

Pursuant to due and proper notice there of a meeting of the Breckenridge Public Utilities Commission was held on Monday, October 20, 2025, at 2:00 p.m. at City Hall – Council Chambers.

Members Present: Commissioners Dennis Larson, Paul Kaufman, Nate Summerville, Tom Seliski (via phone), and Hope Karlgaard.

Members Absent: None.

Others: Director of Public Services Neil Crocker, City Administrator Sydney Wiertzema and Finance Officer Liane Mauch

Approval of Agenda. Motion by Commissioner Kaufman to approve the agenda as is. Seconded by Commissioner Karlgaard and carried unanimously.

Approval of Minutes. Commissioner Karlgaard moved to approve the minutes from the October 6, 2025, meeting. Seconded by Commissioner Kaufman and carried unanimously.

KBMW Holiday Greetings Advertising. An email was sent to Lori G to see if the utilities would be interested in advertising for the upcoming holidays. This has never been done before and the Utilities does other electric advertising with them every month so the consensus was to pass on the offer.

Daily News Veteran's Day Ad. The Daily News was wondering if the Utilities would like to place an advertisement for Veteran's Day. The consensus was to pass on the request.

MRES Tree Lighting Co -Sponsorship. For the past two years, the Utilities has partnered with MRES in helping fund the Tree Lighting event in Breckenridge. MRES will match up to \$2500 for the event. Motion by Commissioner Karlgaard to approve up to \$2500 expenditure for the event. Seconded by Commissioner Summerville and carried unanimously.

Salvation Army HeatShare Agreement. For the past ten-plus years, the Utilities has participated in the Salvation Army's program for anyone that would like to contribute to the program through their utility bill. Not sure if the funds benefit locally or not. Liane does see a voucher from the Salvation Army via Wilkin County almost each month paying someone's bill. Motion by Commissioner Kaufman to approve the participation in the program again this year. Seconded by Commissioner Karlgaard and carried unanimously.

Water Tower Rehabilitation Estimate. KLM recently inspected the water tower. They said the outside would need to be repainted in about another 7 years. Neil asked for an estimation of what the cost would be for budget purposes. They came back with an estimate of \$750,000. Just an FYI.

Quote – Lagoon Valve Replacement. The crew was turning the gear box valve for the old pond at the lagoon when it just kept spinning. It is probably the original valve from over 70 years ago when the pond was first built. A new one will be needed yet this fall in order to release and refill the pond. A quote was received from Core & Main in the amount of \$35,400 for them to build one as they do not keep them on the shelf. Motion by Commissioner Karlgaard to approve the quote from Core and Main in the amount of \$35,400 to build a new valve for the lagoon. Seconded by Commissioner Kaufman and carried unanimously. Due to the amount, this will need to be approved by the City Council.

Asset Management Program. Neil has been to several conferences where they bring up Asset Management programs. Tyler Technologies has one which includes a Work Order program. This would check two of the boxes that the Utilities currently does not have. Right now, a work order starts with Lori G, goes to either Brian or Jeff which they have to look up and write down each part they use, then goes back to Liane who enters it into the system. Some work orders have 40 different part numbers on them. This would eliminate some of the middle work. Brian and Jeff would just enter in the number of each part they are using right on the computer as they are looking them up.

The initial cost is \$3547 with an annual software maintenance cost of \$6516. This would be split between the general fund and 3 utility funds. You can track what things are constantly being worked on and using up parts. The City currently uses Tyler Technology for all of their software applications. Motion by Commissioner Summerville to proceed with Tyler Technology for the Asset Management services. Seconded by Commissioner Kaufman and carried unanimously.

Utility Transfer to General Fund. At the last meeting, Sydney requested doubling the utilities transfer to the General Fund but not all members were present. She went through it again for the full Commission explaining that the City's main funding source each year is from LGA. That amount has been stagnant for the past 5 years even though expenses have been increasing. Instead of raising the levy which would raise property taxes, she would like to increase the utility transfer from \$230,000 to \$460,000.

The additional monies would be put away for capital improvement projects such as street improvements and equipment. By doing this, the City would not have to bond as much like they did for the recent street improvement project. The principal bond was for \$2.9 million which the City will be paying \$1.2 million in interest. Syndey would like to allocate extra funds every year into a street improvement project so when they do the next project, the City would not have to bond or could bond for a lesser amount. This would help with not having to raise taxes. If she does it now with the current budget, taxes would be raised by 13%

During discussion, the consensus was that if they agreed to the extra transfer amount, it can only be used for street improvement projects and not equipment. Also, they wanted to make sure the utility rates would not increase for the customers and revisit the transfer amount in 5 years. Commissioner Karlgaard moved to approve the utility transfer to the general fund in the amount of \$460,000 with \$230,000 being allocated to street improvement projects in lieu of having to raise taxes 13%. Seconded by Commissioner Summerville and carried unanimously.

City Officials – There was nothing to report from City Officials.

Utility Management

Bills and Claims. Commissioner Karlgaard offered a motion to approve the following Bills and Claims. Seconded by Commissioner Kaufman and carried unanimously.

Albertson's Parts City Auto Parts	Charger, filters, oil - Electric	\$ 177.24
Border States Electric Supply	Wiring - Electric	27.88
CNA Surety	2026 Hwy 75 Surety Bond	100.00
Comstock Construction	Hwy 75/Bremer watermain break	23,176.20

Conzemius Oil Co.	Oil - Electric	578.55
Core & Main	Hydrant grease - Water	270.74
EconoFoods-Breck	Water/Coffee - PU	50.13
Farmers Union Oil Co.	Fuel, tools, parts, gloves	1625.48
Gopher State One-Call	One call locates	106.65
Great Plains Natural Gas	Natural Gas - Water plant	164.56
Hawkins, Inc.	Aquahawk, chlorine, freight	3873.25
Locators & Supplies	Marking paint - Water	55.99
Missouri River Energy Ser	MRES Bill	126,739.13
MN Dept. of Labor & Industry	Compressor reg - Util shop/Water plnt	50.00
Red River Communications	Phone services	82.54
RMB Environmental Lab, Inc.	Testing - lagoon	1009.48
Stuart C. Irby Company	Bucket truck parts, rubber testing	1541.49
Tyler Technologies-Incode	Utility notification calls	12.60
Vessco, Inc.	Pumpheads - Water plant	718.11
Wally's Plumbing Services, LLC	Floor drain repairs - Electric	156.00
Waste Mgmt Of WI-MN	Garbage services	536.15
Wilkin County GIS	2026 GIS Services - Electric	2469.00

\$
163,521.17

601 Electric Fund	\$	133,125.74
602 Sewer Fund	\$	941.91
603 Water Fund	\$	29,453.52
TOTAL:	\$	163,521.17

Crew Updates.

- Electric:
 - They have a few more areas of underground work yet.
 - They are putting in Phase 3 power at the new Next Chapter Living Center along Highway 75.
 - Chris has the cameras set up at two of the substations. They work great.
- Water:
 - New samples will be done tomorrow on the old pond so hopefully they can get the valve fixed and drain yet this fall so they can refill it.
 - Minnesota Rural Water will be holding some training sessions in Detroit Lakes. Cost is \$230 per session but they guys could just drive for the day which would eliminate the cost of hotels. Jeff and James need more hours so they will be attending the training.

Other Comments. There will be a presentation from MRES regarding their AMI system at the November 17th meeting. Please mark it on the calendar so all can be in attendance. There will be two more presentations in the near future from IRBY and OmniPro.

Commission Comments. None.

Commissioner Summerville moved to adjourn at 3:15 p.m. Seconded by Commissioner Karlgaard and carried unanimously.

Hope Karlgaard, Secretary/Treasurer
Breckenridge Public Utilities Commission