

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, JULY 10, 2023 – 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 #26 Magney Construction
 - e. Pay App #2 Molitor Excavating
4. Reports
 - a. Electric Department Report
 - b. Water/Wastewater Supervisor Report
 - c. Community Development Director Report
 - d. City Administrator Report
5. Action Items
 - a. WWTF Change Order #6
6. Old Business
 - a. Water/Wastewater Treatment Facility Plan Update
 - b. Railroad West
7. New Business
 - a. Rehab Loan Program
8. Informational Items
 - a. Memo from MRES Reserve Capacity Rate
 - b. Correspondence from WAPA Bi-Annual Review of Drought Levels
9. Adjournment

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REGULAR MEETING
MONDAY, JULY 10, 2023 – 4:45 P.M.**

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, July 10, 2023, at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Joe Finken, Jeremy Kraemer, Water/Wastewater Supervisor Tim Vogel, Journey Lineworker Steve Scholz, City Administrator Colleen Winter, Community Development Director Sheila Hellermann, and City Clerk Patti Haase. Commission Member Eric Seanger, and Finance Director Ryan Meyer were absent. Chair Finken called the meeting to order.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Kraemer seconded by Mr. Finken 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 June 13 Regular Meeting
- b. List of bills in the amount of \$1,050,855.33.
- c. Investments Report for the month of June.
- d. Magney Construction has submitted Pay App #26 in the amount of \$139,165.50 for the work completed through 6/30//2023. SEH has reviewed the Payment Request and is recommending payment as outlined in the invoice.
- e. Molitor Excavating has submitted Pay App #2 for the 2023 Street and Utility Improvement Project in the amount of \$213,694.22. Of this amount, \$125,227.80 is utility and \$ 88,466.42 is the general fund portion of the invoice. SEH has reviewed the payment request and is recommending payment as outlined in the invoice.

A motion was made by Mr. Kraemer, seconded by Mr. Finken, and unanimously carried to approve the Consent Agenda items.

A.I. #4 REPORTS

- a. Electrical Department Journey Lineworker Steve Scholz provided an update. They have completed installation of the electric posts at the Sauk River Park campsites. The department also installed a three-phase transformer at the Riverside Flats site. They have pulled wire on central avenue converting overhead to underground. Asbestos removal has been completed at the power plant. The Electric Department met with members of the LMC and MMUA for the insurance reduction program. The department also conducted the second quarter surge test.
- b. Water/Wastewater Supervisor Vogel provided an update. The department had boiler issues which have now been addressed. There are a number of meters that are not working and have been changed out. The Water/Wastewater Department has also been working with Kwik Trip on services for their new store. The department has also begun identifying service areas that have lead pipes.

- c. Community Development Director Hellermann provided an update. Phase one construction of the church rectory has begun. The construction of the bathroom/shower facility at the Sauk River Park began today and is expected to be completed by the end of July. They have begun work on the cul-de-sacs in Highlands addition. Ms. Hellermann provided updates on Kwik Trip and Riverside Flats
- d. City Administrator Winter provided the following update:

Electric Supervisor Update – At this time we have not received any additional applications. AdHoc met on June 26th and requested that interviews be set up with the 3 candidates that did apply for the position. Interviews will be conducted on Thursday, July 13. A request was made by the Electric department to discuss an MOU for a wage increase. The current AFSCME contract goes through 2024. At this time AdHoc is not in favor of opening the contract up for a MOU. We did however discuss completing a wage compensation study and are in the process of completing an RFP that will be presented to the PUC in August.

Wastewater project – Work is wrapping up on the WWTF and SEH completed a walk through on Friday, June 30th.

Load Management/Emergency Plan – With parts of the Nation seeing record heat, it may be that we will be asked to generate or shed extra load. As part of that process, staff will be meeting with area businesses that have the highest amount of electric use and ask them to provide us with an Emergency Management Plan for decreasing their loads if we are called upon to do so by MRES.

A.I. #5 ACTION ITEMS

- a. SEH has submitted Change Order #6 for the WWTF in the amount of \$76,103.27.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried approving Change Order #6.

A.I. #6 OLD BUSINESS

- a. Water/Wastewater Treatment Facility Update from SEH. The project is wrapping up. A walk through will take place on Tuesday, July 11 to tie up any loose ends. The demolition has been completed. All equipment has been removed from the construction site.

STATUS OF CONSTRUCTION: IN PROGRESS

Structure	Status of Construction	Upcoming Construction
Preliminary Treatment Building (02)	Startup Complete May 8, 2023	- Screenings auger part replacement - EQ valve actuator replace from open/close to modulating. Awaiting parts from manufacturer. - Punch list
Control Building (03)	- Removed old recirculation pump, and pump base - Started installing WAS Pumps - Installed 4" flow meter on WAS line - WAS Pump 1 Start-up - Discharge pipe	WAS pump 2 start-up & training

Pump and Blower Building (04)	• RAS piping in basement complete, including flowmeter installation. • RAS yard piping from 12 to basement tie in complete	• Punch list
Existing Final Clarifier (05)	• Installed new inlet piping to convert from peripheral to center-feed • Installed new equipment • Placed aluminum dome • Clarifier start-up 6/6/2023	• Punch list
New Final Clarifier (06)	• Clarifier live as of 2/28/23	• Punch list
Digester Complex (07)	• Heat exchanger piping (ongoing) • West digester pipe upsized	• Punch list
Solids Thickening and Loadout Building (08)	• Demolished northern portion of the building.	• EFIS installation • Exterior stair installation
Splitter Structure (10)	• Base slab and walls poured. • Valves on effluent pipes installed. Piping stubbed toward each final clarifier. • Structure live as of 2/28/23	• Punch list
Existing 48 ft Clarifier (11)	• Sludge tie-in to route sludge to new Structure 12 complete 2/27/23	• Punch list
Sludge Return Metering Vault (12)	• Structure live as of 2/27/2023	• Punch list
Yard	• Majority of the sidewalk has been poured at the site. • V-gutter in driveway formwork and pour in progress.	• Sidewalk • Grading • Seeding / Restoration • Modular block retaining wall east of PTB • Complete V-gutter
		• Driveway asphalt scheduled for mid July

- b. The multi-family development on Railroad West has been progressing. On Wednesday, July 5, 2023 MADA, City Council and Planning & Zoning met to discuss the platting, and planned unit development overlay district for the area. Community Development Director Hellermann provided an update to the Commission on the plans for the infrastructure, plans of GC Real Estate Partners, and future development of the area.

A.I. #7 NEW BUSINESS

- a. At its June 8, 2023 meeting MADA discussed the revolving loan fund and the rehab loan/grant program for businesses to fix their exteriors. Staff has been in contact with businesses who are interested. Finance Director Meyer was asked to look into the origins of the program, funding source, and options. After research, it was determined that this program could return if the PUC decides to designate funds from the revolving loan fund and earmark them for the rehab program.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried designating \$50,000 from the RLF for the rehab loan/grant program and authorize applications, which MADA would review, to assist businesses with exterior improvements.

A.I. #8 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. The memo from MRES is in regard to the new Reserved Capacity rates of \$5.00 per kilowatt, which was effective for the June 2023 billing period. The new rate will increase our reserve capacity payments from \$17,225 per month, to an estimated \$42,250 per month. This increase was included in MRES estimates, that were utilized when planning this year's budget.
- b. The letter from WAPA is in regard to the Bi-Annual Review of current drought levels and any foreseen changes to the Drought Adder component for energy charges. There are currently no estimated changes to the Drought Adder component for January 2024. Drought levels will be reassessed in October 2023.

A.I. #9 ADJOURNMENT

A motion was made by Mr. Kraemer seconded by Mr. Finken and unanimously carried that the meeting be adjourned at 5:20 p.m.

PATRICIA HAASE – CITY CLERK