

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, MARCH 10, 2025 – 4:45 P.M.**

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, March 10, 2025, 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, Water/Wastewater Supervisor Jeremy Schrantz, Electric Department Consultant Jeff Bechtold, City Administrator Colleen Winter, and City Clerk Patti Haase. Also In attendance was Colin Marcusen with SEH. Commission Member Eric Seanger was absent. 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 February 10 Regular Meeting
- b. List of bills in the amount of \$892,483.08
- c. Investments Report for the month of February
- d. Receptionist/Building Permit Tech, Alexandria Evenson will complete 1 year of service with the city on March 11, 2025. City Administrator Colleen Winter has conducted Ms. Evenson's review, and it is favorable; therefore, recommends she receive a step increase from Step 1 to Step 2 on the wage scale.
- e. Utility Billing Clerk, Lisa Braun will complete 2 years of service with the city on April 11, 2025. City Administrator Colleen Winter has conducted Ms. Braun's review, and it is favorable; therefore, recommends she receive a step increase from Step 2 to Step 3 on the wage scale

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

A.I. #4 REPORTS

- a. City Administrator Winter presented the year in review.
- b. Jeff Bechtold with MRES presented an update on the Electric Department. The labeling project has been completed. They are working on light replacement at the fire and ambulance station along with request for locates for the rural lines.
- c. Water/Wastewater Supervisor Jeremy Schrantz provided an update.

Water: Water service line that is frozen at 102 River Heights are on temporary water. Steve Anderson was on site with his jetter and got 100 feet out and could not get it opened. The Commission by consensus directed staff to have Mr. Anderson come out and attempt to open the line.

The department completed six water meter change outs last month. Several that had frozen.

The second water line at the WWTF in the yard is leaking

CL2 booster pump issues at well 8 and 9; rebuilt the pump

Wastewater:

Staff met with Land O Lands to start sampling the boiler sidestream line for chlorides. This was one of the MPCA violations that we had last year. Weekly grab samples at this point, however waiting for them to get either a chloride monitor probe or flow base sample.

Staff rebuilt two submersible pumps

Staff installed the new Ferric chloride pump so that it is operating with automation based off our phosphorus levels coming into the plant.

Water/Wastewater Operator Evan Gregory passed his Class B wastewater exam and Water/Wastewater Operator Andy Klaphake tested for his class D water exam at the MRWA conference in St. Cloud last week.

A.I. #5 ACTION ITEMS

- a. The Water/Wastewater Maintenance Worker Seasonal Temporary position needed clarification and general cleanup of the job description. City Administrator Winter, Water/WW Supervisor Schrantz, and HR Generalist/Payroll Clerk Rieland reviewed the job description.

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried approving the revised job description for the Water/Wastewater Maintenance Worker – Seasonal/Temporary

- b. The Streets & Parks Worker Seasonal Temporary position needed clarification and general cleanup of the job description. City Administrator Winter, Streets & Parks Supervisor Rousslange, and City Clerk Haase reviewed the job description.

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried approving the revised job description for the Streets/Parks Worker Seasonal/Temporary

- c. The Commission gave consideration approving the quote received from the League of Minnesota Cities Insurance Trust (LMCIT) for worker's compensation insurance for the period of March 7, 2025, through March 7, 2026. The net premium costs for the upcoming period are \$55,962. The quote in 2024 was \$113,139, which is a decrease of 51%. Due to claims history, the experience modification changed to a 0.73% credit (\$22,677) for the 2025-26 coverage period, down from a 1.08% debit for the 2024-25 coverage period. Overall workers' compensation rates for 2025 have decreased for the second year in a row.

It is recommended that the Commission again approve the regular premium option.

The General Fund share of the premium is \$42,531 and the Utilities' share is \$13,431 (compared to \$88,132 and \$26,816, respectively for the past year).

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried approving the LMCIT workers comp insurance at the regular premium option.

A.I. #6 OLD BUSINESS

- a. Water/Wastewater Treatment Facility Update from SHE. Water/Wastewater Supervisor Jeremy Schrantz stated that JWC was onsite to install the new gear box on the south side screw conveyor auger. It did not go well. JWC still having issues had to jack the gear box on to the shaft. JWC will return and redo the shafts and gear box. Commission Member Jeremy Kraemer asked if the foaming issue or air vent issues had even been addressed. Water/Wastewater Supervisor Jeremy Schrantz stated that the issues have been discussed, however the issues have not been resolved.
- b. As discussed at the last PUC meeting, before moving forward with the Bauer water processor, we wanted to define what success is. Walter Bauer, President of Bauer Energy Design, Inc. has offered to install their equipment in the pretreatment building at a cost of \$10,000.00, and if staff and PUC are satisfied, then pay the remaining \$20,000.

The Commission reviewed the defined outcomes of the installation of the Water Processor. The Bauer Water Processor, installed in the water service line to the Preliminary Treatment Building at the location discussed with Mr. Bauer on 2/4/25, will reduce hot water, power washing events by 50% to no more than 1 time per day without impacts to the screen throughput (i.e. the screens will not cause backups or overflows due to the reduced cleaning schedule). A greater reduction in cleaning may be realized, but perhaps not initially due to the extent of the internal screen spray.

In addition to hot-water, power washing, the screens are currently acid washed one time every two weeks to reduce scaling. The Bauer Water Processor will have no negative impact to the acid washing frequency. Upon 60 days of successful operation, the Utility will pay the remaining \$20,000 to Walter Bauer. If after 30 days, the Utility is not satisfied, the Utility shall meet with Mr. Bauer to discuss any modifications to improve operation. If after 60 days, the cleaning frequency is not reduced to no more than 1 time per day or negatively impacts the frequency of acid cleans, the Utility shall not pay the remaining \$20,000.

There may also be ancillary benefits of the water processor, including reduced acid cleaning of the screens, reduced dust and odor at the Preliminary Treatment Building, and improved chemical use for thickening; however, these ancillary benefits are not guaranteed. Further, the water processor will reduce biofilm and FOG accumulations, but scale may still form. Scaling still has the potential to restrict flow through the screens, which can still cause blinding on the screen face and subsequent flow backups.

Warranty would be for a period of five years and during that time Bauer Energy Design would be responsible for maintenance of the Bauer Water Processor.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried approving the installation of the equipment in the pretreatment building and

approving the agreement and the equipment.

- c. The Commission next reviewed the updated Supplemental Letter Agreement for the design for the blower building improvements. This has been updated since the last PUC meeting to include:

- Two Blowers instead of one
- Replacement of doors and windows
- Added scope for thickening technology evaluation and
- Added language to the "Other Terms and Conditions" as agreed upon between the City's attorney and SEH.

Commission Member Finken stated that due to the unresolved issues of the wastewater treatment facility perhaps staff should prepare a Request for Proposal for engineering services. Commission Member Kraemer stated that they are dissatisfied with the lack of oversight and ownership by SEH on this project, and recommended changes on the project have been at the expense of the Commission. City Administrator Winter stated that due to SEH's familiarity of the blower building project and the urgency of the replacement of Well 7 she recommended remaining with SEH for these two projects.

After further discussion a motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried approving the Supplemental Letter Agreement with SEH for the Blower Builder Rehab.

- d. The Commission reviewed the Supplemental Letter Agreement for Well #7 Replacement Design and Construction. The agreement includes the updated language for errors and omissions.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried approving the Supplemental Letter Agreement with SEH for Well #7 Replacement Design and Construction.

A.I. #7 NEW BUSINESS

- a. City Administrator Winter reviewed with the Utilities Commission the Corrective Action Plan that was submitted to the MPCA for permit No. 0020290.

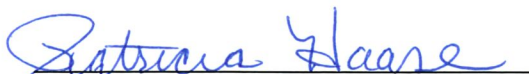
A.I. #8 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. The following is a list of schools and/or conferences where registrations were made:
1) MMUA Underground School - 5/7-5/10 Attending Line worker Justin Lundblad

A.I. #9 ADJOURNMENT

A motion was made by Mr. Finken, seconded by Mr. Kraemer and unanimously carried that the meeting be adjourned at 5:40 p.m.


PATRICIA HAASE – CITY CLERK