

**MELROSE PUBLIC UTILITIES COMMISSION  
REGULAR MEETING  
MONDAY, JUNE 12, 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 #25 Magney Construction
  - e. Pay App #1 Molitor Excavating
  - f. Finance Director Step Increase
4. Reports
  - a. Electrical Department Report
  - b. Water/Wastewater Supervisor Vogel – Report
  - c. City Administrator Report
5. Action Items
  - a. Compensation for Electrical Supervisor Duties
  - b. Electrical Supervisor Wage Scale
  - c. AFSCME MOU - Juneteenth
6. Old Business
  - a. Water/Wastewater Treatment Facility Plan Update
  - b. City Center HVAC
7. New Business
8. Informational Items
9. Adjournment

**MELROSE PUBLIC UTILITIES COMMISSION  
REGULAR MEETING  
MONDAY, JUNE 12, 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, June 12, 2023, at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Eric Seanger, Joe Finken, Water/Wastewater Supervisor Tim Vogel, Journey Lineworker Steve Scholz, City Administrator Colleen Winter, Finance Director Ryan Meyer, City Planner Sheila Hellermann, and City Clerk Patti Haase. Commission Member Jeremy Kraemer was absent. Chair Finken called the meeting to order.

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

A motion was made by Mr. Seanger, 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 May 8 Regular Meeting and the May 23 Special Meeting
- b. List of bills in the amount of \$1,017,735.30.
- c. Investments Report for the month of May
- d. Magney Construction has submitted Pay App #25 in the amount of \$162,971.36 for the work completed through 5/31/2023. SEH has reviewed the payment request and is recommending payment as outlined in the invoice.
- e. Molitor Excavating has submitted Pay App #1 for the 2023 Street and Utility Improvement Project in the amount of \$142,508.12. Of this amount, \$115,138.62 is utility and \$ 27,369.50 is the general fund portion of the invoice. SEH has reviewed the payment request and is recommending payment as outlined in the invoice.
- f. Finance Director, Ryan Meyer will complete 6 months with the city on July 3, 2023. City Administrator Colleen Winter has conducted Mr. Meyer's review, and it is favorable; therefore, recommends he receive a step increase from Step 2 to Step 3 on the wage scale.

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

**A.I. #4 REPORTS**

- a. Journey Lineworker Steve Scholz provided the following update. The Electric Department has completed installing the farm service north of town. Underground service has been installed on 3<sup>rd</sup> Avenue W. They continue to work on setting the pedestals for the campground at Sauk River Park. The Electric Department has installed a new basement and transformer for the new intake building at Land O Lakes. They also added a new cabinet and switched over to the new cabinet at the Fire Hall, and bored conduit across Second Avenue and 4<sup>th</sup> Street South. They also had two major outages: one a pole that was broken off, the other a transformer that was hit.

- b. Water/Wastewater Supervisor Vogel provided an update. Spring hydrant flushing has been completed. They have hooked up a temporary service on 4<sup>th</sup> Street South. Staff have received the PFAS results back from the Minnesota Department of Health.
- c. City Administrator Winter provided a legislative update. Administrator Winter also provided an update on the Melrose Community LLC summons. Steve Danzl owner of Tru North has contacted staff regarding the addition to the existing building that is pulling away. The City Building Official has inspected and has issued a letter that states this is not caused by the street project. Staff have contacted LMC Insurance. Commission Member Seanger is recommending that we let the insurance company figure it out.  
The parties responsible will be billed for the damaged pole and transformer.

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

- a. In the absence of an Electrical Supervisor, Journey Lineworker Steve Scholz has taken on additional responsibilities. As per policy Mr. Scholz is to be compensated for the additional duties as of May 10.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving compensation to Mr. Scholz for additional responsibilities as of May 10.

- b. The Commission at its May 23 Special Meeting directed staff to obtain salary information for the Electrical Supervisor position to be presented at the June regular meeting. The proposed salary is based on MRES salary survey, comparison to Sauk Centre, and the 2022 Salary study that was completed by the city.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried to establish the Electrical Supervisor Salary at \$93,660.84 - \$110,851.50 which includes call time.

- c. The legislature in its 2023 session designated Juneteenth as a state holiday beginning in 2023. No public business can be transacted on any holiday, except in case of necessity, including the new Juneteenth holiday which will be celebrated this year on Monday, June 19<sup>th</sup>, 2023. A Memo of Understanding has been drafted to reflect this change to the AFSCME Contract.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving the Memo of Understanding with AFSCME for 2023.

#### **A.I. #6 OLD BUSINESS**

- a. Water/Wastewater Treatment Facility Update from SEH

STATUS OF CONSTRUCTION: IN PROGRESS

| Structure                                   | Status of Construction                                                                                                                                                                                                                               | Upcoming Construction                                                                                            |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| Preliminary Treatment Building (02)         | <ul style="list-style-type: none"> <li>• <b>Startup Complete May 8, 2023</b></li> </ul>                                                                                                                                                              | <ul style="list-style-type: none"> <li>• Screenings auger part replacement</li> <li>• Punch list</li> </ul>      |
| Control Building (03)                       | <ul style="list-style-type: none"> <li>• Removed old recirculation pump, and pump base</li> <li>• Started installing WAS Pumps</li> <li>• Installed 4" flow meter on WAS line</li> <li>• WAS Pump 1 Start-up</li> <li>• Discharge pipe</li> </ul>    | <ul style="list-style-type: none"> <li>• WAS pump 2 start-up &amp; training</li> </ul>                           |
| Pump and Blower Building (04)               | <ul style="list-style-type: none"> <li>• RAS piping in basement complete, including flowmeter installation.</li> <li>• RAS yard piping from 12 to basement tie in complete</li> </ul>                                                                | <ul style="list-style-type: none"> <li>• Punch list</li> </ul>                                                   |
| Existing Final Clarifier (05)               | <ul style="list-style-type: none"> <li>• Installed new inlet piping to convert from peripheral to center-feed</li> <li>• Installed new equipment</li> <li>• Placed aluminum dome</li> <li>• Clarifier start-up 6/6/2023</li> <li>•</li> </ul>        | <ul style="list-style-type: none"> <li>• Punch list</li> </ul>                                                   |
| New Final Clarifier (06)                    | <ul style="list-style-type: none"> <li>• Clarifier live as of 2/28/23</li> </ul>                                                                                                                                                                     | <ul style="list-style-type: none"> <li>• Punch list</li> </ul>                                                   |
| Digester Complex (07)                       | <ul style="list-style-type: none"> <li>• Heat exchanger piping (ongoing)</li> <li>• West digester pipe upsized</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>• Coatings</li> <li>• Punch list</li> </ul>                               |
| Solids Thickening and Loadout Building (08) | <ul style="list-style-type: none"> <li>•</li> </ul>                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>• Demolition Scheduled June 2023</li> </ul>                               |
| Splitter Structure (10)                     | <ul style="list-style-type: none"> <li>• Base slab and walls poured.</li> <li>• Valves on effluent pipes installed. Piping stubbed toward each final clarifier.</li> <li>• Structure live as of 2/28/23</li> </ul>                                   | <ul style="list-style-type: none"> <li>• Punch list</li> </ul>                                                   |
| Existing 48 ft Clarifier (11)               | <ul style="list-style-type: none"> <li>• Sludge tie-in to route sludge to new Structure 12 complete 2/27/23</li> </ul>                                                                                                                               | <ul style="list-style-type: none"> <li>• Punch list</li> </ul>                                                   |
| Sludge Return Metering Vault (12)           | <ul style="list-style-type: none"> <li>• Structure live as of 2/27/2023</li> </ul>                                                                                                                                                                   | <ul style="list-style-type: none"> <li>• Punch list</li> </ul>                                                   |
| Yard                                        | <ul style="list-style-type: none"> <li>• Completed installation of 36" influent sewer pipe final N/S stretch by existing influent piping and 2 sticks of E/W piping by MH 53 (Spring 2023)</li> <li>• Influent bypass started May 8, 2023</li> </ul> | <ul style="list-style-type: none"> <li>• Sidewalk</li> <li>• Grading</li> <li>• Seeding / Restoration</li> </ul> |

- b. A sub-committee of city staff has been meeting with several HVAC control companies and walking them through the City Center building. 2 years ago the HVAC units were replaced at City Center. However, the control system was not replaced. The current system is original to the building and is not effective in properly heating and cooling the building, and simply does not work in some parts of the building. This is very inefficient and not utilizing the new HVAC system optimally. There were three quotes provided to staff. The lowest quote was from

Climate Air who is our current controls provider and who we have a HVAC maintenance contract with at this time. The overall cost for HVAC Control replacement from Climate Air is \$77,831.18 which includes a 5-year warranty. The service contract that is currently in place with Climate Air will not change. The overall budget for this project was 75,000.00. So the cost is \$2,831.18 over budget. The cost would be split 50/50 between the PUC and City. The Commission at its May 10 meeting tabled action and requested that staff obtain a quote from Johnson Controls and obtain cost savings information.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving the contract with Climate Air for a new HVAC control system.

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

None

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

None

#### **A.I. #9 ADJOURNMENT**

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried that the meeting be adjourned at 5:17 p.m.

---

PATRICIA HAASE – CITY CLERK