

**MELROSE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
MONDAY, JANUARY 13, 2020 – 4:45 P.M.**

AGENDA

1. Call to Order/Roll Call
2. Oath of Office
3. Appointment of Officers
4. Approval of Agenda
5. Consent Agenda
 - a. Approval of Minutes
 - b. Approval of Bills / Purchase Orders
 - c. Approval of Investments
6. Reports
7. Action Items
 - a. Designation of the following:
 - 1) Grievance Representative
 - 2) Ad Hoc Labor and Personnel Committee Representative
 - b. Electric Department Truck Bid
 - c. Organizational Chart
 - d. RDB – WSB Contract
 - e. 2020 Street Improvement 5th Street N WSB Contract
8. Old Business
 - a. Wastewater Treatment Facilities Update
 - b. SIU Reports
 - c. Legislative Update
9. New Business
 - a. Scholarships
 - b. Lighting Systems Upgrades
 - c. Water Truck
10. Informational Items
 - a. Certificate of Achievement for Excellence in Financial Reporting (CAFR)
 - b. Electric and Water Comparative Statements
 - c. MDM Map
11. Adjournment

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REGULAR MEETING
MONDAY, JANUARY 13, 2020 – 4:45 P.M.**

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

The Melrose Public Utilities Commission met in a Regular Meeting on Monday, January 13, 2020 at 4:45 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Eric Seanger, Jeremy Kraemer, and Joe Finken, Electrical Supervisor Roger Avelsgard, Water/Wastewater Supervisor Tim Vogel, City Administrator Colleen Winter, and City Clerk Patti Haase. The meeting was called to order.

A.I. #2 OATH OF OFFICE

The Council, at its January 6 meeting, reappointed Eric Seanger to the Public Utilities Commission for a three-year term. Joe Finken was reappointed to the Utilities Commission as the Council Representative for a one-year term. City Administrator Winter administered the Oath of Office to Mr. Seanger and Mr. Finken.

A.I. #3 APPOINTMENT OF OFFICERS

The City Administrator then requested the Commission to appoint a Chair, Vice Chair and Secretary for 2020.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried appointing the Chair, Vice Chair and Secretary as follows:

Chair – Joe Finken
Vice Chair – Eric Seanger
Secretary – Jeremy Kraemer

A.I. #4 APPROVAL OF AGENDA

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously carried to approve the agenda as presented.

A.I. #5 CONSENT AGENDA

The following were considered for approval under the Consent Agenda:

- a. The December 12, 2019 Regular Meeting, and the December 12, 2019 Special Joint Meeting
- b. List of bills in the amount of \$750,838.49 (See attached list)
- c. Investments Report for the month of December (See attached list)

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

A.I. #6 REPORTS

None

A.I. #7 ACTION ITEMS

- a. (1) The Commission gave consideration to designating the Grievance Representative for 2020. For 2019, Commission Member Jeremy Kraemer was the Commission representative and Council Member Joe Finken served as the Council representative. The Council designated Mr. Finken as their Grievance Representative for 2020 at its January 6, 2020 meeting.

A motion was made by Mr. Finken, seconded by Mr. Seanger and unanimously carried reappointing Mr. Kraemer as the Grievance Representative for 2020.

- a. (2) The Commission next gave consideration to designating an Ad Hoc Labor and Personnel Committee Representative. In 2019, Mark Hill served as the Council representative and Eric Seanger served as the Commission representative. The Council, at its January 6 meeting, appointed Mark "Bunker" Hill to the Committee.

A motion was made by Mr. Kraemer, seconded by Mr. Finken and unanimously carried reappointing Mr. Seanger as its representative to the Ad Hoc Committee for 2020.

- b. Electrical Supervisor Avelsgard has been working on specifications for a truck for purchase in 2020. Mr. Avelsgard has contacted Saxon Fleet Services; they are one of the vendors that are authorized to administer the state bid for vehicles. Staff also went to Sauk Centre to Dan Welle and John Wiese Ford to look at the physical trucks.

Mr. Avelsgard had Peter at Saxon put together a bid package for both a Chevrolet and Ford. This will be a ¾ ton pickup with a crew cab (4 full doors) and a short box, gas engine with an automatic transmission.

After test driving the trucks, it was decided that the Ford would be the best fit for the crew. Both local dealers were interested in putting together a bid package for the truck. Mr. Avelsgard was pleasantly surprised with the bids that came in.

Mr. Avelsgard is recommending that purchasing the truck from John Wiese Ford for \$35,206. This price includes the longer running boards, and inverter with outlets wired for the 120 volt system, Tom also indicated that they did not put the bed liner in from the factory and was going to have that done locally (at a Melrose installer) This cost is also included in the above price. The difference between the state bid and John Wiese is \$384.

Staff will also need to procure other miscellaneous equipment to outfit the truck that we will be ordering and installing. These items are toolboxes, warning and working lights, headache rack, and hot stick and holder. The estimated cost for these items is \$5,250.

The truck with the equipment that MPU will be procuring total estimated cost will be \$40,456. Staff put in \$45,000 in the 2020 capital plan for this pickup.

A motion was made by Mr. Kraemer, seconded by Mr. Seanger and unanimously

carried approving the purchase of the truck from John Wiese Ford in the amount of \$35,206 plus tax and license. In addition to approximately \$5,250 to outfit the truck with tools, lights, and boxes.

- c. With the restructuring of job descriptions at the City Center, a new Organizational Chart needs to be adopted by the Public Utilities Commission. The organizational chart has been updated to reflect the restructuring of office staff.

A motion was made by Mr. Seanger, seconded by Mr. Kraemer and unanimously carried adopting the revised Organizational Chart.

- d. The Melrose Public Utilities Commission will need to approve the RDB contract with WSB. The City will also be entering into a cost share agreement with Stearns County for part of the engineering cost.

A motion was made by Mr. Seanger seconded by Mr. Kraemer and unanimously carried approving the WSB engineering contract for the RDB project, with the Public Utilities share of the cost to be equal to the percentage of the Utility portion of the project.

- e. The Melrose Public Utilities will need to approve the Molly's Hill Contract with WSB

A motion was made by Mr. Kraemer seconded by Mr. Seanger and unanimously carried approving the WSB Engineering Contract for the Molly's Hill project, with the Public Utilities share of the cost to be equal to the percentage of the Utility portion of the project.

A.I. #8 OLD BUSINESS

- a. Wastewater Facility Plan Update from Susan Danzl was presented. SEH has meet with screen manufacturers and discussed the product details, configuration, automatic washing options, and City preferences. Visited Hutchinson MN to see another HydraSieve screen installation example. Developing 90% plans and specifications.
- b. The Commission reviewed the 2019 SIU report prepared by Water/Wastewater Supervisor Tim Vogel for the MPCA along with the individual industry profiles. Mr. Vogel and the rest of the WWTF staff did an excellent job in combating the issues related to the startup of JOTS, high flows, foam coming into the plant, etc.
- c. The regular Legislative session is February 11th – May 18th and as discussed before it is a bonding year. Administrator Winter will be attending the LCCMR Board meeting next week and discussing the use of Legacy Funds for WWTF and Water projects. This is something that has been endorsed by the Coalition of Greater MN Cities. In addition, PUC and Industry will want to consider going down to the Capital during the session to request the 5.7 million dollars in bonding for the WWTF upgrades. Legislatures always appreciate hearing from the businesses that benefit from bonding dollars.

A.I. #9 NEW BUSINESS

a. Scholarships

1. MMUA has again budgeted \$5,000 for its Tom Bovitz Memorial Scholarship Award program that is available for high school seniors who are, or whose legal guardian is, a customer of an MMUA-member municipal electric or gas utility. The scholarship fund is split into \$2,000, \$1,500, \$1,000 and \$500 scholarships, and awarded to essay contest winners who plan on attending a post-secondary educational institution. High school seniors are eligible to enter the essay contest. The due date to submit essays to MMUA is April 15, 2020; therefore, all local essays must be submitted by 4:30 p.m. on Friday, April 3, 2020.

Entries must be submitted to the governing body of the municipal utility, and the local governing body picks a local winner. Every MMUA member may then enter the one local essay contest winner to the state contest. The MMUA Communications/Member Services Committee selects the winners, with an announcement in mid-May 2020.

In 2019, the Melrose Public Utilities offered one local scholarship in the amounts of \$1,000.

A motion was made by Mr. Seanger seconded by Mr. Kraemer and unanimously carried for the Melrose Public Utilities to offer one \$1,000 local scholarship in conjunction with the MMUA Tom Bovitz Scholarship.

2. MRES also offers a \$1,000 scholarship for 2-year or 4-year undergraduate studies in mathematics, science, electrical engineering or other engineering programs, electrical technician, etc. In addition, they also offer a \$1,000 scholarship for 1-year studies to become a Power Lineworker at an eligible technical college in the upper Midwest region. The scholarship applications are available online at www.mrenergy.com. and must be postmarked by no later than March 15, 2020.

- b. City Administrator Winter had asked Allen Anderson from Bright Energy Solutions to review the lighting audit that he had completed for the City Center regarding retrofitting lights. We did not include any retrofitting in the budget in 2020 however if the PUC would like to consider upgrades it may make sense to plan over 2 to 3 years.

The Commission by consensus determined not to pursue at the present time however add funding to the Capital Improvement Plan beginning in 2021.

- c. Water/Wastewater Supervisor Vogel has obtained a bid for a water truck and tanker. Mr. Vogel obtained pricing for a new water truck from the state contract. Supervisor Vogel had also located a 2019 Freightliner M2106 on Customtruck.com. Mr. Vogel received a quote to purchase the vehicle for \$77,500 plus tax and license.

A motion was made by Mr. Kraemer seconded by Mr. Seanger and unanimously carried approving the purchase of the 2019 Freightliner from Custom Trucks in the amount of \$77,500 plus tax and license.

A.I. #10 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the City of Melrose by the Government Finance Officers Association of the United States and Canada for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.
- b. Comparative Revenue and Energy Statement for the Electric Department, and the Production and Distribution Statement for the Water Department.
- c. MDM Map

A.I. #11 ADJOURNMENT

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

PATRICIA HAASE – CITY CLERK