

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, OCTOBER 9, 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. Streets/Park Worker Step Increase
 - e. Pay App #2. Boulder – Power Plant Exterior Improvement Project
4. Reports
 - a. Water/Wastewater Supervisor Report
 - b. Electric Department Report
 - c. City Administrator Report
5. Action Items
 - a. Extension of Service Area
6. Old Business
 - a. WWTF Update
7. New Business
 - a. Energy Assistance Open House
 - * b. PFA'S Settlement
 - * c. Overcharged/Undercharged Accounts
8. Informational Items
 - a. Schools and Conferences
9. Adjournment

* Amendment

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, October 9, 2023, at 5:04 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Jeremy Kraemer, and Joe Finken, Journey Lineworker Steve Scholz, City Administrator Colleen Winter, Finance Director Ryan Meyer, Community Development Director Sheila Hellermann, and City Clerk Patti Haase. Commission Member Eric Seanger, and Water/Wastewater Supervisor Tim Vogel 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 amended.

A.I. #3 CONSENT AGENDA

The following were considered for approval under the Consent Agenda:

- a) The minutes from the Commission's September 11 Regular
- b) List of bills in the amount of \$ 1,225,147.22
- c) Investments Report for the month of September
- d) Streets/Parks Worker, Brent Hellermann will complete 3 years of service with the city on November 16, 2023. Streets/Parks Supervisor Gary Middendorf has conducted Mr. Hellermann's review, and it is favorable; therefore, recommends he receive a step increase from Step 3 to Step 4 on the wage scale.
- e) Boulder Creek Inc. has submitted Pay App #2 in the amount of \$30,067.50 for the Power Plant Improvement Project. SEH has reviewed the pay request and is recommending payment as outlined.

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. Water/Wastewater Supervisor Vogel was absent. City Administrator Winter provided an update on the WWTF issues being addressed by JWC and staff.
- b. Electric Department Journey Lineworker Steve Scholz provided project updates. The department has installed three additional streetlights on Kraft Drive. The padmount switch has been installed on Railroad Avenue. The department has pulled three phase wire and terminated up to the west switch on Railroad Avenue. They have installed five new underground transformers and switched over 12 services in Pickville and removed the overhead primary. The electric department is waiting to start building the service into the Railroad Apartment complex.
- c. City Administrator Winter provided an update on the Electric Operations Director position. We have received three applications; one is from out of state.

A.I. #5 ACTION ITEMS

- a. Staff presented a map of the service area on the northwest side of the city. The yellow is city territory and green is Stearns Electric territory.

Currently, electric service ends across from the Sawyer's house. Mr. Althaus (red dot) and Mrs. Massmann (yellow dot south of County Road 170) are served by Stearns Electric by exception. Dakota Massmann is going to be building a home where indicated. He has asked who will be providing electric service to his home? His parcel abuts the municipal line. Steve Scholz and Sheila Hellermann went and discussed this with Stearns Electric. Stearns Electric is willing to provide the services to Dakota Massmann by exception (like the others) or they are offering the city all three (the new service to Dakota, as well as taking the existing Massmann farm and Althaus) since it is our service area. We are waiting for numbers from Stearns Electric for their termination costs.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried extending city services out to Dakota Massmann and bringing the Althaus property and Massmann farm into city service pending owners agreeing to the switch over.

A.I. #6 OLD BUSINESS

Water/Wastewater Treatment Facility Update from SEH

Structure	Status of Construction	Upcoming Construction
Preliminary Treatment Building (02)	• Startup Complete May 8, 2023 • Screening augers replaced (both north and south) by JWC because brushes were not installed on the originals. • Actuator installed on EQ automated valve.	• Replace discharge elbow on the compacting auger (lower level). The auger installed on the unit is too long. • Replace side hill screen kinked water supply hoses. • Replace side hill screen air shock. • Fix conveyor discharge chute leaking flange. • Reduce water pressure for the spray system down to 30-40 psi from current 70 psi. • Potentially install hot water heater for screen cleaning system. • JWC will make a site visit to address all punch list items in early October 2023 • Punch list
Control Building (03)	• Installed 4" flow meter on WAS line • WAS Pump 1 Start-up	• WAS pump 2 start-up & training. Pump resubmittal provided by Magney and under review by SEH as of 9/5/2023.

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)	• West digester pipe upsized	• Punch list
Solids Thickening and Loadout Building (08)	• Exterior stair installation	• Punch List
Splitter Structure (10)	• 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	• Sidewalk poured. • Modular Block Wall NE corner PTB installed.	• Failed asphalt corrected. Paving completed 9/18/2023. • Finalize seeding and landscaping
Structure	Status of Construction	Upcoming Construction
	• Fencing installed at final clarifier south side	• Punch List

WORK CHANGE DIRECTIVES & CHANGE ORDERS:

We are waiting on several Time and Material cost impacts from Magney.

Current WCD's that have not been incorporated into a Change Order yet total a credit of \$9,117.14.

OUTSTANDING ITEMS:

Item	Description	Cost Impact	Schedule Impact	Notes
New smaller WAS Pump	Received quote from Magney/Vogelsang for smaller WAS Pump #2.	\$21,712.92	Not tied to final completion. Expect to be done Oct 2023	Magney to re-submitted WAS pump for approval on 9/5/2023. Under SEH review
Misc T&M changes, mostly yard piping	See attached table			
JWC to repair punch list items in 02 Preliminary Treatment Building	See punch list items in the progress table above	None	Extending project schedule to at least early October	

Screen Water Heater	SEH provided a tech memo discussing the feasibility of a water heater to heat the screen spray water	TBD	TBD	Schedule will be impacted if we proceed to order and install water heater. City and SEH to discuss warranty impacts if water heater pursued outside of Magney's contract.
Final Punch List Items	Magney to complete several punch list items to wrap up the project	None	NA	

A.I. #7 NEW BUSINESS

- a. In an effort to assist our utility customers, we have set up an open house in coordination with Tri-Cap to provide information relating to the energy assistance program and to help individuals apply for the program. This is scheduled to be held at City Hall on Wednesday, October 18, 2023, from 3-6:30pm.

Our goal is to reach those customers that have difficulty in understanding or completing the application and have not been enrolled in prior years but would be eligible for funding. The Utility Billing Clerk will be on hand during the meeting to provide individual usage information as needed, the Receptionist will be available to assist with translating, and Tri-Cap will have staff to provide information and work with individuals one on one to answer any questions.

- b. Staff presented information regarding the pending class action lawsuit against DuPont and 3M. Administrator Winter has reached out to MESRB and is working with City Attorney Dymoke and will bring it back for further discussion at the next meeting.
- c. On Wednesday October 4, 2023, the Electric Department was completing disconnects for delinquent accounts when they discovered that a meter associated with a delinquent account disconnected power to a different residence in the immediate area of the delinquent account. Upon discovery, Lineman verified connections at 58 Allan St NE and 37 Donna St NE. The verified connections were compared to the billing software which showed that the meters had been switched for the duration of the associated billing history in our system.

A detailed history of both meter's readings was run to determine the impact of the error identified above. Analysis of the meter history revealed significant differences between consumption amounts, which is how the monthly variable charge is calculated. Per Public Utility Policy Section 2.4, "when a customer has been overcharged/undercharged, the difference shall be calculated between the amount collected for service rendered and the amount that should have been collected for service rendered, plus interest of the City's current money saving market account rate, for the period beginning three (3) years of the date of discovery. No interest shall be accrued for under billing."

Letters were prepared for both effected properties, and a refund has been issued to the customer who has been overcharged equal to 3 years of overages plus interest. The undercharged party was instructed to contact us to set up a payment plan to pay for the undercharged services. Meters have been updated in the billing system

based off the Electric Department's verification.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried directing staff to reimburse account holders who were overcharged, and not collect from account holder(s) who was undercharged.

The Commission is recommending staff conduct an internal audit of the utility billing system.

The following is a list of schools and/or conferences where registrations were made:

- 1) MRES Regional Meeting in Alexandra Wednesday, October 25. Attending City Administrator Colleen Winter, and Finance Director Ryan Meyer

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