

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, DECEMBER 14, 2009 – 5:00 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. Delinquent Accounts Report
 4. Reports
 - a. NELAP Environmental Laboratory Certification Program
 - b. Water/Wastewater Operator
 5. Action Items
 - a. Authorization for Staff to Work with Professional Firms
 - b. 2009 Fifth Street North Improvements
 - 1) Pay Request #4 – Breitbach Construction Company
 - 2) Change Order #2 – Breitbach Construction
 - c. Utility Pole Inspection and Treatment
 - d. Fuse Pad with Switch
 - e. MMUA Winter Legislative Conference
 - f. Polymer Feed System for the DAFT
 - * g. Pay Request #14 – Magney Construction – 2008 Grit Removal Improvement Project
 - * h. Water Tower Lighting
 6. Old Business
 - a. Council Appointment to Public Utilities Commission
 7. New Business
 8. Informational Items
 - a. Purchases
 - b. 2010 Missouri River Energy Services Scholarship
 9. Adjournment
- * Amendments

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MONDAY, DECEMBER 14, 2009 – 5:00 P.M.**

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, December 14, 2009 at 5:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Lyle Olmscheid, Tom Budde, and Ralph Wiehoff, Public Works Director John Harren, Water/Wastewater Supervisor Scott Gilbertson, Electrical Supervisor Dale Lyon and Assistant City Administrator/Treasurer Karen Thostenson. Chair Olmscheid presided thereat.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to approve the agenda as amended.

A.I. #3 APPROVAL OF CONSENT AGENDA

The following were considered for approval under the Consent Agenda:

- a. The minutes of the November 9 Regular Meeting.
- b. List of bills in the amount of \$1,437,363.65. (See attached list)
The Commission also gave consideration to the following purchase order:
 1. Total Control Systems, Inc. – Wastewater Department – emergency repairs to SCADA System - \$2,700.04
- c. Investments report for the month of November. (See attached report)
- d. Delinquent accounts report for the month of November.

A motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to approve the Consent Agenda as submitted.

A.I. #4 REPORTS

- a. Public Works Director Harren stated that MESERB has prepared and submitted a letter to the Minnesota Department of Health regarding the requested changes to the NELAP environmental laboratory regulatory framework currently being implemented. Water/Wastewater Supervisor Gilbertson has been actively working with MESERB to address concerns regarding proposed laboratory certification requirements. Staff to keep the Utilities Commission informed on this issue.
- b. Director Harren reported that Water/Wastewater Worker Jeremy Schrantz has accepted the vacant Water/Wastewater Operator position. He began in this capacity effective November 23, 2009. Supervisor Gilbertson noted that Mr. Schrantz will begin taking call in January, 2010. He stated he would like to fill the vacated Maintenance Worker position in February or March, 2010.

A.I. #5 ACTION ITEMS

a. Director Harren requested Commission authorization for staff to work with the following professional firms in 2010:

- Brown and Caldwell – Water/Wastewater Engineers
- Bonestroo – Streets/Water/Wastewater Engineers
- DeWild Grant Reckert & Associates (DGR) – Electric Engineers
- McGrann Shea Anderson Carnival Straughn & Lamb, Chartered – Electrical Attorney
- Dymoke Law Office – City Attorney
- Flaherty & Hood – Labor negotiations, etc.
- Telemetry & Process Control, Inc. – SCADA support
- Total Controls – SCADA support
- Short Elliott Hendrickson Inc. (SEH) – Engineers

Director Harren stated that approval of these firms would allow staff to contact them for miscellaneous items. In the case of larger projects, a total cost estimate would be obtained from the firm and submitted for Commission approval prior to proceeding.

A motion was made by Mr. Wiehoff, seconded by Mr. Budde and unanimously carried to authorize staff to utilize the firms listed in 2010.

b. Consideration as then given to the following pay request and change order for the 2009 Fifth Street North Improvements:

1. Pay Request #4 from Breitbach Construction Co. in the amount of \$42,768.94, which is less a 5% retainage.
2. Change Order #2 from Breitbach Construction Co. for bituminous patch repairs on Second Street South which included saw cutting, bituminous removal, adding aggregate base class 5, bituminous replacement, installation of two catch basins on Fifth Street North, installing a new water service along Second Street South and associated costs, and removal and replacement of curb, gutter, sidewalk and boulevard restoration in the total amount of \$9,781.

The Council, at its December 10 meeting, took action approving the pay request and change order.

A motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to approve Pay Request #4 in the amount of \$42,768.94 and Change Order #2 in the amount of \$9,781 to Breitbach Construction Co. on the 2009 Fifth Street North Improvements.

- c. Director Harren and Supervisor Lyon reported that Star Energy has completed the annual pole inspection at a cost of \$5,129.55. Supervisor Lyon stated the inspection revealed a few poles that will need to be replaced. The Utilities has been purchasing its poles through Stearns Electric Cooperative Association. Supervisor Lyon stated a quote for pole inspection in 2010 was obtained from Star Energy and they are increasing their pricing by 2% over the 2009 cost. He estimated that about 150-160 poles per year will need to be inspected for the next 2-3 years.

A motion was made by Mr. Wiehoff, seconded by Mr. Budde and unanimously carried to authorize staff to enter into a contract with Star Energy to perform the pole inspection as recommended for 2010.

- d. Director Harren reported that staff had obtained quotes for the purchase of 6 Ermco fuse pads with switches. The low quote was from Resco Electric Utility Supply in the amount of \$5,315.96. Supervisor Lyon stated that this equipment is for the Highlands Addition. The Electric Department plans to fuse each section.

A motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to approve the purchase of the fuse pads with switches from RESCO.

- e. Director Harren reported that the MMUA Winter Legislative Conference is scheduled for March 25-27, 2010 in St. Paul.

A motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to authorize staff and up to two Commission Members attending.

- f. Supervisor Gilbertson reported that he had obtained quotes to replace the polymer feed system for the DAFT. The feed system is not on the State Cooperative Purchasing Venture (CPV) Contract; therefore, two quotes were obtained. The low quote was received from Norchem in the amount of \$5,696 plus tax and shipping. The other quote had priced out two different types of pumps, but neither of the pumps met the specifications for the application.

A motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to approve the purchase of the polymer feed system from Norchem in the amount of \$5,696 plus tax and shipping.

- g. Consideration was then given to Pay Request #14 from Magney Construction on the 2007 Grit Removal Improvements. The pay request is in the amount of \$14,170.96, which is less a 5% retainage.

A motion was made by Mr. Wiehoff, seconded by Mr. Budde and unanimously carried to approve Pay Request #14 in the amount of \$14,170.96 to Magney Construction Co.

- h. Director Harren reported that the Council, at its December 10 meeting, had further discussed the lighting of the water towers. By majority vote, they had determined to keep the water towers lighted to reflect an image of the City. However, they requested that, since the electrical usage for the lighting is paid by the Electric Fund, the Utilities Commission continue to monitor its budgets to determine whether this cost can continue to be absorbed by the Electric Fund. There were also concerns expressed on complaints that were received regarding the lights shining into some of the houses located near the north water tower.

After some discussion, a motion was made by Mr. Budde, seconded by Mr. Wiehoff and unanimously carried to continue to light the water towers at this time, and to direct Supervisor Lyon to work with the property owners to make the necessary adjustments to the lights to avoid infringing on any personal property.

A.I. #6 UNFINISHED BUSINESS

- a. Director Harren reported that Mr. Olmscheid's term on the Utilities Commission will expire on January 1, 2010. Applications for all open seats on City boards and commissions were accepted through November 20. The Council will be making appointments at the first Council meeting in January. It was noted that Mr. Budde serves as the Council representative on the Utilities Commission.

A.I. #7 NEW BUSINESS

None

A.I. #8 INFORMATIONAL ITEMS

The following informational items were reviewed:

- a. The following are purchases that no longer require Commission approval, but are provided as informational items:
 1. Total Control Systems, Inc. – Water Department – repairs to SCADA System - \$1,819.39.
- b. MRES has sent information regarding the 2010 MRES Scholarship program to the Melrose Area High School. MRES will be awarding ten \$1,000 scholarships next spring to high school seniors pursuing college or vocational technical school programs commencing in the fall of 2010.

A.I. #9 ADJOURNMENT

A motion was made by Mr. Wiehoff, seconded by Mr. Budde and unanimously carried that the meeting be adjourned at 5:40 p.m.

PATRICIA HAASE – CITY CLERK