

PUBLIC UTILITIES COMMISSION

3:30 p.m.

Wednesday, August 21, 2025

Present: James FitzGerald
Ron Bautch
Larry Carter

Excused: Sylvia LeBlanc
Absent : Michelle Ketola

Mike Miller, Water Dept. Supervisor
Jason Roswold, Water Dept. Supervisor
Josh Stier, City Engineer Bolton & Menk
Hannah Patenaude, Bolton & Menk via ZOOM
Brian Guldán, Bolton & Menk via ZOOM

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

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

Minutes – Motion by Bautch, second Carter to approve the minutes of July 23, 2025 Regular Meeting. **MOTION CARRIED.**

Communications/Public Comments – None at this time.

Department Head Update – Roswold reports new hires, Brandon Lubich started on August 18th and Lief Maxwell will start soon pending physical.

Old Business –

Water Treatment Project- Brian Guldán, Bolton & Menk provided an update of the Water Treatment project. Initial costs provided by Magney Construction in February 2025 were \$9,575,368 current costs has risen \$2,736,492 for an estimated total of \$12,311,860. Board reviewed the increases relating to MN Department of Health requirements after recent inspection, electrical expenses, and addition of filter rehabilitation. Guldán stated the electrical increase could potentially go down \$600,000-\$700,000 but the By America Build America Compliance requirement is affecting costs. Discussion regarding doing the filter rehabilitation at a later date, Roswold stated the rehab goes hand in hand with other projects so it doesn't make sense to delay. Guldán provided updated project funding of \$14,900,000, grant monies of \$1,750,000 and PFA loan/grant of \$13,150,000. The increased cost exceeds the estimated Affordability Limit for the City which would trigger grant eligibility of 80% for other projects. Discussion regarding future project funding, estimated increase of water rates per month for residents, timeline of preparation of the final Guaranteed Maximum Price (GMP) and referral to Council without PUC review.

Waste/Water SCADA System- Roswold reports new system is in and running.

Boathouse Bay Utilities- Utilities are in and project is winding down. Northland is obtaining quotes to replace incorrect PRV's that have been installed.

Lake County CSAH- Josh Stier reports the project is running approximately a month behind schedule. Utility lines are complete on Edison, storm sewer lines are currently being installed, and paving is estimated to be done late August/early September. Construction has started on Banks from Edison to Horn with the goal of completing the area by the school prior to school starting. The County has made the decision to stop construction at Edison for this year and extend timeframe to 2026 to complete. City Engineer has reach out to the County to discuss the possibility of completing the engineering plans to include Davis Drive for the 2026 construction. Discussion continued regarding no effect to property assessments if project is extended, hydrants and city staff replacing those in need of replacement now versus waiting until project is in the area, projects that have been submitted for grant eligibility, water looping project, and potentially repairing the upper area of the City due to a high amount of water line breaks.

Citywide Street & Utility Improvement- Phase 1- Josh Stier presented a proposal to complete the final engineering for the Phase 1 improvement project, at a cost of \$598,000, the total of project is \$12,756,284.50. Board reviewed phase 1 improvements to Adams, Arthur, Aiken, Bell, and a portion of Banks, replace/rehab of sewer, water, storm water. Discussion regarding the moving of public utilities into the public right of way on Banks, and grant funding secured for a new box culvert to alleviate flooding. Timeline of project would be submitting proposal for final design to council in Sept. 2025, advertisement for bids in March 2026, award bid in April 2026, and project start May 2026. Discussion of funding sources, city debt, grant eligibility, and warranty bonds. Motion by Carter, second Bautch to recommend to Council to approve the final engineering proposal with Bolton & Menk, Inc. as presented. MOTION CARRIED.

New Business –

Bolton & Menk Lead Service Lines Public Engagement- Josh Stier, City Engineer, provided information regarding the upcoming lead inspections to be conducted by Bolton & Menk, Inc. staff, on behalf of the City. The State of MN is requiring all cities inventory both public and private water lines for lead and has provided grant funding to have Bolton & Menk conduct inspections and create inventory to be entered into a data base. While inspections are being conducted for lead on properties prior to 1986. There will be information provided to the public during an informational meeting on August 25th, 5:00 p.m.-7:00 p.m. at City Hall. Inspections will begin end of August to be completed by October 31st. Discussion regarding how residents will know if their submitted photo was accepted and if lead is found in pipes, the homeowner is responsible to replace but there are grants available through the State.

Motion by Carter, second Bautch to adjourn at 5:00 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson