March 2026 daily test results showed an average of 0.5 milligrams per liter of manganese in the unfiltered raw water and an average of 0.019 milligrams per liter of manganese in the filtered finished water which indicates 96.3% removal of manganese. Minimum standard for filtered finished water is 0.050 milligrams per liter of manganese which would be 90% removal based on the unfiltered raw concentration.

Chart Summary for Wastewater Treatment

March 2026-2025 Total influent Flow comparisons

2026 Combined Total Flow was 58,546,000 gallons which is up 2,867,000 gallons from the previous year.

2026 Brainerd Total Flow was 37,802,000 gallons which is up 1,952,000 gallons from the previous year.

2026 Baxter Total Flow was 20,744,000 gallons which is up 744,000 gallons from the previous year.

March 2026 Influent Daily Average Flows

2026 Combined Flow was 1,889,000 gallons.

2026 Brainerd Flow was 1,219,000 gallons.

2026 Baxter Flow was 669,000 gallons.

Chart Summary for Water Production

March 2026-2025 North distribution Total flow was 26,720,000 gallons which is down 1,518,000 gallons from the previous year.

March 2026-2025 South distribution Total flow was 4,743,000 gallons which is up 314,000 gallons from the previous year.

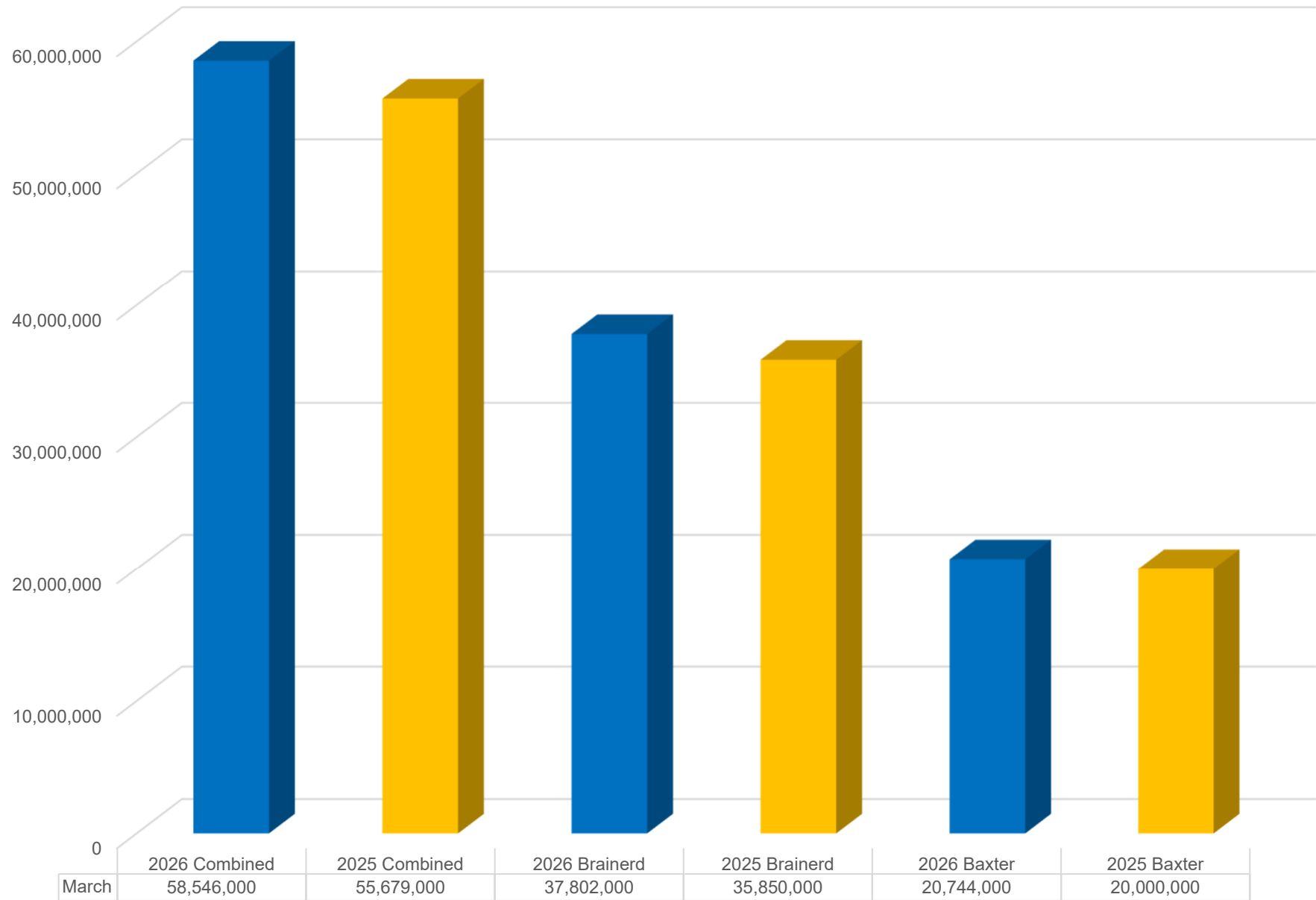
March 2026-2025 Baxter's Total flow was 0 gallons which is down 311,000 from the previous year.

March 2026 Daily Average Water North and South Distribution

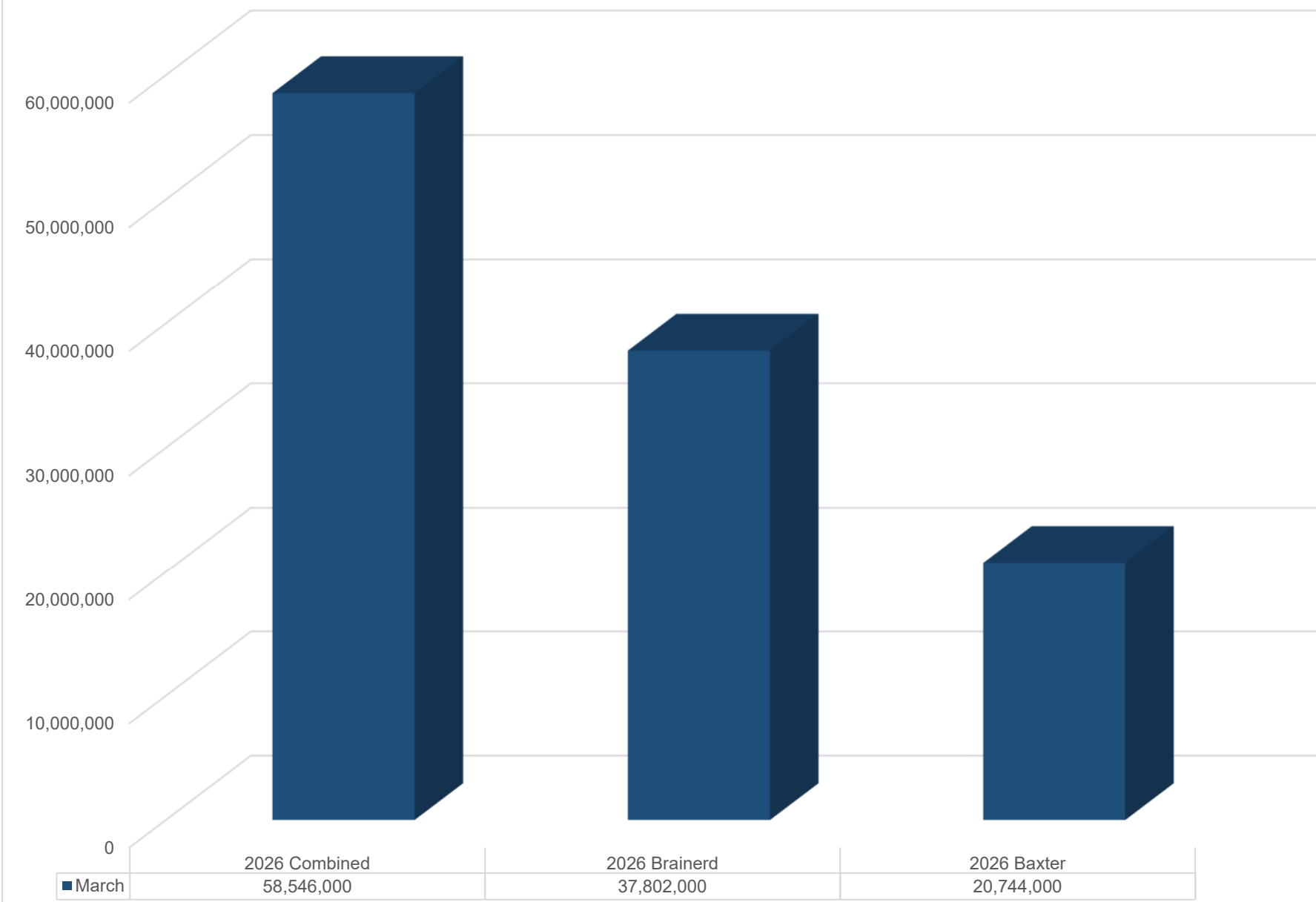
2026 North distribution average was 862,000 gallons.

2026 South distribution average was 153,000 gallons.

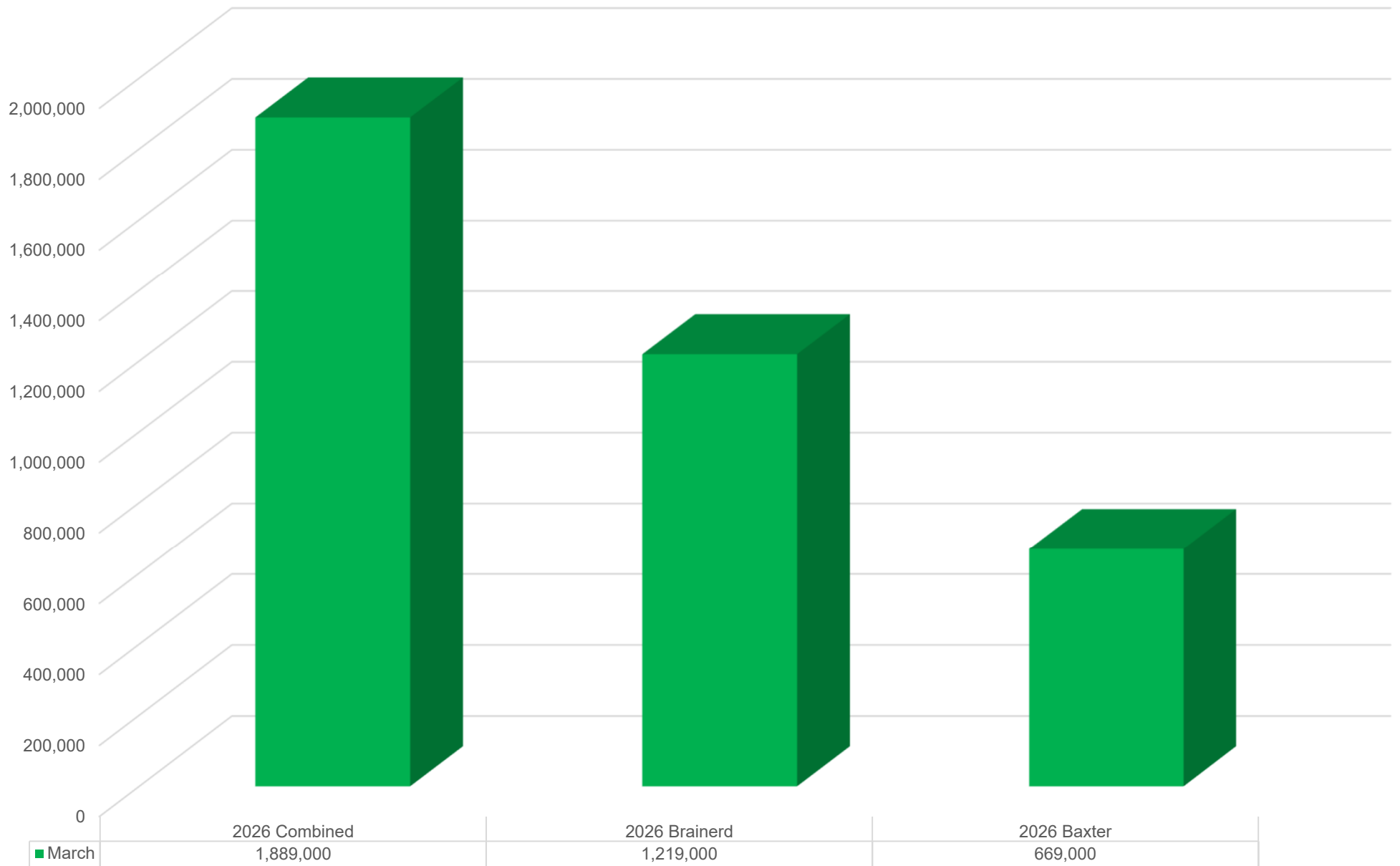
March 2026 - 2025 Wastewater Influent Flow Comparisons



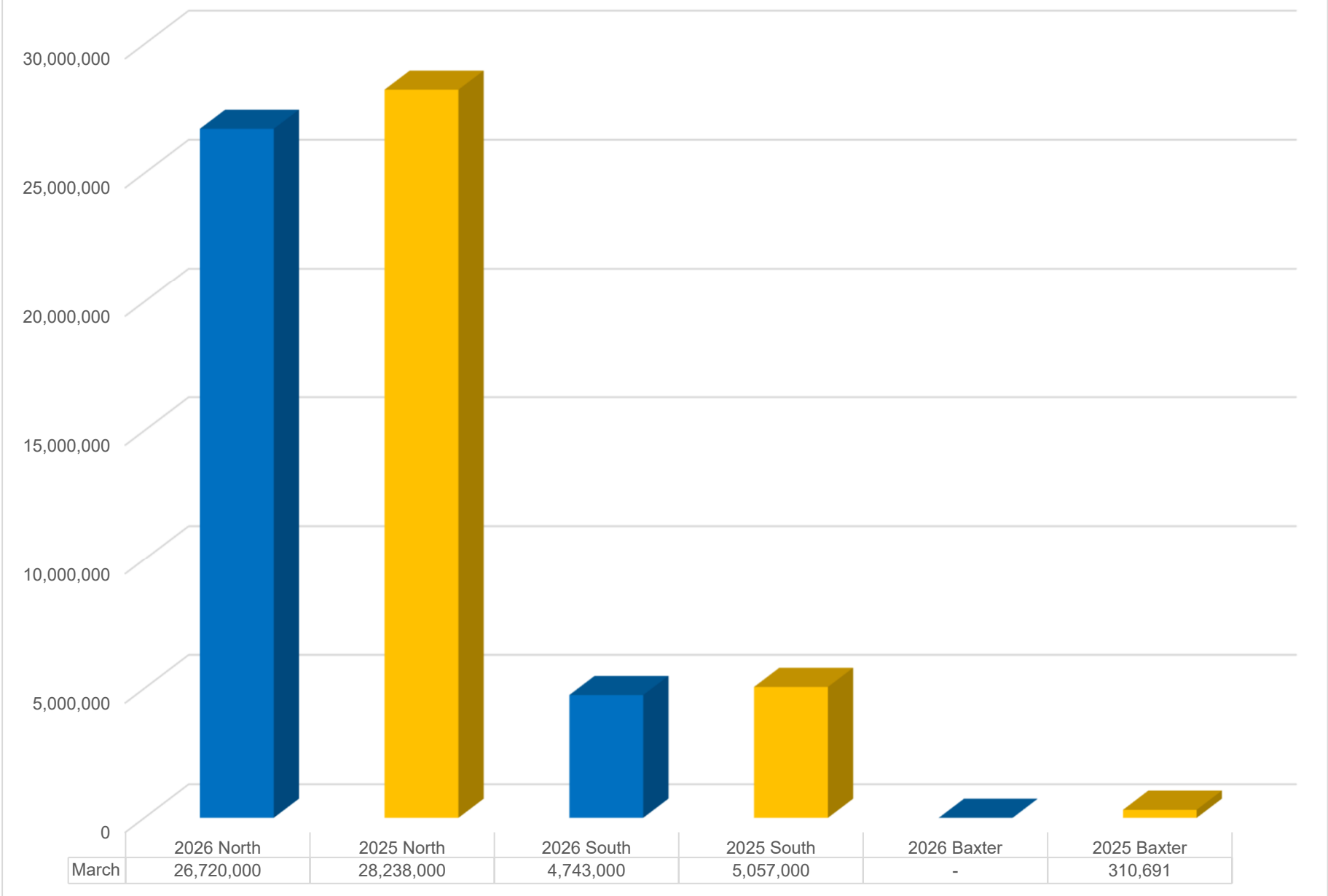
March 2026 Wastewater Influent Total Flows



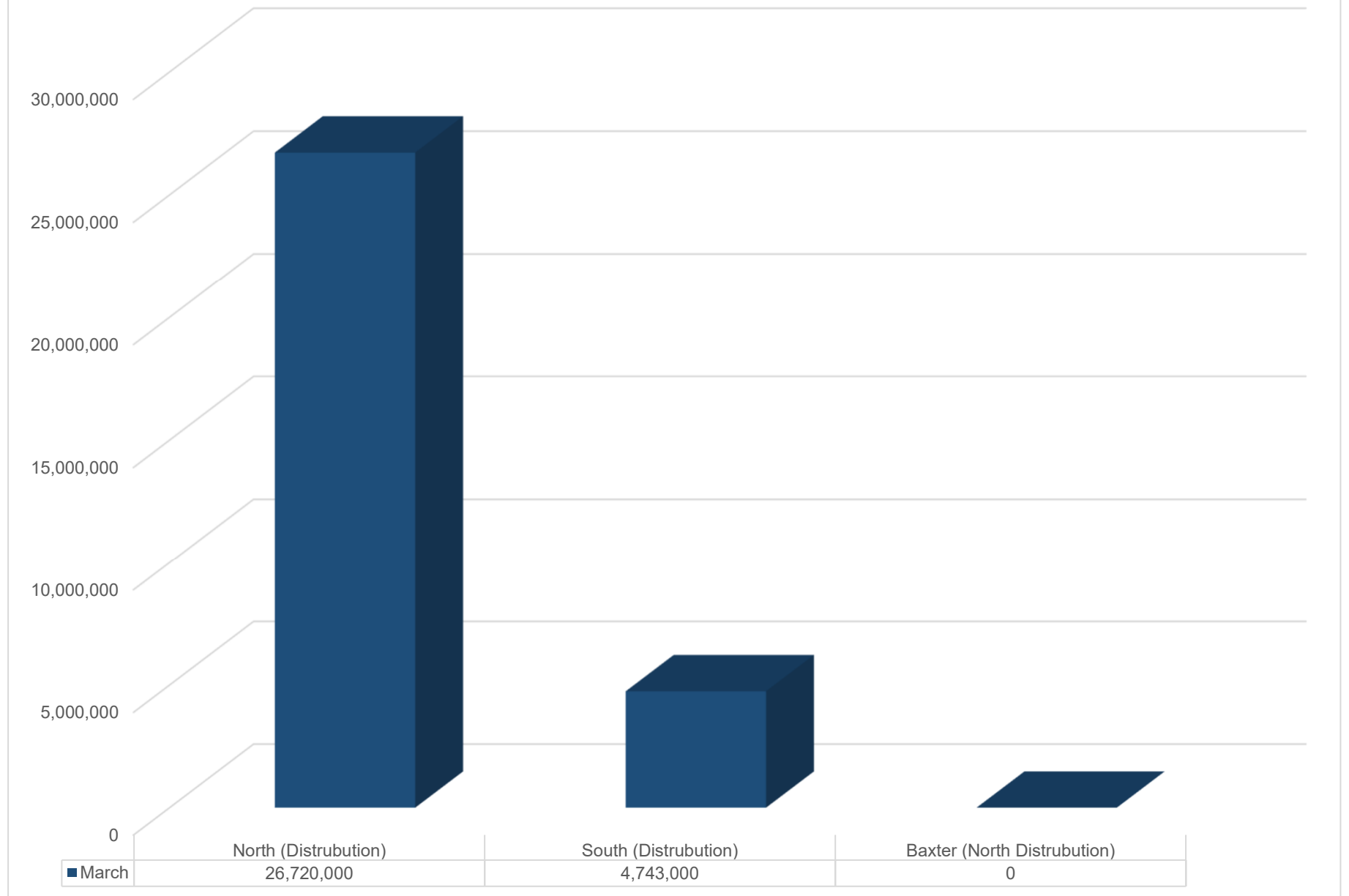
March 2026 Wastewater Influent Daily Average Flows



March 2026-2025 Comparison Water Production Totals North and South Distribution



March 2026 Total North and South Distribution



March 2026 Daily Average North and South Distribution

