

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, FEBRUARY 14, 2022 – 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. Step Increase – Apprentice to Journey Line Worker
 - e. Pay App #9 Magney Construction
 - f. RDB Project Invoices from Stearns County
4. Reports
 - a. Water/Wastewater Supervisor Report
 - b. Electrical Supervisor Report
 - c. Year in Review
5. Action Items
 - a. Purchase of Transformers
 - b. Underground Replacement and New Installation Bid
 - c. Council Chamber Partitions
 - d. Purchase of Water Meters and Radio
 - e. Designation of Authorized Representative for Missouri River Energy Services and Western Minnesota Municipal Power Agency
 - 1) Resolution No. PUC No. 2022-1 Designation of Authorized Representation for Missouri Basin Municipal Power Agency D/B/A Missouri River Energy Services
 - 2) Resolution No. PUC No. 2022-2 Designation of Authorized Representation for Western Minnesota Municipal Power Agency
 - f. Meadowlark Melrose, LLC Interconnection and Power Purchase Agreement 100 kW or Less
 - g. Electrical Department – 750 Hours Apprentice
 - h. Temporary Summer/Seasonal Worker
 - i. Part-Time Streets/Parks and Water/Wastewater Maintenance Worker
 - j. Wastewater Department Summer Intern
 - k. 2022 Average Retail Rates
6. Old Business
 - a. SEH Master Agreement/Supplemental Letter Agreement
 - b. Wastewater Treatment Facilities Update
 - c. PFA Update

7. New Business
 - a. Donation to Sauk River Park/RV Pedestals

8. Informational Items
 - a. Schools and Conferences
 - b. MRES Sustainability Report

9. Adjournment

**MELROSE PUBLIC UTILITIES COMMISSION
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MONDAY, FEBRUARY 14, 2022 – 4:45 P.M.**

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, February 14, 2022, 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, Electrical Supervisor Roger Avelsgard, Water/Wastewater Supervisor Tim Vogel, City Administrator Colleen Winter, Finance Director Tessa Beuning, Utility Billing Clerk Sharon Blaskowski, and City Clerk Patti Haase. Chair Kraemer 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 January 10 Regular
- b. List of bills in the amount of \$1,194,000.80 (See attached list)
- c. Investments Report for the month of January (See attached list)
- d. Apprentice Line Worker Cole Jordahl will complete one year of service with the City on February 22, 2022. Mr. Jordahl has completed the Journey Line Worker books and tests. Supervisor Roger Avelsgard has conducted Mr. Jordahl's review, and it is favorable; therefore, recommends he receive a step increase to Start step as Journey Line Worker.
- e. Magney Construction has submitted Pay App #9 in the amount of \$282,579.79 for the work completed through 1/31/2022. SEH has reviewed the Payment Request and is recommending payment as outlined in the invoice.
- f. The city has received invoices from Stearns County for engineering services and contract expenses for the RDB Project.

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

A.I. #4 REPORTS

- a. Water/Wastewater Supervisor Vogel provided an update. The south water tower mixer needs to be repaired however there is a large chunk of ice in the tank therefore this will need to be addressed at a future date.
- b. Electrical Supervisor Avelsgard provided an update. Mr. Avelsgard presented the Crane Load Rating report and the 2021 E-Reliability Report
- c. Staff presented a year in review.

A.I. #5 ACTION ITEMS

- a. Staff is requesting to affirm the PO written to Irby Company for Howard Distribution transformers. Electric Supervisor Avelsgard worked with Irby Company on some

transformers that they were bringing into inventory that were available. This PO was written out to get Melrose Public Utilities name on them. This spec is a little different then what would normally be purchased but close enough to use them. The Total PO is for \$53,175. Delivery of these transformers is slated for June to July time frame.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried concurring with the purchase of the transformers in the amount of \$53,175.

- b. Staff has requested bids for underground replacement and new installation, directional boring, installation of conduit and risers, installation of secondary and primary pedestals. Bid opening was held on Thursday, February 10 at 9:00 a.m. at the Melrose City Center. Five bids were received. Electrical Supervisor Avelsgard has reviewed bids and recommends accepting bids on the evaluated basis, which would be awarded to Anderson Underground for an amount of \$164,052.75.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried awarding the bid to Anderson Underground in the amount of \$164,052.75

- c. The partitions in the Council Chambers are in need of replacement. Staff has obtained three quotes.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried approving the cost sharing and purchasing of new vinyl partitions from Midwest Construction in the amount of \$48, 905. This will be brought before the City Council for consideration at its February 17 regular meeting.

Chair Kraemer left the meeting at 5:15 p.m. Vice Chair Finken chaired the remainder of the meeting.

- d. Electrical Supervisor Avelsgard is requesting authorization to purchase water meters and radio for replacement and inventory in the amount of \$19,565.00

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the purchase of water meters and radio in the amount of \$19,565.00

- e. As a member of Missouri River Energy Services (MRES) and Western Minnesota Municipal Power Agency (WWMPA) the Melrose Public Utility is allowed to cast one vote at MRES's annual business meeting. To do so, the Utility needs to appoint a representative as its delegate. In the event the primary delegate is not available it is recommended to appoint at least one alternative. Staff is recommending appointing the City Administrator as the primary representative and the Electric Supervisor as alternate. (Resolution No. U.C.2022-1 Designation of Authorized Representative for Western Minnesota Municipal Power Agency) (Resolution No. U.C.2022-2 Designation of Authorized Representative for Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services)

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried adopting Resolution No. U.C. 2022-1 Designation of Authorized Representation for Western Minnesota Power Agency appointing the City Administrator as the primary representative for the Melrose Public Utility and the Electric Supervisor as the alternate.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried adopting Resolution No. U.C. 2022-2 Designation of Authorized Representation for Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services appointing the City Administrator as the primary representative for the Melrose Public Utility and the Electric Supervisor as the alternate.

- f. Melrose Public Utilities has approved the Interconnection Application with Cedar Creek Energy on Behalf of Meadowlark Melrose LLC. The agreement sets forth the terms and conditions of Meadowlark Melrose LLC may be interconnected to, and operated in parallel with, the Melrose Public Utilities and under which MRES will purchase electrical energy generated by Meadowlark Melrose LLC and resell back to Melrose Public Utilities.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried authorizing staff to entering into the Interconnection and Power Purchase Agreement – 100 kW or Less with Meadowlark Melrose LLC.

- g. Electrical Supervisor Avelsgard is requesting approval to hire a summer apprentice line work for up to 750 hours. They have had an intern for the last several years and with the current workload, it would be beneficial.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried approving the hiring of a summer apprentice line worker – 750 hours.

- h. Historically the City has hired a seasonal part-time worker to assist with the summer workload. Streets/Parks Supervisor Gary Middendorf is requesting approval to again hire a temporary summer/seasonal worker for on average 24 hours per week, or as needed to fill in for staff shortages, to assist with lawn and park maintenance, cleaning, etc. A portion of the wages are paid from the utility fund; therefore, staff is requesting Commission approval of the hiring of a seasonal/temporary part-time worker.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried approving the hiring of a seasonal/ temporary part-time worker. This will be brought before the City Council for consideration at its February 17 regular meeting.

- i. Streets and Parks Maintenance Worker Bob Boeckermann has submitted his resignation, effective June 3, 2022. This role also performs work for the utility departments. Streets and Parks Supervisor Middendorf has reviewed the position and is requesting to fill this position, which is a 0.75 FTE (1,600 hours budgeted).

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving to backfill the position and post for the streets and parks maintenance worker position. This will be brought before the City Council for consideration at its February 17 regular meeting.

- j. Water/Wastewater Supervisor Tim Vogel is requesting approval to hire a summer intern at 32 hours per week. They have had an intern for the last several years and with current workload, it would be beneficial and cost effective to again do so.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving the hiring of a Water/Wastewater summer intern.

- k. The Melrose Public Utilities Commission annually needs to adopt the average retail rate for Distributed Generation (DG) The average retail rate is calculated with the revenue by class less the customer charges divided by the KWH sold. On large commercial we exclude the demand charges from the revenue by class.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried approving the 2022 Average Retail Rates.

A.I. #6 OLD BUSINESS

- a. Staff presented the 2022 Master Agreement and Supplemental Letter Agreement for SEH.

A motion was made by Mr. Seanger, seconded by Mr. Finken, and unanimously carried concurring with the Council approving Master Agreement and Supplemental Letter Agreement.

- b. Water/Wastewater Treatment Facility Update from SEH.

Structure	Status of Construction	Upcoming Construction
Preliminary Treatment Building (02)	• Magney has poured the base slab for the screw pumps • Magney has poured the first portion of the screw pump walls (West side/influent chamber) • Magney has been working on setting rebar and forms for the next portion of the screw pump walls, working to the east	• Magney will continue pouring the screw pump walls in several series of pours
Control Building (03)		
Pump and Blower Building (04)		
Existing Final Clarifier (05)		
New Final Clarifier (06)	• Walls and launder trough have been poured. • Passed leak test • Set scum lift station	
Digester Complex (07)		
Solids Thickening and Loadout Building (08)		
Splitter Structure (10)	• Base slab and walls poured. • Passed leak test	• Installing valves and piping to towards the final clarifiers (spring)

Existing 48 ft Clarifier (11)	• Installed bypass around 52-ft final clarifier	
Sludge Return Metering Vault (12)	• Magney finished pouring all the concrete for this structure. Top slab poured 1/31/22	• Leak testing will happen in the spring once temperatures are warm enough
Yard	• Magney working on yard piping coming out of Clarifier 06 and going to/ around the splitter structure • Installed below-grade piping for 48-ft clarifier bypass to chlorine contact tank. • 52-ft Clarifier demolition started • Installed 4" scum line past the splitter structure	• 6" Primary Sludge Pipe re-route • All yard work on hold until spring/warmer weather

- c. To date, the MPU has received reimbursement in the amount of \$2,990,481.62 from the PFA related to the 2021 WWTF Project. This has all come from the \$3.5M state grant. Following approval of Magney Pay Request #9 on this agenda, Finance Director Beuning will submit the 4th Pay Request for Reimbursement. This pay request will request the remaining \$509,518.38 available on the state grant and will now start pulling from the PFA loan.

The requested \$9,026.03 will start against the Clean Water SRF Principal Forgiveness Grant. After the \$780,679 available on that is exhausted, we will then start against the Clean Water SRF Loan, which is the portion that we will have to repay. Finance Director Beuning will notify the Commission when those withdrawals start.

A.I. #7 NEW BUSINESS

- a. With the realignment of the River Channel and RDB project the Sauk River Park campsites are being relocated and the Park Board is going to be adding additional campsites and will be required to provide a shower/bathroom building. The costs associated with these improvements have not been determined, however Supervisor Avelsgard will have preliminary estimates for the work associated with bringing electric to the camp sites. Would the Commission be willing to donate RV pedestals or a portion of the cost? Electrical Supervisor Avelsgard had a cost estimate of \$34,058.08. Commission member Seanger stated that the cost should be split between the Utilities Fund and the General Fund. This will be brought back for further discussion at the next regular meeting.

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) Coalition of Greater MN Cities March 2-3. Attending: City Administrator Colleen

Winter

- 2) Metering School February 22-25 Attending Journey Line worker Cole Jordahl and Pat Lomax
 - 3) Generation School April 19-21 Attending Journey Line worker Cole Jordahl and Pat Lomax
 - 4) MPCA -WW Workshop/Exam April 12-14 Attending; Water/Wastewater Operator Evan Gregory
 - 5) Water/Wastewater Collections Conference March 21-22 Attending: Water/Wastewater Operator Jeremy Schrantz and Josh Elfering
- b. MRES Sustainability Report

A.I. #9 ADJOURNMENT

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried that the meeting be adjourned at 5:25 p.m.

PATRICIA HAASE – CITY CLERK