

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, JUNE 13, 2022– 4:45 P.M.**

AGENDA

1. Call to Order/Roll Call
2. Approval of Agenda
3. Consent Agenda
 - a. Approval of Minutes
 - b. Approval of Bills/Purchase Orders
 - c. Approval of Investments
 - d. Pay App #13 Magney Construction
4. Presentation
 - a. Journeyman Certification
 - b. Missouri River Energy Services(MRES) Time of Use Pilot Program
5. Reports
 - a. Electrical Supervisor Avelsgard – Report
 - b. Water/Wastewater Supervisor Vogel – Report
 - c. City Administrator Report
6. Action Items
 - a. Training Request
- *
 - b. Diesel Fuel for Generation
7. Old Business
 - a. Water/Wastewater Treatment Facility Plan Update
 - b. Water Tank Maintenance Report
8. New Business
 - a. MISO Generation Shortage
 - b. Generation Agreement with CentraCare
 - c. Andy Hellermann Line Extension
9. Informational Items
 - a. Schools and Conferences
 - b. Boards and Commission Pay Schedules
10. Adjournment

* Amendment

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REGULAR MEETING
MONDAY, JUNE 13, 2022 – 4:45 P.M.**

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, June 13, 2022, at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Jeremy Kraemer, and Joe Finken, Electrical Supervisor Roger Avelsgard, Water/Wastewater Supervisor Tim Vogel, City Administrator Colleen Winter, Finance Director Tessa Beuning, and City Clerk Patti Haase. Commission Member Eric Seanger and Utility Billing Clerk Sharon Blaskowski were absent. Also in attendance was Karen Olofson with MRES. Chair Kraemer called the meeting to order.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried to approve the agenda as submitted.

A.I. #3 CONSENT AGENDA

The following were considered for approval under the Consent Agenda:

- a) The minutes from the Commission's May 9 Regular Meeting
- b) List of bills in the amount of \$1,829,948.12 (See attached list)
- c) Investments Report for the month of May (See attached list)
- d) Magney Construction has submitted Pay App #13 in the amount of \$841,833.58 for the work completed through 5/31/2022. 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. Kraemer and unanimously carried to approve the Consent Agenda items.

A.I. #4 PRESENTATION

- a. Electrical Supervisor Roger Avelsgard presented Cole Jordahl with his Journeyman Certification.
- b. Karen Olofson with Missouri River Energy Services (MRES) and Tim Hennesey consultant for Electric Power Research Institute (EPRI) presented the Time of Use Pilot Program results for the Melrose Public Utilities.

A.I. #5 REPORTS

- a. Electrical Supervisor Avelsgard provided an update on the electric department projects. The electric department has completed the conversion of 5 overhead customers to underground. There are 16 more services that are ready to be converted to underground.
- b. Water/Wastewater Supervisor Vogel provided an update on the water/wastewater projects. The centrifuge is down. Staff is working around the issue for now. Supervisor Vogel has contacted the vendor however it may be the 1st week in July before a technician is available. At the May 9 meeting Supervisor Vogel reported

that the two recirculation pumps in the 500 building require seal replacement. The pumps were installed in 1967. The cost to replace the seals is approximately \$16,581 each. The Commission directed staff to research the cost to replace the pumps. After further research Mr. Vogel is recommending replacing the seals rather than purchasing new pumps. The department hauled 944,000 gallons of sludge. Staff continues to work with the chemical company on polymers and ferric chloride usage. The Melrose Water/Wastewater has received the PFAS report from the Minnesota Department of Health. The PFAS limits are below the recordable limit.

- c. City Administrator Winter provided an update on the various ongoing projects. The city has received \$350,000 from LCCMR for the Sauk River Park. The work plan has been submitted for final approval. The Housing Development RFP ad was placed in the June 1 edition of the *Star Post*. The RFP is also posted on the city website. The ad was mailed or delivered to developers, local area building contractors and lumber yards, and realtors. Three applications were received for the City Planner position. Interviews were conducted on Friday June 10. An offer has been made to a candidate.

A.I. #6 ACTION ITEMS

- a. The Public Utilities Commission approved the City of Melrose Personnel Policies on 3/14/22, with an effective date of 4/17/22. Section 20 of the policies relate to employee education and training. Section 20.6 Not to Exceed Figure reads "Payment of training and/or conference expenses must not exceed \$2,500 per employee per fiscal year, excluding travel and subsistence costs. Exceptions must receive approval by the Appointing Authority."

The following 2022 trainings had been presented to the PUC as informational items on the 11/8/21 agenda and 3/14/22 agenda for Electric Supervisor Avelsgard:

- January 11-13, 2022 Electrical Distribution Design Workshop \$850.00
- March 30, 2022 Safety and Loss Control Workshop \$20.00

The PUC took action at its 3/14/22 meeting approving attendance on April 23-29, 2022, to the APPA conference, with a conference cost of \$2,525.

Additionally, an emergency preparedness conference was attended, costing \$300.00 on January 25-26, 2022.

To date, these costs for training and conference fees have totaled \$3,695.00. Electric Supervisor Avelsgard had presented the MMUA Summer Conference on August 22-24, 2022, to the PUC as an informational item under schools and training at the 3/14/22 meeting. The cost of the conference is \$465.00, with hotel costs at \$628.44. This is being presented to the Commission again in accordance with Section 20.6 for approval over the \$2,500 limit.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried to approve the payment of \$465 for conference fees, and attendance of Electric Supervisor Avelsgard at the MMUA Summer Conference.

- b. Electrical Supervisor Avelsgard obtained pricing for diesel fuel for the generating plant. The quote is for 7,500 gallons at \$4.61 per gallon for a total of \$34,575.

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried approving the purchase of the diesel fuel from Rahn's Oil as per the quote for a cost of \$34,575.

A.I. #7 OLD BUSINESS

a. Water/Wastewater Treatment Facility Update from SEH

Structure	Status of Construction	Upcoming Construction
Preliminary Treatment Building (02)	• Screw pump base slab complete • Magney has been setting rebar and forms on the east/west screw pump walls. They are planning to pour these walls in 3 vertical tiers. Magney is done with the second tier and now working on the third and final tier. • Finished working on footings for the south portion. Last section of foundation walls remain. • Poured floor of collection/mechanical room • Started backfilling the unexcavated portion beneath the screening room	• Magney forming, placing rebar, and pouring concrete on the remaining 3rd tier of the screw pump walls. • Once screw pump walls are complete, will proceed to pouring sloped screw pump raised base facing west. • Complete foundation walls for the screening room portion of the building
Control Building (03)	• Removed old recirculation pump, and pump base	• Install WAS pumps
Pump and Blower Building (04)		
Existing Final Clarifier (05)		• Sludge piping • New mechanism on site. Start installation once new final clarifier 06 is up and running.
New Final Clarifier (06)	• Walls and launder trough have been poured. • Passed leak test • Set scum lift station structure	• New mechanism on site. Start installation in coming weeks • Coatings
Digester Complex (07)	• Installed new thickened sludge pipe through the floor in the centrifuge room and out to the sludge holding tank. • Rerouted LSG line • Cored and stubbed pipe into sludge holding tank • Backfilled yard piping	• Continue work on thickened sludge line in the centrifuge room.

Solids Thickening and Loadout Building (08)		
Splitter Structure (10)	• Base slab and walls poured. • Passed leak test • Coatings completed	• Installing valves and piping to towards the final clarifiers (spring)
Existing 48 ft Clarifier (11)	• Installed bypass around 52-ft final clarifier	
Sludge Return Metering Vault (12)	• Finished pouring all the concrete for this structure. Top slab poured 1/31/22 • Stripped forms • Passed Leak test. • Coatings have been completed (June 2022)	• Continue working on pipe leaving structure
Yard	• Yard piping from Clarifier 06 and going to/ around the splitter structure • Installed below-grade piping for 48-ft clarifier bypass to chlorine contact tank. • 52-ft Clarifier demolition mostly complete • Installed sludge pipe from Final Clarifier (06) to Sludge Return Metering Vault (12) • Installed 4" scum line past the splitter structure • Rerouted 6" Primary Sludge Pipe	• Piping leaving the splitter structure • Sludge pipe from Existing Final Clarifier (05) to Sludge Return Metering Vault (12) • Magney will continue working on the 6" overflow drain

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried authorizing the repair of the centrifuge not to exceed \$20,000.

b. Water Tank Maintenance Report from SEH

PROGRESS UPDATE

- Project is nearing completion (#159785)
- Touch-up painting punchlist items which remained for spring work completed with exception below (#159785)
- Contractor performed unsatisfactory site restoration and has been requested to return to improve (#159785)

PROGRESS OUTLOOK

- SEH will be requesting project closeout (#159785).
- Both water towers will have visual surveys in 2022
- Next scheduled drain for cleaning and touch-ups will be in 2025

A.I. #8 NEW BUSINESS

- a. Electrical Supervisor Avelsgard provided the Commission with information regarding potential risk of electricity shortage in the summer of 2022. MISO announced that it expects electric capacity shortfalls in the north and central regions of its service territory during the summer of 2022. MISO warns that these areas are at increased risk of temporary, controlled outages to preserve the integrity of the bulk electric system. MISO's preparation for the summer season includes training and conducting exercises with member companies to prepare for the worst-case scenarios and to implement lessons learned and best practices. Staff has met with Industry and large capacity users. The electric department may be required to generate during these times of increased demand.
- b. Due to the potential risk of electric shortage CentraCare is interested in entering into a generation agreement with the Melrose Public Utilities. Supervisor Avelsgard will have further discussions and will provide an update at a future meeting.
- c. Supervisor Avelsgard stated that Andy Hellermann has requested services to his property located outside of city limits. This is on the rural line and is in the Melrose Public Utilities territory. Mr. Avelsgard provided a cost estimate.

A.I. #9 INFORMATIONAL ITEMS

- a. The following are schools and/or conferences where registrations were made:
 - 1) MRES Annual Mtg 5/11-5/12: Attending: Electrical Supervisor Roger Avelsgard.
- b. There has been some guidance released to cities this month regarding Council, Boards, and Commission pay. The League of MN Cities has stated that employees need to be paid once every 31 days. Many cities did not designate these position as employees, but in speaking with the LMC, their interpretation is that this requirement applies to those individuals. The City Council and Public Utilities Commission has been on a quarterly pay schedule, and other boards were paid annually. Starting in July, these will switch to be paid once a month, on the second payroll of the month.

A.I. #10 ADJOURNMENT

A motion was made by Mr. Finken seconded by Mr. Kraemer and unanimously carried that the meeting be adjourned at 5:55 p.m.

PATRICIA HAASE – CITY CLERK