

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
TUESDAY, NOVEMBER 12, 2024 – 4:45 P.M.**

A.I. #1 CALL TO ORDER/ROLL CALL

The Melrose Public Utilities Commission met in a Regular Meeting on Tuesday, November 12, 2024, at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Eric Seanger, and Joe Finken, Water/Wastewater Supervisor Jeremy Schrantz, City Administrator Colleen Winter, Finance Director Jackie Niehaus, Community Development Director Sheila Hellermann, and City Clerk Patti Haase Also in attendance was Susan Danzl from SEH. Commission Member Jeremy Kraemer was absent. Chair Seanger called the meeting to order.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Finken seconded by Mr. Seanger and unanimously carried to approve the agenda as amended.

A.I. #3 CONSENT AGENDA

The following were considered for approval under the Consent Agenda:

- a) The minutes from the Commission's October 1, 2024 Regular Meeting
- b) List of bills in the amount of \$741,450.06
- c) Investments Report for the month of October
- d) Molitor Excavating has submitted Pay App# 6 for the 2024 Main Street Improvements for work completed through 11/01/2024. The pay application is in the amount \$308,825.45. Of this amount, \$30,502.94 is utility, and \$278,322.51 is the general fund portion. SEH has reviewed the payment request and is recommending payment as outlined in the invoice.
Once paid, the City will invoice Stearns County for \$8,379.99 and be reimbursed.
- e) Northern Line Contracting has submitted Pay App #2 for the Highlands Boulevard Extension Project for the work completed through 10/30/2024. The pay application is in the amount of \$100,587.99. Of this amount \$144.40 is utility and \$100,443.60 is the general fund portion. SEH has reviewed the payment request and is recommending payment as outlined in the invoice.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the consent agenda items.

A.I. #4 REPORTS

- a. City Administrator Colleen Winter provided the following update: Administrator Winter is working on annual reports for the electric department Reserved Energy Credits have to be retired.
- b. Water/Wastewater Supervisor Jeremy Schrantz reported on the projects for the water/wastewater department. Thein Well conducted an inspection on all of the wells. Well Number 7 is back online, however it is pumping only 250 to 300 gallons per minute. Evan Gregory continues to haul sludge. The final clarifier that needs grout has not been cleaned out yet. Waiting for Array to bring in pumps. Staff

continues to work on equipment maintenance. Quality Control inspected the lift stations which all appear to be in good condition.

- c. City Administrator Colleen Winter provided an update on the Electric Department. The Electric Department has completed installation of services at Stears Electric. There continues to be issues with Sensus and UtiliSmart not communicating which is sending out false alarms Staff are still working through this.
- d. Community Development Director Sheila Hellermann provided an update.
 - Platting is complete in Highlands. Developers are seeing interest in the lots
 - Ordinances coming through – cannabis licensing, cannabis zoning, electronic billboards and vacant building registration. Comprehensive Plan chapters are being reviewed by the steering committee.
 - Scooters is officially sold for \$1.00 Mr. Wiehoff has contributed \$100,000 to the project. Structural is reviewing the roofing plan. Temporary power has been reestablished
 - Traffic study at intersection of County Road 13 and Kraft Drive. Currently there is heavy traffic up to 6 hours a day. 8 hours a day is required to warrant a traffic light.
 - Diane Nathe's property. Lot splitting which could potentially lead to commercial development along Kraft – selling as 2 parcels. The home site with access off 5th Avenue SE. Large commercial piece along Kraft which would likely be platted.
 - Bakery is sold. The new owner stopped in today
 - There has been an offer made on Bruder's Butcher. Terms are being negotiated.
 - Casey's North – negotiations with local buyer are more serious
 - Soennen Trust – all the property has been sold

A.I. #5 ACTION ITEMS

- a. An interview was conducted with Justin Lundblad on August 12, 2024, for the electric journey line worker position. It is recommended that Mr. Lundblad start at Step 2 on the Journey Line Worker wage schedule. Mr. Lundblad would start on November 13, 2024.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the hiring of Mr. Lundblad at Step 2 on the Journey Line Worker pay scale.

- b. Well 8 was last pulled for service in 2015 and is due again. Aaron Butler with Their Well Company is recommending cleaning/ rehabbing the pump at that time. To pull the pump, bring to our shop to dismantle and inspect and reinstall pump Their Well estimate is +/- \$ 9500 plus any parts needed, if needed. To rehab the well when the pump is out I would estimate +/- \$ 25,000. Rehab would include high pressure jetting, chemical and surging. The time spent on the rehab would depend upon how the well improves. Mr. Butler would recommend doing this over the winter when your demand is lower. The pumping system would be out for at least a couple of weeks

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried authorizing the cleaning/rehabilitation of Well#8.

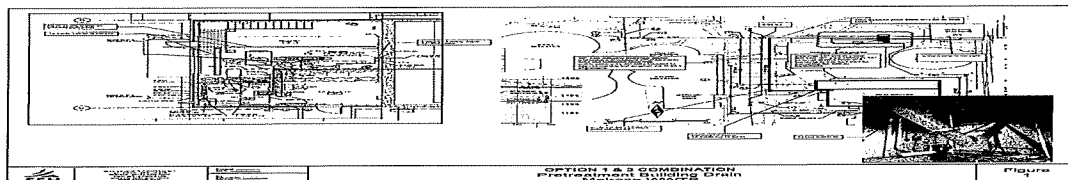
- c. Per request of the City, Abdo Financial Solutions has submitted a proposal extending our services through June 30, 2025 which will include assisting the City in the preparation for their annual audit. Per the Government Accounting Standards Board (GASB) requirements, the City is required to comply with GASB 87, GASB 96, and GASB 101 standards for the 2024 audit. The extension of the service agreement is needed in order to provide continued support and additional services through June 30, 2025.

A motion was made by Finken, seconded by Mr. Seanger and unanimously carried approving the extension of the service agreement with Abdo Financial Solutions.

A.I. #6 OLD BUSINESS

- a. The Commission at its October 14 meeting discussed options to address the overflow concerns at the WWTF. Ms. Danzl presented a refined alternative for the Pretreatment Building, which was talked through with plant staff, per the direction from the last PUC meeting.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried to obtain a cost estimate from Magney construction for Improvements to the floor drains in Option 1, would be expanded to include trench drains around the compactor and dumpster area. This trench drain system would be piped outside the building to the new 15-inch bypass pipe from Option 3. Refer to Figure 1 depicting this combined option.



- b. The Commission at its October 14 meeting tabled action on the Memo of Understanding. Pat Lomax, who is the most senior journeyman has been assuming the Supervisor tasks. Per direction of the Commission, at its last meeting this item was brought back for further discussion. Upon reviewing the additional duties assumed by Mr. Lomax the Commission determined a \$2.00 per hour wage differential was merited.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried authorizing City Administrator Winter execute the Memo Of Understanding with Journey Line Worker Pat Lomax for any Electric Supervisor duties performed out of his current job description, excluding prevailing wages and trouble calls to be retroactive.

- c. Water/Wastewater Supervisor Jeremy Schrantz obtained an opinion of probable project cost for the Well 10 project to replace Well 7 for PUC information from Kevin Young with SEH. Below is a table that includes an estimate for the well construction and necessary repairs inside the wellhouse that Mr. Young discussed with Water/Wastewater Supervisor Schrantz. It's broken up into two columns to show a range in costs depending on the amount of contingency used.

Not knowing what controls upgrades are needed, Mr. Young included a placeholder of \$50,000 for Total Controls to complete any upgrades necessary. On a similar project, this was the approximate cost for a wall mounted VFD, PLC replacement, flow meter, and portable generator breaker connection. Depending on the upgrades needed/desired, this cost could go down. Total Controls will need to provide a quote for that work.

The well construction cost will depend on the drilling method specified, but I used pricing for a conservative drilling method for the purposes of planning. I am working with several drillers to understand their 2025 drilling schedules for a couple projects so if the project is given the go-ahead I should have up to date information on when the well could be drilled depending on the drilling method used. I suspect the project completion schedule will be the deciding factor in which drilling method to use.

Well 10 Project Cost Description	10% Contingency	20% Contingency
Construction Item Subtotal	\$ 401,200	\$ 437,700
Total Control Systems (assumed controls upgrades)	\$ 50,000	\$ 50,000
Engineering	\$ 72,900	\$ 72,900
MDH Plan Review	\$ 250	\$ 250
OPINION OF PROBABLE PROJECT COST	\$ 524,350	\$ 560,850

Commission Member Seanger requested that staff work with SEH to refine the project and obtain a cost estimate.

- d. Commission Member Seanger inquired about the status of the Electric Department Lead/Supervisor position. City Administrator Winter stated that staff is waiting on an opinion from Flaherty and Hood prior to posting the position. Ms. Winter has received a response; however she is requesting clarification. City Administrator Winter stated that she has contacted Terry Wolfe with MRES and he will be in attendance at the December meeting. Mr. Seanger requested that the Electrical Supervisor position be posted and that he would like to contact Flaherty and Hood to follow up on their opinion.

A.I. #7 NEW BUSINESS

- a. The Commission next reviewed the proposed 2025 meeting schedule.

The Commission, by consensus, approved the 2025 meeting schedule with a start time of 4:45 p.m.

A.I. #8 INFORMATIONAL ITEMS

None

A.I. #9 ADJOURNMENT

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried that the meeting be adjourned at 5:10 p.m.


PATRICIA HAASE – CITY CLERK