

**MELROSE PUBLIC UTILITIES COMMISSION  
REGULAR MEETING  
MONDAY NOVEMBER 13, 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, November 13, 2023, at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Jeremy Kraemer, Eric Seanger, and Joe Finken, Water/Wastewater Supervisor Tim Vogel, Electric Journey Lineworker Steve Scholz, City Administrator Colleen Winter, Finance Director Ryan Meyer, Community Development Director Sheila Hellermann, and City Clerk Patti Haase. Chair Finken called the meeting to order.

**A.I. #2 APPROVAL OF AGENDA**

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

**A.I. #3 CONSENT AGENDA**

- a) The minutes from the Commission's October 9 Regular Meeting
- b) List of bills in the amount of \$843,503.51
- c) Investments Report for the month of October
- d) Molitor Excavating has submitted Pay App #5 for the 2023 Street and Utility Improvement Project in the amount of \$86,384.13. Of this amount, \$8,024.30 is utility and \$ 78,359.84 is the general fund portion of the invoice. SEH has reviewed the payment request and is recommending payment as outlined in the invoice.
- e) Boulder Creek Inc. has submitted Pay App #3 in the amount of \$120,926.83 for the Power Plant Improvement Project. SEH has reviewed the pay request and is recommending payment as outlined

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

**A.I. #4 REPORTS**

- a. Water/Wastewater Supervisor Vogel provided an update. Staff has completed the sludge hauling and hydrant flushing. The apartment complex located on the Kraft Lot has been connected to water and sewer. Staff continue to work on meter change outs.
- b. Electric Journey Lineworker Steve Scholz provided an update. The electric department has installed services to the Dakota Massmann property. They have also finished the loop feed at the Railroad West project.
- c. City Administrator Winter provided an update on the past due account for Melrose **Community LLC – The Melrose Public Utilities has received the** notice of filing and assignment for **Melrose Community, LLC vs City of Melrose, City of Melrose Public Utilities Commission** along with the scheduling conference. In speaking with Jim Thomson the lawyer from Kennedy and Graven that is representing us

through the League of MN Cities, their strategy is to `counter claim and ask the judge to make a declaratory judgement that states the City can collect the delinquent amounts by certifying them to the property taxes of Melrose Community LLC if they fail to pay. The judge that has been assigned to this case, is the same judge that ruled in favor of Melrose Community LLC for the house that was illegally moved into the park. Mr. Thompson is pretty confident however in this case that the judge will rule in our favor as this is standard practice for municipalities related to charges for sewer and water.

#### **A.I. #5 ACTION ITEMS**

- a. Staff met on Friday, October 27<sup>th</sup> with the architects for the new Stearns Electric headquarters. They are currently in the design phase, with plans for bidding in January, and construction to begin in spring. In preparing the survey, they found an old easement that cuts through their parcel granted to the City of Melrose for utilities. Research was done and it was determined this is the location of an abandoned water main. Supervisor Vogel has confirmed the city has no need for this easement. The water line now runs on the west side of the Stearns Electric parcel, a distance from where they plan to build. This old easement would need to be vacated by the City Council. Commission is being asked to approve this easement vacation. If approved, a public hearing would be held at the December council meeting, and the necessary steps taken.

A motion was made by Mr. Seanger seconded by Mr. Kraemer and unanimously carried recommending Council approval of the vacation of a utility easement cutting through PID # 66.36401.0000 owned by Stearns Coop Electric Association.

- b. Recently, the Electric Department's SCADA System experienced a license interruption that disabled the system due to a temporary software license expiring. Lineman Steve Scholz is requesting authorization to purchase the SCADA Software license and 5-year support package. Trihedral, Inc has provided a quote in the amount of \$23,679.54 for the SCADA License, and \$11,887.40 for a 5-year support plan.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried approving the purchase of the SCADA Software License and 5-year support package in the total amount of \$35,566.94.

- c. Finance Director Meyer has obtained quotes for the city printer leases. Finance Director Meyer recommends awarding the quote to Metro Sales, Inc.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried awarding the city's printer lease to Metro Sales, Inc.

#### **A.I. OLD BUSINESS**

- a. Water/Wastewater Treatment Facility Update from SEH. Staff provided a summary of the meeting that took place on 11/2/23 regarding the issues with the screens at the WWTF. After the meeting, the City, SEH, and Magney discussed the following:

- The City noted that another screen's spray bar is not performing, in addition to the one with the pressure gauge issue. The City will videotape all 6 screens with narration and provide to the group.
- The City would like to proceed with installing a wye strainer and a sediment trap on the potable water line upstream of the screens. We will look into this and get it installed.
  - However, we are concerned about the stretch of pipe downstream of the wye still having debris/black dirty water in it. How do we clean out the spray hose and spray nozzles and backwash this stretch? It will not be beneficial to install the wye strainer if there is dirty pipe remaining downstream that will feed the spray system and gum up the nozzles.
- The City would like to have all the nozzles cleaned on each screen when JWC is next on site.

We would like the JWC technicians to remain on site for a longer period of time and watch a whole day's worth of cleaning cycles. The City would like to sign off before JWC leaves the site. The City and Magney have observed that the adjustment on the spray bar range (an adjustable nut) does not stay in place over time.

- b. We have discussed generation over the past year and are looking at sites for behind the meter generation, specifically for diesel. Administrator Winter was contacted by the Greater Plains Institute who is working in conjunction with the MN Dept. of Health on a pilot project to install solar arrays in areas that are within the wellhead protection area. Winter and Terry Wolf of MRES met with the interested parties and discussed a potential project. The first thing that needs to happen is for the environmental engineering firm that has been retained by MDH to obtain some soil core samples. The areas that they identified are owned by the Gerald Sonnen Trust and I put them in contact with Dean Meyer one of the trustees. This is just another potential option for behind the meter generation. Staff will continue to work with MRES and provide updates to the Commission.
- c. Staff presented information regarding the proposed Class Action lawsuits regarding PFA's. The bottom-line for each city is that there are three options available all with impending deadlines for action. We can choose to:
  1. Be included in the settlements (no action needed if you received notice) AND file claims forms by early 2024 (deadline not yet set) from this website: <https://www.pfaswatersettlement.com/>
  2. Opt-out by the deadlines in early December. This preserves the city's litigation rights for future lawsuits. More information about how to opt-out is available in the notices from the respective companies.
  3. Do nothing—this option will mean that the city gets no compensation from the litigation and cannot sue for damages later. **We have been advised by LMC and MESERB that this is not an option.**

It is quite complicated and there are pros and cons both ways. When our wastewater was tested by MPCA the PFA's level were very low. The Dept of Health tested our drinking water and that was also very low.

The Commission by consensus determined to Opt In the PFAS Class Action lawsuit. Staff will contact SEH to file the necessary reports.

## **A.I. #7 NEW BUSINESS**

- a. The Commission reviewed the 2024 meeting schedule.

The Commission, by consensus, approved the 2024 meeting schedule with a start time of 4:45 p.m.

- b. We are receiving requests for information about setting up EV charging stations at private businesses. Steve Scholz prepared an estimate with the necessary transformer, pad, connectors, labor, etc. The estimate was \$42,000-\$43,000 for this request:

*4 X 150 kW NEVI charging capacity as an initial maximum, but with we may look to upgrade to a 1000 kW. Chargers are to be Buy America NEVI compliant.*

*DC Fast Chargers must support an output of 250v DC and 920v DC with a continuous power delivery rating of at least 150 kilowatt (kW) and supply 150 kW simultaneously from each charging port.*

Attachment: Estimate breakdown for EV stations

Policy has been not to charge for establishing service (except in rare cases). However, with this the cost is substantial and our return would be minimal. The stations would not generate usage that offsets these costs for some time. As we expect these requests to continue, does the Commission want to establish a policy about the cost of equipment required to establish businesses with EV charging stations?

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried directing staff to bring forth a policy regarding the cost of equipment and labor for EV charging stations.

- c. Thein Well has completed the well and pump inspection. The test results were presented to the Commission. They have discovered Well #7 cavitated after a short time. Water/Wastewater Supervisor Tim Vogel presented the Commission with various options on how to proceed Staff is requesting authorization to obtain bids.

The Commission by consensus requested staff to continue monitoring the capacity for the time being. Supervisor Vogel stated that he will throttle the well to run at 450 gallons per minute.

- d. SEH has submitted the Supplemental Letter Agreement for the 2024 Main Street Improvements.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried approving the Supplemental Letter Agreement for the 2024 Main Street Improvements.

## **A.I. #8 INFORMATIONAL ITEMS**

None

## **A.I. #9 PERSONNEL MATTERS**

- a. Administrator Winter, HR Rieland, and Finance Director Meyer brought forth the

following personnel matters

### **Director of Electric Operations position**

On Thursday, Nov. 9<sup>th</sup>, Roger Avelsgard, City Administrator Colleen Winter, Payroll Clerk/HR Generalist Doris Rieland had a TEAMS meeting with Ben Murphy for the purpose of understanding how much experience he has working in the electrical field related to line work and generation. Roger completed an analysis which is attached for your review. The bottom line is Ben is not a qualified journey lineman and it would take at least one year for him to complete the necessary steps to become a lineman. He does have leadership and generation. It is clear that Ben picks things up quickly and would be a great asset for the department as he is not afraid of hard work. I believe that there are three options when it comes to Ben Murphy:

1. Hire as an Apprentice Lineman with the idea that once he is a journey lineman he can apply for the Supervisor role. This however does not solve our problem of hiring a Director
2. Hire as an Interim Supervisor and have him get his journey lineman license at the same time
3. Hire as a Supervisor that is not a journey lineman and hire someone else out in the field.

Ben has not met with the guys, so if you are considering Ben, he would need to come up here and spend a day in the field with the department.

Other options:

1. Hire Bob Stiedl as the Supervisor, but know that he would need to get a larger wage to come here. Based on our discussions this does not seem like something that the PUC was interested in
2. Hire Lee Meyers (ALP) and not have him in the field

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried approving the hiring of Mr. Ben Murphy as an Interim Supervisor and have him obtain his journey lineman license at the same time.

### **Apprentice Lineman**

Regardless of the outcome of the Director position, we are going to need to consider hiring another line person through the Apprentice program for the department. We do not know how long Steve will be here, but it is critical that we get someone on board in the next few months, so that we can get someone else out in the field who can take call as soon as possible.

The Commission by consensus determined not to hire an apprentice lineman at this time.

### **Vacation payouts**

Due to the shortages in the electric department, the guys have not been able to take their vacations. For Cole he will be able to get his time in and carry over time, as will Pat. Steve however will not. The problem is if they carry over vacation they have to use it in the first three months of the new year. With the shortages in the department particularly for on call this may not be feasible. We will need to discuss a way to deal with this situation. This was tabled to the Special Joint Meeting held immediately following the Melrose Public Utilities Commission Meeting.

**Union negotiations**

The Electric Department would like to see union negotiations opened back up.

The Commission by consensus did not support opening union negotiations.

**A.I. #10 ADJOURNMENT**

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried that the meeting be adjourned at 5:30 p.m.

  
PATRICIA HAASE – CITY CLERK