

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
THURSDAY, DECEMBER 12, 2019 – 4:15 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. City Administrator Step Increase
4. Reports
 - a. City Administrator Report
5. Action Items
 - a. Proposal for Feeder Line to Industrial Park
 - b. Authorization for Staff to Work with Professional Firms
 - c. Amendment to Agreement
 - d. SCADA Upgrades
 - e. City Center Skylight Replacement
 - * f. ~~Sprint Lease Agreement~~
6. Old Business
 - a. 2020 Proposed Budgets / 2020-2024 Five Year Capital Improvement Plan / 2020 Rates
 - b. Wastewater Treatment Facilities Update
7. New Business
8. Informational Items
 - a. Schools and Conferences
9. Adjournment

* Deleted

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

The Melrose Public Utilities Commission met in a Regular Meeting on Thursday, December 12, 2019 at 4:15 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, City Administrator Colleen Winter, Electrical Supervisor Roger Avelsgard, and Water/Wastewater Supervisor Tim Vogel, Finance Director Tessa Beuning 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 amended.

A.I. #3 CONSENT AGENDA

The following items were considered for approval under the Consent Agenda:

- a. The minutes from the Commission's the November 18 Regular Meeting and the November 18 Special Joint Meeting with the Council
- b. List of bills in the amount of \$656,883.82 (See attached list)
- c. Investments Report for the month of November. (See attached list)
- d. On December 17, 2019, City Administrator Colleen Winter will have completed six months of employment. She is eligible for a step increase, per the terms of her hire letter. A review will be conducted at a joint special meeting held on December 12, 2019. Contingent on a favorable review, it is recommended to approve a step increase from Step 4 to Step 5 on the pay 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. City Administrator Winter provided an update.

SIU agreements – nothing to report at this time.

JOTS – City Administrator Winter and Water/Wastewater Supervisor Tim Vogel met with Devon Naber at the old JOTS plant on November 22, 2019 after it was brought to our attention that trailers from JOTS were there in the mornings. There had been manure odors in the downtown area for about two weeks prior to that time. The City had received several complaints about the odors and were trying to identify the source. JOTS has been using the old plant as an area where they brought in the trailers that they used to remove the sludge from their DAF and letting them settle and then decanting the water into the drains. We have no monitoring equipment or meters at the old plant and therefore this is a direct violation of their SIU agreement and MPCA permit. Devon had the trailer removed

immediately and had the drain washed out. He was told that if JOTS needed to use the old plant on occasion, he would need to make sure that he informed the city and that the proper equipment was at the location.

Broadband – The City and Utility should hopefully hear before the end of the year as to whether or not Arvig was funded for Broadband out to the Industrial park. As part of that project and on the agenda is the engineering to look at the trenching that will be needed under 1-94.

Kraft Lot – The City has been in discussions with Stearns County regarding the Kraft lot space. Currently the County leases about 6,800 square feet in the West Central Education Administrative services building located at 17 2nd St SW. The County's lease expires in Dec. 2021 and the City would like to see them next to the City Center at a location that is more convenient. This would be a very good use for the Kraft lot and the County has indicated that they would be willing to look at a long term lease. The next steps are to find a developer willing to look at the space for this type of use. We would still want to see if we could also incorporate some residential rental space.

Multi-family – Staff continues to work on this and will be discussing with PUC and Council in a joint session.

A.I. #5 ACTION ITEMS

- a. DGR has submitted a proposal for the design of the Feeder Line to Industrial Park.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the Agreement for Professional Services with DGR for the design of the Feeder Line to Industrial Park.

- b. The Commission to give authorization for staff to work with the following professional firms in 2020:

- DeWild Grant Reckert & Associates (DGR) – Electric engineers
- McGrann Shea Anderson – Electrical attorney
- Dymoke Law Office – City Attorney
- Flaherty and Hood – Labor Negotiations, etc.
- Telemetry & Process Control, Inc. – SCADA support
- Total Controls – SCADA support
- Short Elliott Hendrickson Inc (SEH) – Engineers
- WSB – Engineers
- Briggs & Morgan – Bond Attorney
- Haugen Services – Security Cameras

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. Seanger, seconded by Mr. Finken and unanimously carried authorizing staff to utilize the firms in 2020 as listed.

- c. Since 2001, Melrose Public Utilities has contracted services with DGR for electrical engineering needs. DGR has submitted their 2020 Miscellaneous Services Agreement. The fee for the calendar year 2020 will not exceed \$7,000 without prior approval

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the 2020 Miscellaneous Service Agreement with DGR Engineering.

- d. DGR has submitted a proposal for the CapBank/DEF SCADA Improvements. The project provides SCADA control and monitoring of distribution capacitor banks and Generator #5 DEF alarms.

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried approving the Agreement of Professional Services from DGR for the CapBank/DEF SCADA Improvements

- e. The City received a quote to replace the skylight at City Center in 2018. Inspections of the existing skylight panels show significant breakdowns in the fibers and while we do not have any leaks at this time the skylight needs to be replaced before we end up with any leaks or break downs. The amount to replace the skylight is \$74,243.00. WL Hall indicated that they would honor the original quote if the skylight was ordered in 2019, payable in 2020. This was on the Capital improvement plan for 2018 and 2019 and has been pushed back. It was a line item in the CIP budget for 2020 and in discussion with PUC and City it was the consensus that we should move forward with the skylight. The PUC would be responsible for ½ the costs or \$37,121.50. The new version of the skylight should have a useful life of 40-50 years. The new Skylight will have improved thermal performance over the existing skylight. The “U” vale of the entire assembly will be approx. 20% better than the existing. This is due to improved thermally breaks and insulation in the new version of the product. A complete warranty against water leakage will be provided for 10 years.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried approving the replacement of the skylight panels and awarding the bid to WL Hall in the amount of \$74,243.00. The PUC will be responsible for ½ the cost or \$37, 121.50.

A.I. #6 OLD BUSINESS

- a. The Commission conducted a final review of the 2020 Budget, Five Year Capital Improvement Plans, and proposed rates for the Electric, Water and Wastewater Funds for 2020.

A motion was made by Mr. Seanger seconded by Mr. Finken and unanimously carried adopting the 2020 utility rates.

A motion was then made by Mr. Finken, seconded by Mr. Seanger and unanimously carried adopting the 2020 budget.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried adopting the Five-Year Capital Improvement Plan.

- b. City Administrator Winter reviewed the Wastewater Facility Plan update from

Susan Danzl .

A.I. #7 NEW BUSINESS

None

A.I. #8 INFORMATIONAL ITEMS

The following informational items were reviewed:

- a. The following is a list of schools and/or conferences where registrations were made:
 - 1. Upper Midwest Metering. February 19-21, 2020 Attending: Electrical Supervisor Roger Avelsgard

A.I. #9 ADJOURNMENT

A motion was made by Mr. Seanger, seconded by Mr. Finken and unanimously carried that the meeting be adjourned at 4:40 p.m.

PATRICIA HAASE – CITY CLERK