

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, FEBRUARY 13, 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. Step Increase –Journey Line Worker
 - e. Pay App #21 Magney Construction
4. Reports
 - a. Water/Wastewater Supervisor Report
 - b. Electrical Supervisor Report
 - c. City Administrator Report
5. Action Items
 - a. Southwest Substation Transformer Repair
 - b. Engine Oil - Powerplant
 - c. Wire Puller
 - d. Ditch Repair West of 5th Avenue NE
 - e. Expansion Tank
 - f. Electrical Department – 750 Hours Apprentice
 - g. Temporary Summer/Seasonal Worker
 - h. Apptegy
 - * i. Utility Billing Clerk Hire/Job Description
6. Old Business
 - a. Water/Wastewater Treatment Facility Plan Update
 - b. Water Tank Maintenance Report
 - c. Grid Resilience and Innovation Partnership Grant
 - d. Revisions to Reserved Capacity Agreement
7. New Business
 - a. Policy Change
8. Informational Items
 - a. Schools and Conferences
 - b. Legislative Guide
 - c. Bill HF1377 Increase to LGA
9. Adjournment

* Amendment

**THE PUC IS INVITED TO ATTEND
THE REGULAR CITY COUNCIL
MEETING ON FEB. 16TH WHERE
THE YEAR IN REVIEW WILL BE
PRESENTED**

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, FEBRUARY 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, February 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, Electrical Supervisor Roger Avelsgard, Water/Wastewater Supervisor Tim Vogel, City Administrator Colleen Winter, Finance Director Ryan Meyer and City Clerk Patti Haase. Chair Finken called the meeting to order.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Kraemer, seconded by Mr. Seanger 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 January 9 Regular meeting
- b. List of bills in the amount of \$1,404,112.11 (See attached list)
- c. Investments Report for the month of January (See attached list)
- d. Journey Line Worker Cole Jordahl will complete two years of service with the City on February 22, 2023. Supervisor Roger Avelsgard has conducted Mr. Jordahl's review, and it is favorable; therefore, recommends he receive a step increase from Step 1 to Step 2.
- e. Magney Construction has submitted Pay App #21 in the amount of \$113,776.27 for the work completed through 1/31/2023. SEH has reviewed the Payment Request and is recommending payment as outlined in the invoice.

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. The Water/Wastewater Department continues to work on annual reports and new facilities training.
- b. Electrical Supervisor Avelsgard provided an update on the following.
2022 APPA E-Reliability Report
2023 IIJA Grant Application
Fuel Tank Building Discussion
- c. City Administrator Winter provided an update.
Carbon Free 2040 bill was signed into law by Governor Walz
Staff is looking to schedule a ½ day team building retreat.

A.I. #5 ACTION ITEMS

- a. Electrical Supervisor Avelsgard is requesting to affirm the purchase of a bushing for replacement on the Delta Star Transformer for the Southwest Substation

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried concurring with Electrical Supervisor Avelsgard's purchase of the bushing for the transformer in the amount of \$29,535.

- b. Power Plant maintenance required Supervisor Avelsgard to purchase a quantity of 10 55-gallon drums of oil from Rahns Oil at a cost of \$1,375 per drum.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried concurring with the purchase of the oil from Rahn's Oil.

- c. Supervisor Avelsgard has looked at used wire pulling equipment and would like to purchase the Sherman & Reilly 2003 pulling trailer in the amount of \$38,000. Electrical Supervisor Avelsgard obtained a price for a new rig similar to the 2003 model. The new unit priced at approximately \$125,320.00.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried approving the purchase of the used wire pulling equipment from Midwest Machinery Co. for cost of \$38,000.

- d. Last May there was significant rain and storms in our area. This resulted in damage in the ditch area to the west of the properties on 5th Avenue NE across from the high school. A tree was uprooted and there was washout of the bank, exposing a utility line and coming close to exposing others. City Administrator Winter and Street Supervisor Middendorf met with and discussed this damage with Stearns County, Sauk River Watershed District, FEMA and the Soil and Water Conservation District. Throughout the summer we worked with FEMA trying to apply for grant funding, but we were advised by FEMA this project does not fall within the scope of its grant. The fear is the almost-exposed lines will become exposed with the melting snow and potential storms in spring. Two estimates were received. The Council at its January 19 meeting approved the estimate from Mayers Inc. and to cost share with the Melrose Public Utilities.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried approving the estimate from Mayers Inc. for the repair of the ditch area and to cost share the project.

- e. Electrical Supervisor Avelsgard is requesting authorization for the purchase and installation of an expansion tank at the power plant. Mission Mechanical has provided a quote in the amount of \$17,993.00.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried approving the purchase and installation of the expansion tank from Mission Mechanical in the amount of \$17, 993.00.

- f. 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. Kraemer, seconded by Mr. Seanger and unanimously carried approving the hiring of a summer apprentice line worker – 750 hours.

- g. 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 an as needed basis, 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. Kraemer, seconded by Mr. Seanger and unanimously carried approving the hiring of a seasonal/ temporary part-time worker.

- h. Part of the 2023 budget was a redesign of our website. Our website has not been updated since 2011. We had an internal staff committee consisting of Stacy Funk, Stephanie Perez, and myself and we looked at three proposals for website redesign. After review and demonstrations of the companies and a discussion with the rest of the Administration office we would like to bring forth the proposal from Apptegy as the recommended website design company. Apptegy is actually much more than website design, it is a multi-use platform that covers website, custom mobile app and notification system. Apptegy started out working with School districts and now works with local units of government. We checked their city references and the consistent comments that we received are that Apptegy is outstanding to work with and their customer service is excellent. The administrative side is very user friendly, and it is an integrated platform in real time. Attached you will find a copy of their proposal. The overall cost is \$12,700 with the cost being split between the City and PUC, which is \$1,500 over the budget for design and license, or \$750 for PUC. We originally had in the budget \$11,200 for website redesign and license. The ongoing license would be at a cost of \$6,200.00 per year or \$3,100 for PUC.

A motion was made by Mr. Seanger seconded by Mr. Kraemer and unanimously carried to enter into a contract with Apptegy to provide website redesign and mobile platform services. Said contract would be for a period of one year.

- i. The Administration team along with Electric Supervisor Roger Avelsgard and Council Member Travis Frieler met this morning to discuss the Utility Billing Clerk position along with other items. Overall it was a very good discussion. There is no one internally who will be applying for the Utility Billing Clerk position and so we would like to get it posted as soon as possible. City Administrator Winter also reached out to Tessa Beuning and she is willing to come in and help with the March billing. We will have to pay her for her time.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried authorizing posting the Utility billing clerk position and advertise as position posted until filled, to hire Tessa Beuning to consult with the City/PUC on March utility bills and approve the revised Utility Billing Clerk Job Description

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)	- Influent slide gates installed - Doors are installed - Ductwork ongoing (95% complete) - Electric heaters installed - Electrical equipment installation ongoing. PLC is running. - Screens and screw conveyors are installed - Center walkway is installed - Working on preparing screw pump channels, to set the screw pump equipment. - Installing interior process piping - Installed new gas line and meter - Installed screw pumps	- Complete sampler equipment installation - Continue to install interior process piping - Ductwork ongoing - Coatings - Grout screw pump channels - Startup scheduled for mid-April
Control Building (03)	- Removed old recirculation pump, and pump base - Started installing WAS Pumps - Installed 4" flow meter on WAS line	Work on WAS discharge piping, preform WAS pump start-up (bypass scheduled February 27, 2023)
Pump and Blower Building (04)		RAS piping to 04 Bldg, scheduled during bypass starting February 27, 2023
Existing Final Clarifier (05)	- The aluminum dome cover has been assembled but not placed on structure yet. - Started coatings on the new mechanism while not installed.	- Sludge piping - New mechanism on site. Start installation once new final clarifier 06 is up and running.
New Final Clarifier (06)	- Dome is installed - Coating mechanism	Startup will happen once new WAS pumps are installed.
Digester Complex (07)	- Installed new thickened sludge pipe through the floor in the centrifuge room and out to the sludge holding tank. - Rerouted LSG line - Cored and stubbed pipe into sludge holding tank - Backfilled yard piping	Heat exchanger piping likely spring 2023
Solids Thickening and Loadout Building (08)		Need 02 PTB to be up and running
Splitter Structure (10)	Base slab and walls poured.	Startup will happen once WAS pumps
Structure	Status of Construction	Upcoming Construction

Existing 48 ft Clarifier (11)	- Installed bypass around 52-ft final clarifier - Aluminum dome cover complete - Effluent has been routed to MH 1	Send sludge flow to #12
Sludge Return Metering Vault (12)	- Finished pouring all the concrete for this structure. Top slab poured 1/31/22 - Stripped forms - Passed Leak test. - Coatings have been completed (June 2022) - Grating has been installed over the openings - Slide gates installed	Startup and new RAS piping will happen once new WAS pumps are installed.
Yard	52-ft Clarifier demolition mostly complete - Installed sludge pipe from Final Clarifier (06) to Sludge Return Metering Vault (12) - Installed 4" scum line past the splitter structure - Rerouted 6" Primary Sludge Pipe - Finished working on the 6" overflow drain - Installed sludge line for 48' Clarifier - New Hydrant line has been installed - Piping to EQ is installed - Installed new valve for WM - Started installing the 36" influent sewer - Grit structure bypass to primary clarifiers complete (10" and 16") - Installed 4" scum piping - Started installing 20" influent to splitter structure #10	20" Influent to Splitter Box #10 - RAS piping from #12 to #04 wet well - Demo telescoping valve pit - Sludge pipe from Existing Final Clarifier (05) to Sludge Return Metering Vault (12) - Continue working on 36" influent sewer pipe final N/S stretch by existing influent piping and 2 sticks of E/W piping by MH 53 (Spring 2023) - Grit structure bypass to primary clarifier effluent (Spring 2023)

Staff presented the following:

- Walk through of digester plan
- Discussion of schedule
- SEH Change Management Summary. This has an estimate of SEH's costs based on a Substantial Completion of May 1, 2023 and Final of July 24, 2023.

b. Water Tank Maintenance Report from SEH.

PROGRESS UPDATE

- Electrician returned to the South Tank in January troubleshooted the mixer operation as it was still tripping out after being replaced in

September. A component was replaced and mixer has been working properly.

- Contractor performed unsatisfactory site restoration and has been requested to return to improve (#159785)

PROGRESS OUTLOOK

- Ground restoration will take place in spring. SEH discussed with Verizon who will have contractor bring in more black dirt to even out the ruts and reseed. SEH will revisit in April (#159785).
 - Water tank maintenance is wrapped up until spring.
 - Next scheduled drain for cleaning and touch-ups will be in 2025
- c. As discussed in Electrical Supervisor Avelsgard's report, the City has advanced to a full application for a Grid Resilience and Innovation Partnership grant with the U.S. Department of Energy. This \$4.7 million grant, if awarded, would fund the PP1 conversion and substation tie. This project is included in the City's capital improvement plan. Technical assistance from DGR will be needed to complete the full application. This work would be required of DGR, even without the grant, as the City moves forward with its capital plans. DGR has submitted a quote in the amount of \$6,600.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried approving the quote from DGR to provide technical assistance to complete the Grid Resilience and Innovation Partnership Grant Application.

- d. The Reserved Capacity Agreement from MRES has changed and the new copy was presented.

A.I. #7 NEW BUSINESS

- a. Utility bills are due the 25th of each month. In the past late fees and past due notices were not assigned or mailed out until after 12 pm on the 30th of the month. A grace period for folks to get their bills paid. This was not written in policy but simply an internal practice. Administrator Winter would like to implement that practice again and is seeking input from the PUC.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried allowing to implement late fees and past due notices not assigned or mailed out until after 12 pm on the 30th of the month. This will allow a grace period for folks to get their bills paid.

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) LMC Safety and Loss Training March 29 Attending: Electrical Supervisor Roger Avelsgard, Streets Parks Supervisor Gary Middendorf April 27 Attending: City Administrator Colleen Winter
 - 2) Emergency Preparedness MMUA February 22-23 Attending: Electrical Supervisor Roger Avelsgard
 - 3) CPA Credits Attending: Finance Director Ryan Meyer
- b. Legislative Guide
- c. Bill HF1377 Increase to LGA

A.I. #9 ADJOURNMENT

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

PATRICIA HAASE – CITY CLERK