

PUBLIC UTILITIES COMMISSION

3:30 p.m.

Monday, March 24, 2025

Present: James FitzGerald
Ron Bautch
Sylvia LeBlanc
Michelle Ketola
Larry Carter

Lana Fralich, City Administrator
Mike Miller, Public Utilities Superintendent
Brian Guldán, Bolton & Menk via ZOOM
Hanna Patenaude, Bolton & Menk via ZOOM

FitzGerald called the meeting to order at 3:35 p.m.

Agenda – Motion by Bautch, second LeBlanc to approve the Agenda as presented.
MOTION CARRIED.

Minutes – Motion by Bautch, second LeBlanc to approve the minutes of February 24, 2025 Regular Meeting. **MOTION CARRIED.**

Communications/ Public Comments – None at this time.

Department Head Update – See below.

Old Business –

Water Treatment Facility- Brian Guldán, Bolton & Menk provided background information of the project and new estimated project costs of \$12.2 million based on the CmaR review. The City has secured \$1,750,000 in Congressional Direct Spending funds the remaining will be in PFA loan dollars as this project is considered in the fundable range. The loan terms, after discussion with the PFA, will be a 30-year loan for approximately \$10.4M at an interest rate between 1-3%. This would require the city to raise water rates to support the debt load. Discussion followed regarding lowering project costs, impact on residents and businesses, concerns for aging and failing infrastructure, and obtaining additional grants. Guldán advised that all of the project improvements are needed other than a few cosmetic items which wouldn't result in much savings. The discussion continued regarding changes to the water rates to support the new debt, which based upon Bolton & Menk's initial calculations would be approximately \$22-\$29/month and a business having 280 ERUs could see an approximately \$7000/month increase. Mike Miller stated he is concerned with the high pressures of the system, the serious need for a booster station, and age of the pressure reducers throughout the city. Discussion

continued regarding not doing project, waiting for system to fail and higher costs involved, the public's reaction to rate increases, help for residents on fixed income, getting information out via newsletter and town hall meetings, current city reserves, potential cuts within the city, need for water to survive, and if nothing is fixed the potential for no water in the city is high. Guldán provided a timeline for the projects, that Magney Construction (CMAR) is in place and the next steps is to finalize design, send out for bids, with expectation for fall to award bid, product lead times, and construction start in 2026. Motion by Ketola, second Bautch to recommend to Council moving forward with project and expect water rate increases. Bolton & Menk will prepare a memo for the City Council meeting, Hannah will attend if needed and Mike Miller will be attending Council meeting to answer any questions. MOTION CARRIED.

Waste/Water SCADA System- Automatic Systems visited the site and is in the drawing/procurement phase of project. Estimated start date is July 2025. Discussion of internet questions which have been resolved.

Lake County CSAH – Project has been submitted for bids.

Citywide Street Utility Improvement Project- Bolton & Menk are close to completing the Phase 1 portion of project plans. Costs are coming in higher than estimated which will reduce the number of streets completed in phase 1 and extend the timeline of the project.

Hydrants- RFP have been sent, City would like to purchase 50 hydrants this year at a substantial savings.

New Business – None at this time.

Motion by LeBlanc, second Bautch to adjourn at 4:40 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson