

Pursuant to due call and proper notice thereof, a meeting of the Breckenridge Public Utilities Commission was held on Monday, November 13<sup>th</sup> at 2:10pm, at City Hall – Council Chambers.

Present: Commissioners Larson, Martinson, Graves and Karlgaard

Absent: Commissioner Summerville

Others Present: Director of Public Services Crocker, Finance Officer Johnson, and City Administrator Conway

**Approval of Agenda**

The agenda was approved as printed.

**Approval of Minutes**

Commissioner Martinson offered a motion to approve the minutes from the regular meeting of Monday, October 16th, 2023. The motion was seconded by Commissioner Karlgaard and carried unanimously.

**City Officials**

None

**Utility Management**

**Bills and Claims**

Commissioner Martinson offered a motion to approve the following Bills and Claims with a change to omit bill Utilities of the amount \$11,487.74 as that bills is a City of Breckenridge bill not a Breckenridge Public Utilities bill. The motion was seconded by Commissioner Graves and carried unanimously.

Bills and Claims- Utilities -11/13/2023		
Albertson's Parts City Auto Parts	Wiper Fluid, Parts- Util	\$ 144.90
AM Conservation Group, Inc.	LED Giveaway Lights	1,523.78
Border States Electric Supply	Inventory- Electric	1,783.74
CarlsonSV	Audit Services	7,633.33
Comstock Construction	Multiple Curb/Gutter/Sidwalk Repairs	8,900.00
Core & Main	Inventory- Water	10,927.84
Creative Stitches	Shirts- Water	302.00
Cummins Sales and Service	WP General Inspection	460.01
EconoFoods-Breck	Toilet Paper, Coffee- Util	58.75
Farm City Supply	Batteries, Charger, Fasteners- Util	841.19
Grainger	Sensor- W Plant	224.44
Graymont (WI) LLC	Chemicals- W Plant	6,197.27
Great Plains Natural Gas	Nat Gas- Util	178.71
Hawkins, Inc.	Chemicals- W Plant	981.50
KBMW	Electric Advertising	227.50
League of Mn. Cities	Adobe Annual Pymt	109.19
Lloyd's 75 Service	02' Ford Pickup- Electric	1,016.10
Midcontinent Communications	Int- PU	113.97
MN Municipal Util. Assn.	Safety- Util, Tranformer School- Gravelle	3,565.07
Mobile Start	Camera- Drop Box- Util	819.97
RC Repair	Ranger Service- Water	90.00
Red River Communications	Phone Lines - Util	98.71

RMB Environmental Lab, Inc.	New Pond- Effluent Samples	720.93
Toshiba America Bus Solutions	Newsletter Copies	149.27
USA BlueBook	Chemicals- W Plant	781.57
Vesco, Inc.	Rebuild Kits- W Plant	502.25
Wade Bischoff	Safety Boot Reimbursement- Bischoff	200.00
Waste Mgmt Of WI-MN	Garbage - PU	494.65
Wesco Distributing, Inc.	Inventory- Electric	357.50

\$ 49,404.14
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601 Electric 10,627.08  
602 Sewer 3,640.92  
603 Water 35,136.14  
**Total: \$49,404.14**

**Crew Updates**

**Electric:** Director of Public Services Crocker informed the Commission the electrical department is still working on Twito Substation Circuit C and have about 60% of the circuits switched over with power to Twito C. They will be assisting with Christmas decorations later this week while weather is nice and they are also doing other work orders.

**Water/Wastewater:** The water/sewer will be reading meters this week, they have finished releasing from the new primary pond, sending in samples, cleaning out ditches for better drainage, working on service orders as well as finishing sump pump switchovers.

**Utility Software Updates**

Finance Officer Johnson, provided a contract proposal from Tyler Technologies for costs on Mobile Service Orders, Utility Access, Notifications for Utilities, Miscellaneous Payments, Software and IT Services for the initial cost of \$3,553 and \$1,294 yearly thereafter. Commissioner Graves offered a motion to approval the one-time cost of \$3,553 with the yearly cost of \$1,294. The motion was seconded by Karlgaard and carried unanimously.

**Sponsorship with MRES -Tree Lighting**

City Administrator Conway shared with the Utility Commission Missouri River Energy Services (MRES) will provide funding up to \$2,500 with a 50% match of local utilities for community events that include advertising or customer education component to the event in regards to electric utility. She shared they are having their second annual tree lighting ceremony in late November and would like to use this funding to pay for item(s) such as food and/or equipment at the event. She asked the Commission if they would be interested in splitting the cost. Discussion was held around the amount and what to use the money for. Commissioner Karlgaard offered a motion to approve \$1,500.00 for the Tree Lighting event with MRES paying \$1,500.00 as well. The motion was seconded by Commissioner Martinson and carried unanimously.

**MRES RATE Increase/Rate Study**

Director of Public Services Crocker informed the Commission that MRES will be doing a 2.5% increase January 1, 2024 with rate increases from 2025 to 2028 at projected 5% annually. With that said Breckenridge Public Utilities needs to look at our current rate card and adjust accordingly to be able to purchase power to provide to Breckenridge utility customers. Finance Officer Johnson had attended an area meeting in Alexandria, MN to learn more about the rate increase. She was informed that they can to a rate study through MRES at 50% cost share of \$9,500.00 from them and Breckenridge Public Utilities paying the other \$9,500.00 to equal the total cost of \$19,000.00 to do the rate study. The Utility Commission felt they can take the task on to look into what various increases would put Breckenridge Public Utilities at to maintain the cost to purchase power over the next five years affordably. Finance Officer Johnson will bring back what potential \$1.00/\$1.25/\$1.50 versus increasing the

flat rate of electric meter rentals from \$12.00 monthly to \$15.00 monthly/customer to see what projected revenue would be for the next meeting. This matter was tabled until that time.

**2024 Management Letter**

Director of Public Services Crocker reviewed with Commission members 2023 projects completed along with requested 2024 projects and items regarding the Enterprise Funds.

**Proposed Electric Projects and Expenses for 2024:**

- Install new underground Circuit D – open trenching \$21,000
- Vehicle upgrade for Brian - \$60,000
- Vehicle upgrade for Director - \$35,000
- AMI entry level - \$25,000
- AMI Electric Meter replacement – 150 Meters - \$33,000 (est. \$220 ea.)

**Total Cost = \$ 174,000**

Commissioner Karlgaard offered a motion to go forward with the above Electric projects and purchasing equipment. The motion was seconded by Commissioner Larson and carried unanimously.

- **Proposed Water/ Wastewater Projects and Expenses for 2024:**

- Continue working on a water valve replacement program. Identify and upgrade strategic water main valves to allow for better isolation of areas throughout the city. (7 replacements per year @ \$1800 per valve) **\$12,600**
- Truck replacement for Jeff - **\$50,000**
- Meter replacement program – (Meters = \$185ea plus \$125 with AMI nodes) **\$46,500**
- GIS Layer for Water dept. to include Tablet - **\$11,500**

**Total Cost= \$120,600**

Commissioner Karlgaard offered a motion to go forward with above Water/ Wastewater projects. The motion was seconded by Commissioner Martinson and carried unanimously. It was noted the projects and equipment will come back to Commission and/or Council for final approval when pricing is obtained.

**Other**

None

**Financials**

Finance Officer Johnson, provided handouts of the Financials with breakouts and explanations of overages from various line items and where the Utilities is sitting as for remaining balances from Revenue and Expenses.

**Commission Comments**

None.

There being no further business, Commissioner Martinson offered a motion to adjourn the meeting at 3:32p.m. The motion was seconded by Commissioner Graves and carried unanimously.

Russell Graves, Secretary/Treasurer  
Breckenridge Public Utilities Commission