



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING AGENDA

Wednesday, January 24, 2024

4:00 PM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Public Utilities Commission will be held on Wednesday, January 24, 2024 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

**CALL OF ROLL:**

**PUBLIC FORUM:**

**APPROVAL OF MINUTES:**

1. Consider a motion to approve the December 13, 2023 Special Meeting Minutes, the December 13, 2023 Regular Commission Minutes, the December 29, 2023 Special Meeting Minutes, and the January 10, 2024 Work Session Minutes.

**VERIFIED CLAIMS:**

2. Consider a motion to approve \$3,841,529.63 verified claims for December 2023 and January 2024.

**COMMISSION REPORTS:**

**CONSENT AGENDA:** Any item on the consent agenda shall be removed for consideration by the request of any one Commission member, Utility Staff, or the public and put on the regular agenda for discussion and consideration.

3. Consider a motion to confirm filling the Information Systems positions with the preferred candidates.
4. Consider a motion to confirm continuing employment with Ms. Candy Carsella-Kee as a part-time Special Project Coordinator for the ERP project implementation.
5. Consider a motion to ratify the procurement contract with Greenshades Software LLC for \$1,476.30 to provide professional services for end-of-year payroll processes.
6. Consider a motion to approve the first amendment to the Rural Cellular Corporation (Verizon) communication lease for the north tower site and authorize the General Manager to sign the contract and the memorandum of lease.
7. Consider a motion to approve the procurement contract with Vessco Inc. for an Aqua Wash Press compactor for the domestic screen for \$83,250 and authorize the General Manager to sign the contract.

SETTING OF REGULAR AGENDA: This is an opportunity to approve the regular agenda as presented, or add/delete an agenda item by a majority vote of the Commission members present.

SAFETY REPORT:

- [8.](#) Review Safety Monthly Report

ADMINISTRATION:

- [9.](#) Acknowledge being awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting to the GRPU for the 2022 Annual Comprehensive Financial Report.

BUSINESS SERVICES DEPARTMENT:

- [10.](#) Consider a motion to approve the 2024 workers' compensation premium coverage quotation regular premium option from the LMCIT in the amount of \$89,132 and authorize the general manager to sign premium documents and approve the payment of the 2024 insurance premium of \$89,132 to the LMCIT.
- [11.](#) Consider a motion for GRPU to cease Federal Energy Regulatory Commission (FERC) regulatory accounting and only use General Accepted Accounting Principles of Governmental Accounting Standards Board for accounting and reporting.

- [12.](#) Review Business Services Department Report

ELECTRIC DEPARTMENT:

- [13.](#) Consider a motion to adopt the GRPU Electric Vehicle Policy.
- [14.](#) Review Electric Utility Monthly Report

WATER AND WASTEWATER DEPARTMENT:

- [15.](#) Review Water Utility Monthly Report
- [16.](#) Review Wastewater Utility Monthly Report

DEPARTMENT HEAD REPORT:

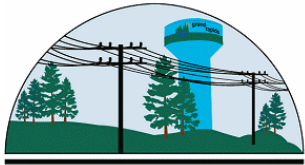
- [17.](#) W & WW Department Head Presentation

ADJOURNMENT:

The next Work Session is scheduled for Wednesday, February 14, 2024 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Regular Meeting of the Commission is scheduled for Wednesday, February 28, 2024 at 4:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The GRPUC has adopted a Meeting Protocol Policy, which informs attendees of the GRPUC's desire to conduct meetings in an orderly manner which welcomes all civil input from interested parties. If you are unaware of the policy, please contact our office at 218-326-7024 and we will provide you with a copy of the policy.



**GRAND RAPIDS  
PUBLIC UTILITIES**  
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**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
SPECIAL WORK SESSION  
MEETING MINUTES**

**Wednesday, December 13, 2023**

**2:30 PM**

**President Stanley called the meeting to order at 2:35PM**

**PRESENT: President Tom Stanley, Secretary Luke Francisco, Commissioner Nancy Saxhaug, Commissioner Rick Smith, Commissioner Dale Adams**

**OTHERS: Julie Kennedy, Steve Mattson, Chad Troumbly, Jean Lane, Karleen Kos**

**BUSINESS:**

1. Discuss Strategic Planning

**Discussed Strategic Planning**

**ADJOURNMENT:**

**There being no further business, the meeting was adjourned at 3:30PM.**

**Respectfully submitted,**

*Megan Pehrson*

**Megan Pehrson, Executive Assistant**



**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
MEETING MINUTES**

**Wednesday, December 13, 2023**

**4:00 PM**

**President Stanley called the meeting to order at 4:05PM**

**PRESENT: President Tom Stanley, Secretary Luke Francisco, Commissioner Nancy Saxhaug, Commissioner Rick Smith, Commissioner Dale Adams**

**OTHERS: Julie Kennedy, Steve Mattson, Chad Troumbly, Jean Lane, Karleen Kos**

**PUBLIC FORUM:**

**No one from the public was present.**

**APPROVAL OF MINUTES:**

1. Consider a motion to approve the November 8, 2023 Regular Commission Minutes, the November 17, 2023 Special Meeting Minutes and the November 22, 2023 Work Session Minutes.

**Motion made by Commissioner Adams, Seconded by Secretary Francisco to approve the November 8, 2023 Regular Commission Minutes, the November 17, 2023 Special Meeting Minutes and the November 22, 2023 Work Session Minutes. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

**VERIFIED CLAIMS:**

2. Consider a motion to approve \$3,375,733.82 of verified claims for November 2023.

**Motion made by Commissioner Adams, Seconded by Commissioner Smith to approve \$3,375,733.82 of verified claims for November 2023. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

**COMMISSION REPORTS:**

**None.**

**CONSENT AGENDA:** Any item on the consent agenda shall be removed for consideration by the request of any one Commission member, Utility Staff, or the public and put on the regular agenda for discussion and consideration.

**Motion made by Commissioner Adams, Seconded by Commissioner Saxhaug to approve the consent agenda as presented. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

3. Consider a motion to approve the Services Agreement with MMUA for safety professional services in the amount of \$34,150.00 and authorize the General Manager to sign the Agreement.

**Approved on consent agenda.**

4. Consider a motion to approve the amended bylaws.

**Approved on consent agenda.**

5. Consider a motion to ratify the procurement contract with Cogsdale for \$15,750 to install MS GP Dynamics, CMG, CSM 18.6 upgrade and provide technical support.

**Approved on consent agenda.**

6. Consider a motion to ratify the procurement contract with Cogsdale for \$2,100 to provide professional services for end-of-year payroll processes.

**Approved on consent agenda.**

7. Consider a motion to ratify the procurement contract with CLA for not to exceed \$5,000 providing professional services to assess GRPU use of Federal Energy Regulatory Commission (FERC) accounting versus using only Generally Accepted Accounting Principles (GAAP)/Government Accounting Standards Board (GASB) accounting.

**Approved on consent agenda.**

8. Consider a motion to approve the December 2023 semi-annual write off of \$43,153.79 uncollectible accounts receivable.

**Approved on consent agenda.**

9. Consider a motion to award the contract for 2024 Sludge Placement to JRadtke Trucking in the amount of \$67,500 and authorize the General Manager to sign the contract.

**Approved on consent agenda.**

SETTING OF REGULAR AGENDA: This is an opportunity to approve the regular agenda as presented, or add/delete an agenda item by a majority vote of the Commission members present.

**Motion made by Secretary Francisco, Seconded by Commissioner Adams to approve the regular agenda with Adjournment changed to Department Head Presentation. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

SAFETY REPORT:

10. Review Safety Monthly Report

**Reviewed Safety Monthly Report**

ADMINISTRATION:

11. Consider a motion to approve the Information Systems Analyst (Systems Emphasis) and Information Systems Manager job descriptions and authorize the internal posting, and external advertisement, if needed.

**Motion made by Secretary Francisco, Seconded by Commissioner Adams to approve the Information Systems Analyst (Systems Emphasis) and Information Systems Manager job descriptions and authorize the internal posting, and external advertisement, if needed. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

12. Review Administration Department Monthly Report

**Reviewed Administration Department Monthly Report**

BUSINESS SERVICES DEPARTMENT:

13. Consider a motion to adopt resolution 12-13-23-16 approving the 2024 Operations and Capital Budgets.

**Motion made by Commissioner Adams, Seconded by Secretary Francisco to adopt resolution 12-13-23-16 approving the 2024 Operations and Capital Budgets. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

14. Consider a motion to ratify the 2024 electric, water, and wastewater collection rates per the 2022 adopted cost of service rate studies.

**Motion made by Commissioner Saxhaug, Seconded by Commissioner Smith to ratify the 2024 electric, water, and wastewater collection rates per the 2022 adopted cost of service rate studies. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

ELECTRIC DEPARTMENT:

15. Review Electric Utility Monthly Report

**Reviewed Electric Utility Monthly Report**

WATER AND WASTEWATER DEPARTMENT:

16. Review Water Utility Monthly Report

**Reviewed Water Utility Monthly Report**

17. Review Wastewater Utility Monthly Report

**Reviewed Wastewater Utility Monthly Report**

**~~ADJOURNMENT:~~ DEPARTMENT HEAD PRESENTATION:**

18. Electric Department Head Presentation

**Electric Department Manager Chad Troumbly gave the Department Head Presentation**

ADJOURNMENT:

**There being no further business, the meeting was adjourned at 4:43PM.**

**Respectfully submitted,**

*Megan Pehrson*

**Megan Pehrson, Executive Assistant**





**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
SPECIAL MEETING  
MEETING MINUTES  
Friday, December 29, 2023  
8:00 AM**

**President Stanley called the meeting to order at 8:00am**

**PRESENT: President Tom Stanley, Commissioner Nancy Saxhaug, Commissioner Rick Smith, Commissioner Dale Adams**

**STAFF: Julie Kennedy, Chad Troumbly, Megan Pehrson**

**ABSENT: Secretary Luke Francisco with notice**

**BUSINESS:**

1. Consider a motion to approve \$322,298.96 verified claims for November and December 2023.

**Motion made by Commissioner Smith, Seconded by Commissioner Saxhaug to approve \$322,298.96 verified claims for November and December 2023. Voting Yea: President Stanley, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

2. Consider a motion to approve the Earned Sick and Safe Time (ESST) Policy.

**Motion made by Commissioner Adams, Seconded by Commissioner Saxhaug to approve the Earned Sick and Safe Time (ESST) Policy. Voting Yea: President Stanley, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

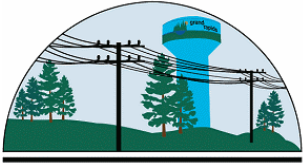
**ADJOURNMENT:**

**There being no further business, the meeting adjourned at 8:10 AM.**

**Respectfully Submitted,**

*Megan Pehrson*

**Megan Pehrson**



**GRAND RAPIDS  
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**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
REGULAR WORK SESSION  
MEETING MINUTES**

**Wednesday, January 10, 2024**

**8:00 AM**

**Commissioner Adams called the meeting to order at 8:01 AM**

**PRESENT: Commissioner Nancy Saxhaug, Commissioner Rick Smith, Commissioner Dale Adams**

**OTHERS: Julie Kennedy, Jean Lane, Steve Mattson, Chad Troumbly, Mike LeClaire, Megan Pehrson, Mary Reedy & Michelle Hoffman of CLA Auditing Firm were virtually in attendance**

**ABSENT: President Tom Stanley and Secretary Luke Francisco with notice**

**BUSINESS:**

- 1. Consider a motion to approve \$99,694.81 verified claims for December 2023.

**Motion made by Commissioner Smith, Seconded by Commissioner Saxhaug to approve \$99,694.81 verified claims for December 2023. Voting Yea: Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

- 2. Review draft Electric Vehicle policy

**Reviewed draft Electric Vehicle policy**

- 3. Review CLA assessment report of the accounting and financial reporting requirements of Federal Energy Regulatory Commission (FERC) and Governmental Accounting Standards Board (GASB).

**Reviewed CLA assessment report of the accounting and financial reporting requirements of Federal Energy Regulatory Commission (FERC) and Governmental Accounting Standards Board (GASB).**

**ADJOURNMENT:**

**There being no further business, the meeting adjourned at 8:54 AM.**

**Respectfully Submitted,**

*Megan Pehrson*

**Megan Pehrson**



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to approve \$3,841,529.63 verified claims for December 2023 and January 2024.

**PREPARED BY:** Jean Lane, Business Services Manager

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## **BACKGROUND:**

See attached check registers:

Computer check register \$ 1,508,066.55  
Manual check register \$2,333,463.08

Total \$3,841,529.63

## **RECOMMENDATION:**

Consider a motion to approve \$3,841,529.63 of verified claims for December 2023 and January 2024.

Grand Rapids Public Utilities  
Accounts Payable  
December 2023/ January 2024  
(Meeting Date: 1/24/2024)

Item 2.

<b>NAME</b>	<b>AMOUNT</b>
Altec Industries	1,219.23
Amaril Uniform Company	1,337.86
APG Media	720.00
Aramark	275.34
Burggraf's/Ace	45.99
Cannon Technologies	5,804.00
City of Grand Rapids	2,970.88
Cogsdale	17,595.38
Coles	108.55
Compass Minerals	4,488.71
Computershare	10,902.46
Davis Oil	2,550.11
Frontier Energy	9,816.72
GFOA	12,750.00
Grainger	199.90
Herc-U-Lift	595.58
Innovative	455.40
Johnson, Killen & Seiler	2,406.80
Keller Fence Company	1,680.00
MN Power	1,032,184.78
Nextera	609.38
Paul's Locks and Keys	200.00
Polydyne	70,628.56
RCB Collections	302.81
RMB Environmental Lab	335.42
Sandstroms	614.64
Shred It	3,372.50
Stuart Irby	4,667.72
Treasure Bay Printing	2,018.00
VC3	217.00
US Bank	309,070.00
Viking Electric	92.47
Waste Management	1,779.22
Wesco	5,334.50
WUSZ-FM	420.00
Xerox	296.64
Total	<hr/> 1,508,066.55

## December 2023 Check Register

Item 2.

Document	Dat	Check #	Vendor Name	Document	Amount	
12/1/2023	4998		Northeast Service Cooperative	4,075.00		12/31/2023
12/1/2023	4999		Public Employees Retirement Association	16,477.23		12/1/2023
12/1/2023	5000		MN Department of Revenue	4,603.67		12/1/2023
12/1/2023	5001		Wells Fargo Bank	27,091.65		12/1/2023
12/1/2023	5002		Empower Retirement	8,254.58		12/1/2023
12/1/2023	5003		Northeast Service Cooperative	56,424.72		12/31/2023
12/4/2023	5004		WEX Health	985.65		12/31/2023
12/5/2023	5005		Invoice Cloud	3,122.75		12/31/2023
12/8/2024	5006		Wells Fargo Pcard	890.92		
12/18/2023	5007		WEX Health	985.65		12/31/2023
12/18/2023	5008		Public Employees Retirement Association	15,519.66		12/18/2023
12/18/2023	5009		MN Department of Revenue	4,261.92		12/18/2023
12/18/2023	5010		Wells Fargo Bank	25,391.48		12/18/2023
12/18/2023	5011		Empower Retirement	7,769.26		12/18/2023
12/18/2023	5012		WEX Health	93.50		12/31/2023
12/19/2023	5013		MN Department of Revenue	73,162.00		12/31/2023
12/21/2023	5014		WEX Health	270.00		12/31/2023
12/27/2023	5015		Empower Retirement	5,648.48		12/31/2023
12/29/2023	5016		Public Employees Retirement Association	15,668.34		12/29/2023
12/29/2023	5017		MN Department of Revenue	4,533.89		12/29/2023
12/29/2023	5018		Wells Fargo Bank	26,688.15		12/29/2023
12/29/2023	5019		Empower Retirement	7,915.62		12/29/2023
12/28/2023	5020		TASC	186.17		12/31/2023
12/1/2023	82358		First Net AT & T Mobility	231.37		12/1/2023
12/1/2023	82359		Metro Sales Incorporated	915.40		12/1/2023
12/1/2023	82360		MN Energy Resources Corporation	2.45		12/1/2023
12/1/2023	82361		UNUM Life Insurance Company of America	3,329.86		12/1/2023
12/1/2023	82362		Verizon Wireless	1,568.17		12/1/2023
12/1/2023	82363		MN Child Support Payment Center			12/1/2023
12/1/2023	82364		NCPERS Group Life Insurance	80.00		12/1/2023
12/8/2023	82365		Mattson Steve	45.20		12/8/2023
12/8/2023	82366		Schmitt Jim	72.00		12/8/2023
12/8/2023	82367		Brewster, Blake J	72.00		12/8/2023
12/12/2023	82368		Customer Refunds - MN Dept of Commerce	125.00		12/31/2023
12/12/2023	82369		Customer Refunds - Hope House	17.20		12/31/2023
12/12/2023	82370		Customer Refunds - ICHHS	115.81		12/31/2023
12/12/2023	82371		Customer Refunds - A. Sobolik	106.06		12/31/2023
12/12/2023	82372		Customer Refunds - D. Vodnick	99.61		12/31/2023
12/12/2023	82373		Customer Refunds - G. Pagel	110.42		12/31/2023
12/12/2023	82374		Customer Refunds - Neumeyer/Jarvi	54.34		12/31/2023
12/12/2023	82375		Customer Refunds - Crane Lake	972.00		12/31/2023
12/14/2023	82376		MN Child Support Payment Center	391.32		12/14/2023
12/14/2023	82377		City of LaPrairie	15,523.99		12/31/2023
12/15/2023	82448		MN Child Support Payment Center	391.32		12/15/2023
12/15/2023	82449		MN Council 65	1,806.00		12/15/2023

12/20/2023	82450	American Water Works Association	365.00	12/20/2023
12/20/2023	82451	MN Energy Resources Corporation	797.89	12/20/2023
12/20/2023	82452	Postage By Phone System	5,000.00	12/20/2023
12/20/2023	82453	US Bank Equipment Finance	315.73	12/20/2023
12/20/2023	82454	Waste Management of WI MN	1,241.34	12/20/2023
12/20/2023	82455	Customer Refunds - C. Anderson	125.57	12/31/2023
12/20/2023	82456	Customer Refunds - MN Dept of Commerce	41.93	12/31/2023
12/20/2023	82457	Customer Refunds - Hale	123.81	12/31/2023
12/20/2023	82458	Customer Refunds - J. Larson	117.20	12/31/2023
12/20/2023	82459	Customer Refunds - V. Nisben	96.80	12/31/2023
12/20/2023	82460	Customer Refunds - S. Schoen	108.25	12/31/2023
12/20/2023	82461	Customer Refunds - C. Brose	46.71	12/31/2023
12/20/2023	82462	Customer Refunds - C. Tiwari	80.57	12/31/2023
12/20/2023	82463	Customer Refunds - N. McKeever	66.11	12/31/2023
12/20/2023	82464	Customer Refunds - W. Sebean	101.41	12/31/2023
12/22/2023	82465	City of Grand Rapids	1,841,912.00	12/22/2023
12/22/2023	82466	Nextera Communicatons	608.93	12/22/2023
12/22/2023	82467	Troumbly, Chad M	192.80	12/22/2023
12/22/2023	82468	Customer Refunds - MN Dept of Commerce	25.71	12/31/2023
12/27/2023	82470	City of Grand Rapids	71,445.15	12/31/2023
12/27/2023	82471	City of Grand Rapids	136.50	12/31/2023
12/29/2023	82472	MN Child Support Payment Center	391.32	12/29/2023
12/29/2023	82543	City of Grand Rapids	72,333.33	12/31/2023
12/29/2023	82544	Customer Refunds - J. Larson	7.68	12/31/2023
12/29/2023	82545	Julie Kennedy Petty Cash	131.53	12/31/2023
12/29/2023	EFT0000000(	Computershare	1,600.00	12/29/2023

Checks Previously Approved \*\* 0.00

Manual Checks/EFT to be approved 2,333,463.08

**Total Manual Checks 2,333,463.08**



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to confirm filling the Information Systems positions with the preferred candidates.

**PREPARED BY:** Chery Pierzina, Human Resources Officer.

### **BACKGROUND:**

At the November 8 and December 13, 2023, regular meetings, the Commission authorized the internal posting and external advertising for three (3) positions in the Information Systems (IS) Department.

GRPU received one internal application for the IS Systems Analyst (GIS Emphasis) position. An employment offer was made and accepted by Eric Rundell with an accepted hire date of December 29, 2023.

No applications were received following the internal posting for the IS Systems Analyst (Systems Emphasis) position. Following external advertising of the position opening, GRPU received 2 applications. An employment offer was made and accepted by Seth Jetland with an accepted hire date of December 29, 2023.

GRPU received two applications for the IS Systems Manager position. Interviews were conducted with both individuals. An employment offer was made and accepted by Michael LeClaire with an accepted hire date of December 29, 2023.

Management staff recommends the Commission formally confirm filling the Information Systems positions with the preferred candidates.

### **RECOMMENDATION:**

Consider a motion to confirm filling the following positions:

IS Systems Analyst (GIS Emphasis) with preferred candidate, Mr. Eric Rundell, effective December 29, 2023.

IS Systems Analyst (Systems Emphasis) with preferred candidate, Mr. Seth Jetland, effective December 29, 2023.

IS Systems Manager with preferred candidate, Mr. Michael LeClaire, effective December 29, 2023.





# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to confirm continuing employment with Ms. Candy Carsella-Kee as a part-time Special Project Coordinator for the ERP project implementation.

**PREPARED BY:** Julie Kennedy, General Manager

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## **BACKGROUND:**

In May 2023, the Commission confirmed hiring Ms. Candy Carsella-Kee as the part-time Special Project Coordinator for the ERP project implementation. The scope of services outlined a term of employment through the end of 2023. The project will continue through 2024 and the new Scope of Services is attached.

GRPU and the City co-fund this part-time position. GRPU has included funds for this expense in the ERP project budget.

## **RECOMMENDATION:**

Confirm continuing employment with Ms. Candy Carsella-Kee as a part-time Special Project Coordinator for the ERP project implementation.

## Special Project Coordinator Scope of Services with Candy Carsella-Kee

- Term:** Employment is expected to begin on or around January 1, 2024.
- Employment Status:** Employee is considered a part-time employee of Grand Rapids Public Utilities.  
The FLSA classification is hourly.
- Services Provided:** Act as the Project Manager for the implementation of all software associated with the ERP project.  
Act as the Training Manager for implemented software associated with the ERP project through completion of implementation.  
Act as a Representative of the City of Grand Rapids and GRPU for all matters pertaining to the ERP project.  
Provide weekly contact with employees; Promptly provide response(s) to employee questions and concerns.  
Conduct meetings with vendors; Promptly provide response(s) to vendor questions and concerns.  
Respond to phone calls with vendors and staff to ensure all needs related to the ERP project are understood and accomplished.  
Share timelines, which includes anticipated implementation and training dates, with leadership, employees, and vendors.  
Ensure historical data, production, testing, and backup systems are accurate, operational, and ready to go-live, as defined in the RFP and established on the timeline.
- Record of Time:** This is a project driven position. On average, the employee will work 25 hours per week.
- Payment:** This salary is \$55.00 per hour.
- Benefits:** This position may qualify for PERA, Deferred Compensation, and other benefits. Elected benefits, if the employee qualifies, will be prorated based on the employee's estimated FTE and will be withheld from the employee's paychecks. The employee may waive any or all benefits.
- Payment Method:** Employee will be paid bi-weekly on Friday as defined in the GRPU Personnel Policies manual.
- Technology:** The employee will be provided with a laptop and a GRPU email address.

**Expenses:** The employee shall be reimbursed for approved expenses related to the ERP Project.

**Additional Items:** There is no expectation of continued employment, in this capacity, at either the City of Grand Rapids or GRPU, at the completion of the ERP project. This scope of services document is not an all-inclusive list and shall not be construed as a contract. The employee is expected to follow Personnel Policies.



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Greenshades Software LLC for \$1,476.30 to provide professional services for end-of-year payroll processes.

**PREPARED BY:** Jean M. Lane, Business Services Manager

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### **BACKGROUND:**

This purchase is in the approved Business Services Department 2023 operations budget and was made with Procurement Policy G.030 being followed.

This software vendor is a partner with Cogsdale and will provide electronic filing of W-2's, 1099's, 1095-C and 2023 EOY tax form uploads.

### **RECOMMENDATION:**

Approve a motion to ratify the procurement contract with Greenshades for \$1,476.30 to provide professional services for end-of-year payroll processes.



**Greenshades Software LLC**

PO BOX 931090

Atlanta, GA 31193-1090

1-888-255-3815

ar@greenshades.com

<http://my.greenshades.com>

15846484117

Item 5.

<b>Proposal Date</b>	<b>Account Number</b>
01 / 02 / 2024	16230968996
<b>Term Start</b>	<b>Term End</b>
01/01/24	01/01/25

Proposal For	Notes
Grand Rapids Public Utilities 500 SE 4th St Grand Rapids, MN 55744	Greenshades proposal for year-end 2023, 1099/W2/1095 e-filing. Proposal includes 2, federal 1099 filing fees, 1 federal W2 filing fee, 1 Federal 1095 filing fee and up to 70 tax form uploads. If additional tax form uploads are needed, Greenshades will bill post-filing at the rate of \$1.09 per form. Optional print and mail service to be billed post-filing.

Name	Price	QTY	Subtotal
YEF 2023 W-2 Filing Fee Forms	\$350.00	1	\$350.00
YEF 2023 1099 Filing Fee Forms	\$350.00	2	\$700.00
YEF 2023 1095-C Filing Fee Forms	\$350.00	1	\$350.00
YE 2023 Tax Form Upload Fee Forms	\$1.09	70	\$76.30
			<b>\$1,476.30</b>

Subtotal	<b>\$1,476.30</b>
Estimated Tax	<b>\$0.00</b>
<b>Total</b>	<b>\$1,476.30</b>

<a href="#">Package Overview</a>	
	<b>Estimated Tax:</b> *sales tax will be calculated on final order



**Greenshades Software LLC**

PO BOX 931090

Atlanta, GA 31193-1090

1-888-255-3815

ar@greenshades.com

<http://my.greenshades.com>

15846484117

Item 5.

Proposal Date	Account Number
01 / 02 / 2024	16230968996
Term Start	Term End
01/01/24	01/01/25

	<b>Total:</b>	<b>\$\$1,476.30</b>
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Item 5.

<b>Proposal Date</b>	<b>Account Number</b>
01 / 02 / 2024	16230968996
<b>Term Start</b>	<b>Term End</b>
01/01/24	01/01/25

## Terms and Conditions

### 1. General

This Proposal is subject to the terms and conditions set forth in the End User Subscription Agreement ("Agreement") at <https://www.greenshades.com/eusa/a/terms.pdf> . In the event of a conflict between this Proposal and the Agreement, the terms of this Proposal shall control. Capitalized terms used in this Proposal and not otherwise defined shall have the meaning indicated in the Agreement. This Proposal is an Order under the Agreement.

### 2. Effective Date

The Proposal is effective on the later date in the signature blocks below. Once executed, this order is non-cancellable.

### 3. Payment Terms and Conditions

The fees in this Proposal are in consideration of Greenshades providing the Greenshades Product in this Proposal, for the Term indicated in this Proposal. The fees incurred during the Term will be billed monthly in arrears. Invoices are due and payable 15 days from invoice date. Greenshades requires Electronic Payment Information for the fees and will use the information on file to complete payment at the time payment is due.

### 4. Service

Greenshades will provide the Greenshades Product described in this Proposal. Additionally, Greenshades will provide Support Services as described in the Agreement. Customer will not be entitled to any additional products, services, training or consultation.

### 5. Number of Licensed Employees

Customer is licensed to use the Greenshades Products with the number of employees specified above in this Proposal. An employee will be considered active and counted under this Proposal if the employee received a paycheck within the prior 60 days. If Customer exceeds its licensed employee limit, Customer agrees to pay the current fee for the higher employee count for the remainder of the



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Item 5.

Proposal Date	Account Number
01 / 02 / 2024	16230968996
Term Start	Term End
01/01/24	01/01/25

term.

**Signature:**

Signature:

*Julie Kennedy*

Name:

Julie Kennedy

Title:

General Manager


Date:

01 / 02 / 2024



# Signature Certificate

Reference number: YJ28H-FCE3M-ADSR2-KZODY

Signer	Timestamp	Signature
<b>Jean Lane</b> Email: <a href="mailto:jmlane@grpuc.org">jmlane@grpuc.org</a> Shared via link		
Sent:	02 Jan 2024 15:00:02 UTC	IP address: 156.99.169.79
Viewed:	02 Jan 2024 15:06:33 UTC	Location: Grand Rapids, United States
Signed:	02 Jan 2024 19:08:12 UTC	

Document completed by all parties on:  
02 Jan 2024 19:08:12 UTC

Page 1 of 1



**Signed with PandaDoc**

PandaDoc is a document workflow and certified eSignature solution trusted by 50,000+ companies worldwide.





# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to approve the first amendment to the Rural Cellular Corporation (Verizon) communication lease for the north tower site and authorize the General Manager to sign the contract and the memorandum of lease.

**PREPARED BY:** Steve Mattson, Water Wastewater Department Manager

---

## **BACKGROUND:**

The current antenna lease agreement with Rural Cellular Corporation d/b/a Verizon for the north water tower expires in September 2024. This amendment will extend the lease by five years with an optional term, of another five years, which is our standard term for all tower lease agreements.

Johnson, Killen & Seiler, P.A i.e. Duluth Law assisted in the drafting and negotiation of the agreement.

## **RECOMMENDATION:**

Consider a motion to approve the first amendment to the Rural Cellular Corporation (Verizon) communication lease for the north tower site and authorize the General Manager to sign the contract and the memorandum of lease.

**Site Name: MN03 Hale Lake (6<sup>th</sup> AVENUE GRAND RAPIDS WATER TOWER)**  
**MPG#: 5000257819**

**FIRST AMENDMENT TO  
LEASE FOR COMMUNICATIONS FACILITY AND  
LIMITED USE OF WATER TOWER  
(NORTH TOWER – VERIZON)**

THIS FIRST AMENDMENT TO LEASE FOR COMMUNICATIONS FACILITY AND LIMITED USE OF WATER TOWER (“First Amendment”), dated as of the latter of the signature dates below (the “Effective Date”), is by and between:

<p>Grand Rapids Public Utilities Commission, and  500 Southeast 4th Street  Grand Rapids, MN 55744  (hereinafter referred to as “City”)</p>	<p>Rural Cellular Corporation  d/b/a Verizon Wireless  180 Washington Valley Road  Attn: Network Real Estate  Bedminster, New Jersey 07921  (hereinafter referred to as “Lessee”).</p>
---	--

WHEREAS, City (or its respective predecessor-in-interest) and Lessee (or its respective predecessor-in-interest) entered into a Lease for Communications Facility and Limited Use of Water Tower dated August 18, 2014, (the “Agreement”), whereby City leased to Lessee certain site (“Site”), therein described, that are a portion of the property (“Property”) located at 936 Northwest 6<sup>th</sup> Avenue, Grand Rapids, MN; and

WHEREAS, City and Lessee desire to amend the Agreement to extend the term of the Lease and to increase the rent;

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Lessee agree that the recitals set forth above are incorporated herein as if set forth in their entirety and further agree as follows:

1. Term. A lease year shall be deemed to run from September 1 to August 31. The Term of the Lease will be extended to run for five (5) years commencing as of September 1, 2024 and ending August 31, 2029, with one (1) single five (5) year option to renew (“Option Term”) the lease for a final term commencing as of September 1, 2029 and ending August 31, 2034. Lessee shall have elected to extend the Option Term unless it gives the City written notice of its intention not to extend at least thirty (30) days prior to the termination of the initial term of this lease or prior to the Option Term. Unless otherwise specified in this Agreement, all terms of this Lease remain in effect during the Option Period.
2. Rent. Commencing on September 1, 2024, base rent for the first lease year shall be increased to Twenty- Eight Thousand Five Hundred and 00/100ths Dollars (\$28,500.00) per year, payable annually in advance in a single lump sum prior to September 1. Thereafter, rent for each following lease year shall in turn be increased by 3% over

the prior year's payment by Lessee to City, and shall be due each lease year in a single lump sum prior to September 1.

- 3. Other Terms and Conditions Remain. In the event of any inconsistencies between the Agreement and this First Amendment, the terms of this First Amendment shall control. Except as expressly set forth in this First Amendment, the Agreement otherwise is unmodified and remains in full force and effect. Each reference in the Agreement to itself shall be deemed also to refer to this First Amendment.
- 4. Capitalized Terms. All capitalized terms used but not defined herein shall have the same meanings as defined in the Agreement.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be executed by their duly authorized proper officers and their respective corporate seals have been affixed on the dates set forth below.

CITY:

GRAND RAPIDS PUBLIC UTILITIES  
COMMISSION

By: \_\_\_\_\_

Its: General Manager

Date: \_\_\_\_\_

LESSEE:

Rural Cellular Corporation  
d/b/a Verizon Wireless

By: \_\_\_\_\_

Its: \_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Prepared by and upon recording  
please return to:

Ginsberg Jacobs LLC  
300 South Wacker Drive  
Suite 2750  
Chicago, Illinois 60606  
Attention: Frank J. Boucek, Esq.  
Site Name: MN03 Hale Lake  
MDG: 5000257819

**AMENDMENT TO MEMORANDUM OF LEASE FOR COMMUNICATIONS FACILITY AND LIMITED USE OF WATER TOWER AGREEMENT**

This Amendment to Memorandum of Lease for Communications Facility and Limited Use of Water Tower Agreement is made this \_\_\_\_ day of \_\_\_\_\_, 202\_\_, between Grand Rapids Public Utilities Commission with principal offices located at 500 Southeast 4<sup>th</sup> Street, Grand Rapids, Minnesota 55744 (“Lessor”), and Rural Cellular Corporation d/b/a Verizon Wireless (“Lessee”), with its principal offices at One Verizon Way, Mailstop 4AW100, Basking Ridge, NJ 07920 (the “Amended Memorandum”).

**Whereas**, Lessor and Lessee entered into a Lease for Communications Facility and Limited Use of Water Tower Agreement on August 18, 2014 (“Lease”), that is in full force and effect and provides for the installation and operation of Lessee’s communication facility and placement of antennas on the water tower (“Tower”) owned by Lessor and ancillary equipment at real property located at 936 Northwest 6<sup>th</sup> Avenue, Grand Rapids, Minnesota (“Property”); and

**Whereas**, Lessor and Lessee executed a Memorandum of Lease for Communications Facility and Limited Use of Water Tower Agreement recorded August 28, 2014 as document number A000687137 in Itasca County, Minnesota (“Memorandum”); and

**Whereas**, Lessor and Lessee have entered into a First Amendment to Lease for Communications Facility and Limited Use of Water Tower Agreement (“Amendment”) in order to extend the term of the Lease; and

Site Name: MN03 Hale Lake  
MDG: 5000257819

**Whereas**, Lessor and Lessee wish to amend the Memorandum to document the extension of the Lease term; and

**Whereas**, it is now the intention of Lessor and Lessee to enter into this Amended Memorandum providing the following:

1. Commencing on September 1, 2024, the term of the Lease shall be extended for five years ending on August 31, 2029, with one, five-year renewal option commencing on September 1, 2029 and ending on August 31, 2034.
2. The terms, covenants and provisions of the Lease, the terms of which are hereby incorporated by reference into this Amended Memorandum, shall extend to and be binding upon the respective executors, administrators, heirs, successors and assigns of Lessor and Lessee.

IN WITNESS WHEREOF, hereunto and to a duplicate hereof, Lessor and Lessee have caused this Amendment to Memorandum of Lease for Communications Facility and Limited Use of Water Tower Agreement to be duly executed on the date first written hereinabove.

**LESSOR:**

**Grand Rapids Public Utilities Commission**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Its: \_\_\_\_\_  
 Date: \_\_\_\_\_

**LESSEE:**

**Rural Cellular Corporation d/b/a Verizon Wireless**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 )  
COUNTY OF \_\_\_\_\_ )

I, \_\_\_\_\_, a Notary Public for said County and State, do hereby certify that \_\_\_\_\_, personally came before me this day and acknowledged that he executed the foregoing Amendment to Memorandum of Lease for Communications Facility and Limited Use of Water Tower Agreement as his own act and deed.

WITNESS my hand and official Notarial Seal, this \_\_\_ day of \_\_\_\_\_, 20\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_

State of \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On \_\_\_\_\_, 20\_\_\_\_, before me, \_\_\_\_\_, notary public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacity, and that by their signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official Notarial Seal, this \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
\_\_\_\_\_



Exhibit A  
(Legal Description)

The West Half (W ½) of Lot Three (3), and all of Lots Four (4) and Nine (9), Block Four (4), Houghton's Addition to Grand Rapids and the South ½ of that part of vacated Lake Avenue lying North and Adjacent to the West ½ of Lot 3, Block 4 and that part of vacated Lake Avenue lying between Lots 4 and 9, Block 4.

All of Lots 10-12, Block 3, All of Lots 1-2, Block 4, East ½ of Lot 3, Block 4 and the South ½ of that part of vacated Lake Avenue lying North and Adjacent to Lots 1-2 and the East ½ of Lot 3, Block 4.



## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

---

**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to approve the procurement contract with Vessco Inc. for an Aqua Wash Press compactor for the domestic screen for \$83,250 and authorize the General Manager to sign the contract.

**PREPARED BY:** Steve Mattson, Water/Wastewater Department Manager

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital purchase with a budget of \$90,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed.

The vendor's Certificate of Insurance has been verified to meet the contract requirement and is on file.

### **RECOMMENDATION:**

Consider a motion to approve the procurement contract with Vessco Inc. for an Aqua Wash Press compactor for the domestic screen for \$83,250 and authorize the General Manager to sign the contract.

## PROCUREMENT CONTRACT

This Procurement Contract (“**Contract**”) is by and between the Grand Rapids Public Utilities Commission, located at 500 SE 4th St, Grand Rapids, MN 55744 (“**GRPUC**”), and Vessco, INC, a corporation located at 8217 Upland Circle, Chanhassen, MN 55317 (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

---

### Recitals

A. GRPUC has solicited and received quotations from contractors to supply an Aqua Wash Press unit model AWP8-2 for our new parkson screen (“**Solicitation**”);

B. Contractor provided a response to the Solicitation indicating its interest in and ability to provide the goods or services requested in the Solicitation; and

C. Subsequent to an evaluation in accordance with the terms of the Solicitation and negotiation, the Parties desire to enter into a contract.

Accordingly, the Parties agree as follows:

---

### Contract

#### 1. Term of Contract

1.1 Effective date. The effective date of this Contract is October 23, 2023. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by GRPUC’s Authorized Representative to begin the work.

1.2 Expiration date. The expiration date of this Contract is June 1<sup>st</sup>, 2024, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional year, in increments as determined by GRPUC, through a duly executed amendment.

#### 2. Contractor’s Duties

2.1 The Contractor shall:

Provide an Aqua Wash Press unit model AWP8-2 according to Quote No: B043 to receive screening from the new Aqua guard screen being installed.

(The services (if any) to be provided by Contractor to GRPUC are referred to as the “**Services**.” The goods (if any) to be provided by Contractor to GRPUC are referred to as the “**Goods**.”). Contractor’s precise duties, specifications, deliverables, and completion dates related to the Goods and Services are more specifically described in **Exhibit C**.

- 2.2 GRPUC may make changes to the general scope of Goods and Services (including but not limited to, suspension of performance, changes in time of performance, schedule, quantities, or specifications) by written notice, or by oral notice subsequently confirmed by GRPUC in writing within ten (10) days thereafter, to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. Contractor shall proceed with providing the Goods and Services as so changed, notwithstanding any dispute regarding such equitable adjustment. Any claim of such adjustment must be submitted to GRPUC in writing within thirty (30) days from the date the change is ordered, and Contractor shall not be entitled to any adjustment unless such written claim is so submitted.
- 2.3 GRPUC may from time to time, require additional Services or Goods from Contractor. Such additional Services or Goods, including the amount of compensation for such additional Services or Goods, mutually agreed upon by and between GRPUC and Contractor, shall be effective when incorporated by written amendment to this Contract. Additional Services or Goods shall not begin until the amendment is executed. Thereafter, such additional Services or Goods shall be subject to the terms of this Contract.
- 2.4 Contractor agrees that all Goods and Services shall be provided in accordance with all applicable laws, rules, regulations, ordinances, codes, and orders of all federal, state, and local governmental authorities, agencies, departments, or bureaus having jurisdiction and which affect the Goods or Services hereunder (“**Legal Requirements**”) without extra charge or expense. Contractor will be responsible for a violation of any such Legal Requirements arising out of the provision of Goods or Services by Contractor and will indemnify, defend, and hold harmless GRPUC from and against any fine or expense, including reasonable attorneys’ fees and disbursements, resulting to it by reason of any such violation by Contractor.
- 2.5 The Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. All Services shall be performed and all Goods shall be produced and delivered to the satisfaction of GRPUC, and in accordance with the Legal Requirements. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of the Legal Requirements.
- 2.6 Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods shall be professionally competent and properly qualified. If so requested by GRPUC, Contractor shall remove any person GRPUC deems incompetent, careless, or otherwise objectionable. At all times Contractor will be responsible for the acts, omissions, work, materials, and equipment of its employees, subcontractors, and agents and any other person, directly or indirectly, employed by any of them.
- 2.7 Contractor shall cooperate fully with GRPUC, other GRPUC contractors, municipalities, local government officials, public utility companies, and others as may be directed by GRPUC. This shall include attendance at meetings, discussions, and hearings as may be

requested by GRPUC, furnishing data as may be requested from time to time by GRPUC to effect such cooperation, and compliance with all directives issued by GRPUC.

- 2.8 Contractor is solely responsible and assumes full and exclusive liability for the payment of all contributions or taxes to be paid on or to persons employed by Contractor, and for payment of all sales, use, or other taxes of whatever nature levied or assessed against GRPUC arising out of the furnishing of the Services or production or delivery of the Goods, and will indemnify, defend, and hold harmless GRPUC from any such liability.
- 2.9 Contractor shall be responsible for the health and safety, and shall provide and maintain a safe working environment, for all its employees, agents, subcontractors, and invitees. Contractor shall adopt, supervise, and enforce reasonable and adequate safety requirements, including GRPUC's work safety rules and any safety plan or requirements which may be established by GRPUC, and shall at all times observe and comply fully with all Legal Requirements relating to health and safety.
- 2.10 Contractor is responsible for the handling and distribution of its own tools, equipment, and materials. Contractor shall confine its tools, equipment, and materials, and its operations, to areas directed by GRPUC. Contractor shall organize and coordinate, well in advance of the time required by this Contract, the procurement and delivery of all necessary materials, supplies, and equipment so that they will be available as needed for timely completion of the Goods and Services.
- 2.11 At the time GRPUC accepts the Goods from Contractor, Contractor shall sell, assign, transfer, convey and deliver to GRPUC, all of Contractor's right, title and interest in the Goods, free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance ("**Encumbrance**"). Contractor shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be necessary to transfer Contractor's right, title and interest in the Goods to GRPUC, free and clear of any Encumbrances. Contractor has all risk of loss until GRPUC accepts the Goods.

### 3. Representations and Warranties

- 3.1 GRPUC is authorized to enter into this Contract.
- 3.2 Contractor warrants that it is duly qualified and shall perform its obligations under this Contract in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor's industry, trade, or profession, and in accordance with the specifications set forth in this Contract, to the satisfaction of GRPUC.
- 3.3 Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms.
- 3.4 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of Encumbrances, and (B) the Goods are in good condition

and are adequate for the uses to which they are being put, and none of such Goods are in need of maintenance or repairs.

#### 4. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

#### 5. Consideration and Payment

5.1 Consideration. GRPUC will pay for performance by the Contractor under this Contract as follows:

5.1.1 Compensation. The Contractor will be paid Eighty One Thousand Two Hundred and Fifty Dollars (\$81,250.00) in accordance with **Exhibit D**.

5.1.2 Plus a not to exceed amount of \$2,000.00 for shipping.

5.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Eighty Three Thousand Two Hundred and Fifty Dollars (\$83,250.00).

5.2 Payment.

5.2.1 Invoices. GRPUC will pay the Contractor after the Contractor presents an itemized invoice for the Services actually performed, and Goods actually delivered to GRPUC, in accordance with Section 1 of **Exhibit A**. Invoices must be submitted timely and according to the schedule set forth on **Exhibit D**.

5.2.2 Retainage. No more than ninety percent (90%) of the amount due under this Contract may be paid until Contractor has performed all of its obligations under this Contract to GRPUC's satisfaction.

#### 6. Authorized Representative

GRPUC's Authorized Representative is Steve Mattson at the following business address: 500 SE 4<sup>th</sup> Street, and the following telephone number: 218.326.7024, or his/her successor or delegate, and has the responsibility to monitor the Contractor's performance.

Contractor's Authorized Representative is Matt Madson at the following business address: 8217 Upland Circle, Chanhassen, MN 55317, and the following telephone number: , or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

#### 7. Exhibits

The following Exhibits are attached and incorporated into this Contract. In the event of a conflict between the terms of this Contract and its Exhibits (including any supplements), or between

Exhibits (including any supplements), the order of precedence is first the Contract, and then in the following order:

- Exhibit A: Contract Terms
- Exhibit B: Insurance Terms
- Exhibit C: Specifications, Duties, and Scope of Work
- Exhibit D: Price and Payment Schedule

**[The Signature Page Follows]**

**Vesco Inc.**

**Grand Rapids Public Utilities Commission**

By: 

By: \_\_\_\_\_

Print Name: Matthew Madison

Print Name: Julie A. Kennedy

Title: Sales

Title: General Manager

Date: 11/29/23

Date: \_\_\_\_\_

## Exhibit A: Contract Terms

### 1. Prompt Payment and Invoicing.

- 1.1 Prompt Payment. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice. Terms requesting payment in less than thirty (30) days will be changed to read "Net 30 days." Notwithstanding the foregoing, GRPUC may pay the Contractor in advance in its sole discretion.

The payment for each invoice will only be made for Goods received or Services actually performed that have been accepted by GRPUC, and meet all terms, conditions, and specifications of the Contract.

- 1.2 Invoicing. The invoice must be in the same format as the sample invoice form approved as **Exhibit D, Supplement 1**, unless an alternative format is approved in writing by GRPUC's Authorized Representative.

### 2. Termination.

- 2.1 Termination for Convenience. GRPUC may cancel this Contract at any time, with or without cause, upon thirty (30) days' written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for Services satisfactorily performed and Goods satisfactorily produced and delivered.

- 2.2 Termination for Breach. GRPUC may terminate this Contract, with cause, upon thirty (30) days' written notice to Contractor of the alleged breach and opportunity to cure. If after thirty (30) days, the alleged breach has not been remedied, GRPUC may immediately terminate the Contract.

- 2.3 Termination by Mutual Agreement. The Parties may terminate this Contract at any time by mutual written agreement.

- 2.4 Effect of Termination. Upon receipt of any notice of termination Contractor shall immediately stop performance of the Services and stop production and delivery of the Goods to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination.

- 2.5 Return of Information. Upon termination of this Contract, or earlier upon GRPUC's request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any Confidential Information or work product information or make such other disposition thereof as GRPUC may direct in writing.

### 3. Force Majeure.

Neither Party shall be responsible to the other or considered in default of its obligations within this Contract to the extent that performance of any such obligations is prevented or delayed by acts of God, war, riot, disruption of government, or other catastrophes beyond the reasonable control of the Party unless the act or occurrence could have been reasonably foreseen and reasonable action



could have been taken to prevent the delay or failure to perform. A Party relying on this provision to excuse performance must provide the other Party prompt written notice of the inability to perform and take all necessary steps to bring about performance as soon as practicable.

#### 4. Confidentiality.

In connection with Contractor's provision of the Goods and Services under this Contract ("**Purpose**") GRPUC may disclose to Contractor, or Contractor may otherwise receive access to, confidential or proprietary information of GRPUC ("**Confidential Information**"). Contractor shall use the Confidential Information solely for the Purpose and shall not disclose or permit access to Confidential Information other than to its employees, officers, and advisors (collectively, "**Representatives**") who: (a) need to know such Confidential Information for the Purpose; (b) know of the existence and terms of this Contract; and (c) agree to be bound by the confidentiality terms contained herein. Contractor shall safeguard the Confidential Information from unauthorized use, access, or disclosure using at least the degree of care it uses to protect its most sensitive information and no less than a reasonable degree of care. Contractor shall promptly notify GRPUC of any unauthorized use or disclosure of Confidential Information and cooperate with GRPUC to prevent further use or disclosure. Contractor will be responsible for any breach of this paragraph caused by its Representatives. If Contractor is required by law or court order to disclose Confidential Information, Contractor shall provide GRPUC with prompt written notice thereof, so that GRPUC may seek a protective order or other appropriate remedy, as well as notice of the terms and circumstances surrounding such request or requirement. Contractor and its Representatives will use reasonable efforts to obtain and will not oppose action by GRPUC to obtain such protective order or other appropriate remedy. If such protective order or other remedy is not obtained, then Contractor will furnish only that portion of the Confidential Information which Contractor is advised by Contractor's legal counsel is legally required and will exercise all reasonable efforts to obtain assurance that confidential treatment, if available, will be accorded such Confidential Information. This Section 4 is subject to any limitations or obligations imposed by the Minnesota Government Data Practices Act ("**MGDPA**").

#### 5. Indemnification.

5.1 In the performance of this Contract, the Indemnifying Party must indemnify, save, and hold harmless GRPUC, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by GRPUC, to the extent caused by Indemnifying Party's:

- Intentional, willful, or negligent acts or omissions; or
- Actions that give rise to strict liability; or
- Breach of contract or warranty.

"**Indemnifying Party**" is defined to include the Contractor, Contractor's reseller, any third party that has a business relationship with the Contractor, and Contractor's agents and employees, to the fullest extent permitted by law. The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of GRPUC's sole negligence. This clause will not be construed to bar any legal remedies the

Indemnifying Party may have for GRPUC's failure to fulfill its obligation under this Contract.

5.2 Nothing within this Contract, whether express or implied, shall be deemed to create an obligation on the part of GRPUC to indemnify, defend, hold harmless or release an Indemnifying Party. This shall extend to all agreements related to the subject matter of this Contract, and to all terms subsequently added, without regard to order of precedence.

## **6. Subcontracting and Subcontractor Payment.**

6.1 Subcontracting. A subcontractor is a person or company that has been awarded a portion of the Contract by Contractor. Only subcontractors that have been approved by GRPUC can be used for this Contract.

After the effective date of the Contract, the Contractor shall not, without prior written approval of GRPUC, subcontract for the performance of any of the Contractor's obligations that were not already approved for subcontracting when the Contract was awarded. During this Contract, if an approved subcontractor is determined to be performing unsatisfactorily by GRPUC, the Contractor will receive written notification that the subcontractor can no longer be used for this Contract.

The provisions of the Contract shall apply with equal force and effect to all approved subcontractors engaged by the Contractor. Notwithstanding approval by GRPUC, no subcontract shall serve to terminate or in any way affect the primary legal responsibility of the Contractor for timely and satisfactory performance of the obligations contemplated by the Contract.

6.2 Subcontractor Payment. Contractor must pay any subcontractor within ten (10) days of Contractor's receipt of payment from GRPUC for undisputed services provided by the subcontractor. Contractor must pay interest of 1-1/2 percent (1.5%) per month or any part of a month to the subcontractor on any undisputed amount not paid on time to the subcontractor. The minimum monthly interest penalty payment for an unpaid balance of \$100 or more is \$10. For an unpaid balance of less than \$100, the Contractor shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from Contractor shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the action. So long as it does not conflict with this Contract, subcontractor payments will be set forth in the agreement between Contractor and the subcontractor.

## **7. Government Data Practices.**

The Contractor and GRPUC must comply with the MGDPA, as it applies to all data provided by GRPUC under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the MGDPA, by either the Contractor or GRPUC.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with GRPUC's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

#### **8. Copyright.**

The Contractor shall save and hold harmless GRPUC, its officers, agents, servants and employees, from liability of any kind or nature, arising from the use of any copyrighted or noncopyrighted compositions, secret process, patented or nonpatented invention, article or appliance furnished or used in the performance of the Contract.

#### **9. GRPUC Audits.**

The Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by GRPUC for six (6) years from the expiration or termination of this Contract. After reasonable notice, Contractor shall make such books, records, documents, and accounting procedures and practices available to GRPUC for its examination and audit.

#### **10. Publicity and Endorsement.**

10.1 Publicity. Any publicity regarding the subject matter of this Contract must identify GRPUC as the sponsoring agency and must not be released without prior written approval from GRPUC's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, information posted on corporate or other websites, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the Goods or Services provided resulting from this Contract.

10.2 Endorsement. The Contractor must not claim that GRPUC endorses its products or services.

#### **11. Debarment by the State, its Departments, Commissions, Agencies, or Political Subdivisions.**

Contractor certifies that neither it nor its principals is presently debarred or suspended by the Federal government, state, or any of the state's departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to GRPUC's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

## 12. Equal Employment, Nondiscrimination, and Affirmative Action.

In connection with the work under this Contract, Contractor agrees to comply with the applicable Legal Requirements related to equal employment opportunity, nondiscrimination, affirmative action, and nonretaliation.

## 13. General / Miscellaneous.

13.1 Observance of GRPUC Policies. When Contractor's employees are working on the premises of GRPUC, wherever located, they shall observe the working rules, policies, and procedures of GRPUC, including, but not limited to, its respectful workplace policy.

13.2 Independent Contractor. It is understood and agreed that in providing the Goods and Services hereunder, Contractor shall act in the capacity of an independent contractor and not as an employee, partner, joint venturer, or agent of GRPUC. Contractor agrees that unless otherwise instructed in writing it shall not represent itself as the agent or legal representative of GRPUC for any purpose whatsoever. Contractor shall be solely responsible for the remuneration of and the payment of any and all taxes with respect to its employees and contractors and any claims with respect thereto and shall be solely responsible for the withholding and payment of all federal, state, and local income taxes as well as all FICA and FUTA taxes applicable to it, its employees, and its contractors. Contractor acknowledges that as an independent contractor, neither it nor any of its employees or contractors shall be eligible for any GRPUC employee benefits, including, but not limited to, vacation, sick, medical or dental insurance, or pension benefits.

13.3 Further Assurances. Each of the Parties shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions of this Contract and give effect to the transactions contemplated by this Contract.

13.4 Governing Law, Jurisdiction, and Venue. Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Itasca County, Minnesota.

13.5 Notices. Any notice or other communication to any Party in connection with this Contract shall be in writing and shall be sent by hand-delivery, email, fax, overnight courier, or United States mail (postage prepaid) addressed to the address set forth below. All periods of notice shall be measured from the date of delivery thereof if hand-delivered, from the date of sending thereof if sent by email or fax (effective upon confirmation of receipt), from the first day after the date of sending if sent by overnight courier, or from three (3) business days after the date of mailing if mailed. Any Party may change such Party's address for notices by notice given not less than ten (10) calendar days prior to the effective date of the change.

GRPUC  
Address: 500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
Attn: General Manager  
Email: jakennedy@grpuc.org

Vessco Inc.  
Address: 8217 Upland Circle  
Chanhassen, MN 55317  
Attn: Matt Madson  
Email: mmadson@vessco.com

13.6 Entire Agreement. This Contract (including any exhibits) represents the only agreement between the Parties concerning the subject matter hereof and supersedes all other prior agreements whether written or oral, relating thereto.

13.7 Modification and Waiver. No purported amendment, modification, or waiver of any provision hereof shall be binding unless set forth in a written document signed by all Parties (in the case of amendments or modifications) or by a Party to be charged thereby (in the case of waivers). Any waiver shall be limited to the circumstance or event specifically referenced in the written waiver document and shall not be deemed a waiver of any other term hereof or of the same circumstance or event upon any recurrence thereof.

13.8 Severability. If any provision of this Contract is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable and this Contract shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never constituted a part hereof, and the remaining provisions shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance therefrom. Furthermore, in lieu of such illegal, invalid or unenforceable provision there shall be added automatically as part of this Contract a legal, valid, and enforceable provision as similar in terms to the illegal, invalid, or unenforceable provision as may be possible.

13.9 Binding Effect; Assignment. This Contract shall be binding on the Parties and on their respective heirs, devisees, representatives, successors, and assigns. Contractor shall not assign, sublet, or subcontract the Goods or Services or any portion thereof without the prior written consent of GRPUC. Such consent shall not relieve Contractor of its obligations or liabilities under the Contract.

13.10 Counterparts; Electronic Signatures. This Contract may be executed in separate counterparts with the same effect as if all signatures were on the same Contract. For purposes of this Contract, a telecopy, electronic, or facsimile Contract and signature shall be deemed as, and shall serve as, an original Contract and signature.

13.11 Attorneys' Fees. In the event of any litigation between the Parties hereto with respect to this Contract, the prevailing party (the party entitled to recover the costs of suit, at such time as all appeals have been exhausted or the time for taking such appeals has expired) shall be entitled to recover reasonable attorneys' fees in addition to such other relief as the court may award.

13.12 Survival. The obligations of Contractor hereunder, including, without limitation, obligations concerning indemnity, warranties, confidentiality, intellectual property and defense of GRPUC, shall survive the expiration or earlier termination of this agreement.

**[Remainder of Page Intentionally Left Blank]**

## **Exhibit B: Insurance Requirements**

### **1. Notice to Contractor.**

- 1.1 The Contractor is required to submit Certificates of Insurance acceptable to GRPUC as evidence of insurance coverage requirements prior to commencing work under this Contract.
- 1.2 Contractor shall not commence work under the contract until it has obtained all the insurance described below and GRPUC has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of this Contract, unless otherwise specified in this Contract
- 1.3 The failure of the Contractor to provide a Certificate of Insurance, for the policies required under this Contract or renewals thereof, or failure of the insurance company to notify GRPUC of the cancellation of policies required under this Contract shall not constitute a waiver by GRPUC to the Contractor to provide such insurance.
- 1.4 GRPUC reserves the right to immediately terminate this Contract if the Contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the Contractor. All insurance policies must be open to inspection by GRPUC, and copies of policies must be submitted to GRPUC's Authorized Representative upon written request.

### **2 Notice to Insurer.**

The Contractor's insurance company(ies) waives its right to assert the immunity of GRPUC as a defense to any claims made under said insurance.

### **3 Additional Insurance Conditions. The following apply to the Contractor, or the Contractor's subcontractor:**

- 3.1 Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to GRPUC with respect to any claim arising out of Contractor's performance under this Contract.
- 3.2 If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify GRPUC within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to GRPUC.
- 3.3 Contractor is responsible for payment of Contract-related insurance premiums and deductibles.
- 3.4 If Contractor is self-insured, a Certificate of Self-Insurance must be attached.

3.5 Contractor's policy(ies) shall include legal defense fees in addition to its policy limits with the exception of professional liability.

3.6 Contractor's insurance companies must either (1) have an AM Best rating of A- (minus) and a Financial Size Category of VII or better, and be authorized to do business in Minnesota, or (2) be domiciled in Minnesota and have a Certificate of Authority/Compliance from the Minnesota Department of Commerce if they are not rated by AM Best.

3.7 An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

**4 Coverages. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:**

**4.1 Commercial General Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance minimum limits are as follows: GRPUC does not allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M.

\$1,500,000 – per occurrence

\$1,500,000– annual aggregate

\$1,500,000– annual aggregate – applying to Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- Other; if applicable, please list \_\_\_\_\_
- **GRPUC must be named as an Additional Insured**, to the extent permitted by law

**4.2 Commercial Automobile Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this Contract, and in case any work is subcontracted the Contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows: \$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage



In addition, the following coverages should be included: Owned, Hired, and Non-owned Automobile.

Evidence of Subcontractor insurance shall be filed with the Contractor.

**4.3 Workers' Compensation Insurance.** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with applicable Legal Requirements, including Coverage B, Employer's Liability. Insurance **minimum** limits are as follows:

- 4.4 \$100,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$100,000 – Bodily Injury by Accident

If Minn. Stat. § 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the state, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the Contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide GRPUC with a certificate of insurance.

**4.5 Professional Liability, Errors, and Omissions.** This policy will provide coverage for all claims the Contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the Contract. Insurance **minimum** limits are as follows:

- \$2,000,000 - per claim or event
- \$2,000,000 - annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of GRPUC. If the Contractor desires authority from GRPUC to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that GRPUC can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

### Exhibit C: Specifications, Duties, and Scope of Work

Provide One (1) Aqua Wash Press® unit model AWP8-2, to receive screenings from the existing Aqua Guard screen from quote B043.

#### 1.A Equipment Description:

1. The Aqua Wash Press® unit will consist of a spiral, trough, support legs, wash zone, trough flush spray, press zone, drive system and controls.
2. The unit will be designed to receive and wash screenings, then reduce the volume and water content by means of a pressing zone.
3. The press will have an inlet capacity of 35 cu.ft./hour, handling wet screenings with an approximate dry weight of not less than 8% solids.
4. The shafted spiral will be constructed of carbon steel, with an O.D. of 8” and having 0.63 inch thick flights. A brush will be bolted to the spiral in the inlet area to scour the perforated sheet.
5. The trough will be fabricated of type 304 stainless steel, having 0.19 inch diameter perforations, chamfered on the outside. It will receive free liquid from the washed solids and direct the flow to a 4 inch O.D. drain tube.
6. The inlet area, 11 inches wide by 27 inches in length, will receive incoming materials.
7. The wash zone will include a spray wash system to wash organic residue from the screenings.
8. The press will include a spray wash system to flush organic residue trapped in the trough.
9. The unit’s drive system will consist of a motor, gear reducer and carbon steel drive shaft. The motor will be 3 HP explosion-proof, 1800 RPM, 230/460 volt, 3 Phase, 60 Hz. The gear reducer is a shaft-mounted worm type gear reducer driven by a direct-coupled

motor. The reducer will have a cast iron housing and output speed of 14 RPM and the drive shaft will be direct coupled to the spiral.

10. In addition to the drive motor, the following electrical devices will be furnished:

a. Two (2) 120 volt, single phase, 60 Hz brass body solenoid valves housed in NEMA 7 enclosures.

b. E-stop pushbutton in a NEMA 7 enclosure.

11. Inlet chute of 12 gauge type 304 stainless steel construction, to receive screenings from the existing Aqua Guard screen..

12. Discharge piping with pipe support of 14 gauge type 304 stainless steel, to direct the screenings to a dumpster.

13. Main control panel furnished in a remotely located NEMA 4X type 304 stainless steel enclosure, housing controls for the washer/compactor unit. To include programmable relay, motor starter, control transformer, main disconnect, and all other necessary switches, lights, and pushbuttons.

QUOTATION NO. B043, Page 2

## ITEM 2 SERVICES

2.A Drawings and Installation, Operation and Maintenance (IO&M) Manuals:

1. Approval drawings: 2 prints included

2. Certified drawings: 2 prints included

3. IO&M manuals: 2 included

2.B Start-Up Assistance:

Parkson will furnish a factory representative for a total of one (1) day during one (1) trip to the jobsite to assist in installation inspection, start-up supervision, and operator training. Dates of service to be scheduled upon Purchaser's written request.

### **Exhibit D: Price and Payment Schedule**

5.1.1 Compensation. The Contractor will be paid Eighty One Thousand Two Hundred and Fifty Dollars (\$81,250.00) in accordance with Exhibit D.

5.1.2 Plus a not to exceed amount of \$2,000.00 for shipping.

5.1.3 Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Eighty Three Thousand Two Hundred and Fifty Dollars (\$83,250.00).

#### Payment.

Invoices. GRPUC will pay the Contractor within thirty (30) days following receipt of an undisputed invoice that complies with **Exhibit C**. Payment will only be made for Goods received or Services actually performed that have been accepted by GRPUC.





# Capital Plan

2024 *thru* 2028

Item 7.

## Grand Rapids Public Utilities Commission

**Project #** WWDO2302  
**Project Name** Trash Compactor

**Department** 4a-WWT Domestic  
**Contact** Steve Mattson  
**Type** Unassigned  
**Useful Life** 10  
**Category** WW System  
**Priority** 02 - Significant Need  
**Status** Active

**Total Project Cost:** \$90,000

### Description

The trash compactor for the domestic screen compacts coarse rejects from the screen to reduce the amount of waste that goes into the trash bin. This part of the domestic screen is also a couple decades old.

### Justification

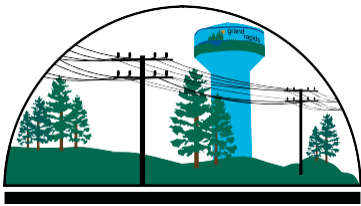
The trash compactor is reaching the end of its useful life with wear items being beyond repair. Repair will ensure consistent service well into the future.

Expenditures	2024	2025	2026	2027	2028	Total
Purchases	90,000					90,000
<b>Total</b>	<b>90,000</b>					<b>90,000</b>

Funding Sources	2024	2025	2026	2027	2028	Total
Reserves-Unrestricted	90,000					90,000
<b>Total</b>	<b>90,000</b>					<b>90,000</b>

### Budget Impact/Other

Budget Items	2024	2025	2026	2027	2028	Total
Capital Projects	90,000					90,000
<b>Total</b>	<b>90,000</b>					<b>90,000</b>



**GRAND RAPIDS  
PUBLIC UTILITIES**

*Service is Our Nature*

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## **SAFETY REPORT January 2024 Commission Meeting**

### **Safety Topic Last Month**

Safety Brad trained all employees on OSHA TOP 10, year-end review & winter weather on December 13.

### **Safety Topic This Month**

GRPD trained staff on safety and security on January 10. Safety Brad trained all employees on Ergonomics and Stretching Benefits on January 10.

### **Incidents Reported last Month by Department**

Administration: None                      Electric: None  
 Business Services: None                Water-Wastewater: None

### **Cumulative Incidents for 2023**

Recordable Incidents	1
Lost Time Days 2023	0
Restricted Days 2023	0
First Aid Only (not recordable)	0

Total FROI      1

### **Recordable Incident 5-year History**

	2019	2020	2021	2022	2023
ADMIN	0	0	0	0	0
BUS SVCS	4	0	0	0	1
ELEC	1	0	0	0	0
W-WW	5	3	1	0	0
<b>TOTAL</b>	<b>10</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>1</b>





## **GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM**

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**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Acknowledge being awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting to the GRPU for the 2022 Annual Comprehensive Financial Report.

**PREPARED BY:** Jean Lane, Business Services Manager

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### **BACKGROUND:**

The GFOA is pleased to notify GRPU that our annual comprehensive financial report for the fiscal year ended December 31, 2022, met the requirements to be awarded GFOA's Certificate of Achievement for Excellence in Financial Reporting.

The GFOA established the Certificate of Achievement for Excellence in Financial Reporting Program (Certificate Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare annual comprehensive financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting.

It takes an entire organization working together to obtain such an achievement. Yet, we all need to recognize the daily high standard of work performed by accounting/finance team members Jean Key and Kari Helal who are vital in the achievement of the national award. Thank you to Jean Key and Kari Helal.

### **RECOMMENDATION:**

Acknowledgement of GFOA Certificate of Achievement for Excellence in Financial Reporting for 2022.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Grand Rapids Public Utilities Commission  
Minnesota**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morrill*

Executive Director/CEO



GOVERNMENT FINANCE OFFICERS ASSOCIATION  
**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

1/10/2024

**For more information contact:**  
**Michele Mark Levine, Director/TSC**  
**Phone: (312) 977-9700**  
**Fax: (312) 977-4806**  
**Email: [mlevine@gfoa.org](mailto:mlevine@gfoa.org)**

(Chicago, Illinois)—Government Finance Officers Association of the United States and Canada (GFOA) has awarded the Certificate of Achievement for Excellence in Financial Reporting to **Grand Rapids Public Utilities Commission** for its annual comprehensive financial report for the fiscal year ended December 31, 2022. The report has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the report.

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.

*Government Finance Officers Association (GFOA) advances excellence in government finance by providing best practices, professional development, resources, and practical research for more than 21,000 members and the communities they serve.*



**Government Finance Officers Association**  
203 North LaSalle Street, Suite 2700  
Chicago, Illinois 60601-1210  
312.977.9700 fax: 312.977.4806

1/10/2024

Tom Stanley  
President  
Grand Rapids Public Utilities Commission, Minnesota

Dear Tom:

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended December 31, 2022 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and give appropriate publicity to this notable achievement. A sample news release is included to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine  
Director, Technical Services



**The Government Finance Officers Association of  
the United States and Canada**

*presents this*

**AWARD OF FINANCIAL REPORTING ACHIEVEMENT**

*to*

**Jean M. Lane**

Business Services Manager

Grand Rapids Public Utilities Commission, Minnesota



*The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morrill*

Date: 1/10/2024



**The Government Finance Officers Association of  
the United States and Canada**

*presents this*

**AWARD OF FINANCIAL REPORTING ACHIEVEMENT**

*to*

**Kari Helal**

Accounting Technician

Grand Rapids Public Utilities Commission, Minnesota



*The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morrill*

Date: 1/10/2024



**The Government Finance Officers Association of  
the United States and Canada**

*presents this*

**AWARD OF FINANCIAL REPORTING ACHIEVEMENT**

*to*

**Jean Key**

Accounting Technician - Payroll and Benefits  
Grand Rapids Public Utilities Commission, Minnesota



*The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.*

Executive Director

*Christopher P. Morrill*

Date: 1/10/2024



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** December 29, 2023

**AGENDA ITEM:** Consider approving the 2024 workers’ compensation premium coverage quotation regular premium option from the LMCIT in the amount of \$89,132 authorize the general manager to sign premium documents and approve the payment of the 2024 insurance premium of \$89,132 to the LMCIT.

**PREPARED BY:** Jean Lane, Business Services Manager

**BACKGROUND:**

The League of Minnesota Cities Insurance Trust (LMCIT) is a self-insured membership cooperative. It was created by Minnesota cities for Minnesota cities and its fundamental purpose is to cover city risks and to mitigate hazards, not show a profit for stakeholders.

The LMCIT has coverage for property, liability, auto, and workers’ compensation and LMCIT emphasizes coverage inclusion. LMCIT funds not needed for claims, expenses, or reserves are returned to members as a dividend.

The workers’ compensation premium quotation for 1/1/2024 to 12/31/2024 is \$89,132 calculated on a base (manual) premium of \$84,724 plus the experience modification addition of \$15,250 and less premium discount credit of \$9,023.

Below is a chart comparing the past four years’ workers’ compensation calculation.

Year	Base Premium	Experience Modification Factor	Premium Discount (Credit)	Experience Modification (Credit) Additional	Net Premium Deposit	Adjustment for Agency Comm	Total Net Deposit Premium	\$ Change in Premium	% Change in Premium
2024	\$ 84,724	1.18	\$ (9,023)	\$ 15,250	\$ 90,951	\$ (1,819)	\$ 89,132	\$ (10,067)	-10%
2023	\$ 96,034	1.16	\$ (10,381)	\$ 15,365	\$ 101,018	\$ -	\$ 101,018	\$ 22,613	29%
2022	\$ 92,591	0.93	\$ (7,705)	\$ (6,481)	\$ 78,405	\$ -	\$ 78,405	\$ 3,561	5%
2021	\$ 100,215	0.82	\$ (7,332)	\$ (18,039)	\$ 74,844	\$ -	\$ 74,844		

The experience modification factor is based on a formula that uses the past three years’ history of claim costs for medical and worker loss time payments. Experience modification factors less than 1.00 result in a premium calculation credit.



Management is recommending the regular premium option.

**RECOMMENDATION:**

Approve the 2024 workers' compensation premium coverage quotation regular premium option from the LMCIT in the amount of \$89,132, authorize the general manager to sign premium documents, and approve the payment of the 2024 insurance premium of \$89,132 to the LMCIT.

# League of Minnesota Cities Insurance Trust

Group Self-Insured Workers' Compensation Plan  
145 University Avenue West St. Paul, MN 55103-2044 Phone (651) 215-4173

## Notice of Premium Options for Standard Premiums of \$50,000 - \$100,000

GRAND RAPIDS PUBLIC UTILITIES  
500 SE 4TH STREET  
GRAND RAPIDS, MN 55744

Agreement No.: WC 1000947\_Q-8  
Agreement Period:  
From: 01/01/2024  
To: 01/01/2025

Enclosed is a quotation for workers' compensation deposit premium. **Note: Renewal Coverage will be bound as per the expiring coverage arrangement, including coverage for elected and appointed officials, with the premium indicated on the quote, unless the member or agent sends a written request not to bind renewal coverage.**

<u>PAYROLL DESCRIPTION</u>	<u>CODE</u>	<u>RATE</u>	<u>ESTIMATED PAYROLL</u>	<u>DEPOSIT PREMIUM</u>
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SEE ATTACHED SCHEDULE FOR DETAILS

Manual Premium		84,724
Debit	1.18	15,250
Standard Premium		99,974
Deductible Credit	0.00%	0
Premium Discount		-9,023
Net Deposit Premium		\$90,951
Adjustment for Commission*		-1,819
Total Net Deposit Premium		\$89,132

\*Workers compensation rates assume a 2% standard commission. The commission adjustment accounts for the commission difference, above or below 2%.

**Agent:**

00456 City Of Grand Rapids  
420 N Pokegama Ave, Attn: City Clerk  
Grand Rapids, MN 55744-2658

# Notice of Premium Options for Standard Premiums of \$50,000 - \$100,000 (Con't)

**OPTIONS**

Please indicate below the premium option you wish to select. You may choose only one option and you cannot change options during the agreement period.

1.  **Regular Premium Option** Net Deposit Premium  
90,951

2.  **Deductible Premium Option**  
Deductible options are available in return for a premium credit applied to your estimated standard Premium of \$ 99,974. The deductible will apply per occurrence to paid medical costs only. There is no aggregate limit.

	<u>Deductible per Occurrence</u>	<u>Premium Credit</u>	<u>Credit Amount</u>	<u>Net Deposit Premium</u>
<input type="checkbox"/>	\$250	0.50%	-500	90,451
<input type="checkbox"/>	\$500	0.90%	-900	90,051
<input type="checkbox"/>	\$1,000	1.70%	-1,700	89,251
<input type="checkbox"/>	\$2,500	3.00%	-2,999	87,952
<input type="checkbox"/>	\$5,000	4.50%	-4,499	86,452
<input type="checkbox"/>	\$10,000	6.00%	-5,998	84,953
<input type="checkbox"/>	\$25,000	10.00%	-9,997	80,954
<input type="checkbox"/>	\$50,000	14.00%	-13,996	76,955

3.  **Retrospective Rates Premium Option**

	<u>Retro-Rated Minimum Factor</u>	<u>Est. Minimum Premium</u>	<u>Retro-Rated Maximum Factor</u>	<u>Est. Maximum Premium</u>
<input type="checkbox"/>	0.668 %	66,783	1.300 %	129,966
<input type="checkbox"/>	0.635 %	63,483	1.500 %	149,961
<input type="checkbox"/>	0.573 %	57,285	2.000 %	199,948

This quotation is for a deposit premium based on your estimate of payroll and selected options. Your final actual premium will be computed after an audit of payroll subsequent to the close of your agreement year and will be subject to revisions in rates, payrolls and experience modification. While you are a member of the LMCIT Workers' Compensation Plan, you will be eligible to participate in dividend distributions from the Trust based upon claims experience and earnings of the Trust.

If you desire the coverage offered above, please return this signed document for the option you have selected.

This quotation should be signed by an authorized representative of the member requesting coverage.

**Notice of Premium Options for Standard Premiums of \$50,000 - \$100,000  
(Con't)**

Item 10.

CONTINUATION SCHEDULE FOR QUOTATION PAGE

<u>REMUNERATION</u>	<u>RATE</u>	<u>CODE</u>	<u>DESCRIPTION</u>	<u>EST. PREM</u>
545,354	3.45	7520	WATERWORKS	18,815
1,008,601	2.99	7539	ELECTRIC & STEAM PLANT	30,157
620,675	4.14	7580	SEWEAGE DISPOSAL PLANT	25,696
841,416	0.65	8810	PUBLIC UTILITIES CLERICAL	5,469
70,307	6.41	9015	PU MAINTENANCE	4,507
18,200	0.44	9411	ELECTED OR APPOINTED OFFICIALS	80
			Manual Premium	84724.0



**CONNECTING & INNOVATING**  
SINCE 1913

**Invoice**

**Member Name and Address**

Grand Rapids Public Utilities  
500 SE 4th Street  
Grand Rapids, MN 55744

**Invoice Date**

01/09/2024

**Agent**

City Of Grand Rapids  
420 N Pokegama Ave  
Attn: City Clerk  
Grand Rapids, MN 55744-2658  
(218)326-7600

**Account Number:** 40007855  
**Account Type:** Workers' Compensation Coverage Premium  
**Current Balance:** \$ 89,132.00  
**Minimum Due:** \$ 89,132.00  
**Due Date:** 02/03/2024

Summary of activity since last Billing Invoice	Date	Activity	Account Balance	Minimum Due
		Previous Invoice Balance	.00	
		Payments Received	-.00	
		Total of Transactions and Fees shown on reverse or attached	89,132.00	
See reverse side and attachments for additional information		Current Balance	\$ 89,132.00	\$ 89,132.00

Detach and return this Payment Coupon with your payment

<b>Account Number</b> 40007855	<b>Invoice Date</b> 01/09/2024	<b>Due Date</b> 02/03/2024	<b>Current Balance</b> \$ 89,132.00	<b>Minimum Due</b> 89,132.00
				<b>Amount Enclosed</b> \$ _____

**Member Name** Grand Rapids Public Utilities

**BILLING INVOICE - Return stub with payment - make checks payable to:**

Mail payment 7 days before Due Date to ensure timely receipt

League of MN Cities Insurance Trust WC  
c/o Berkley Risk Administrators Company  
222 South Ninth Street, Suite 2700  
P.O.Box 581517  
Minneapolis, MN 55458-1517



CONNECTING & INNOVATING  
SINCE 1913

**Invoice**

Detail of activity since last Invoice		<b>Transaction Amount</b>	<b>Minimum Due</b>
Volunteer Accident 1000946-8 Agreement Period 01/01/2024 - 01/01/2025			
	Agreement Previous Balance	\$ 0.00	
	Agreement Ending Balance	\$ 0.00	\$ 0.00
Workers' Compensation 1000947-8 Agreement Period 01/01/2024 - 01/01/2025			
	Agreement Previous Balance	\$ 0.00	
	Renewal - PR 01/08/2024	\$ 89,132.00	
	Agreement Ending Balance	\$ 89,132.00	\$ 89,132.00
	Total Current Balance	\$ 89,132.00	
	Total Minimum Due		\$ 89,132.00



CONNECTING & INNOVATING  
SINCE 1913

# Invoice

Thank you for choosing us as your Coverage carrier. The following information is to assist you in reviewing your Billing Invoice.

**Billing Inquiries:** CONTACT YOUR AGENT FOR QUESTIONS ON YOUR AGREEMENT OR CHANGES IN COVERAGE. For billing inquiries, please call 1-612-766-3000

### BILLING PROCEDURES

**New Agreements and renewals:** If your Agreement is issued after the date that coverage began, your first Billing Invoice for the agreement may include more than one installment payment due.

**Application of Payments and Cancellation:** If you pay more than the Minimum Due, the extra payment will be applied to your next installment proportionately to all agreements on your account. For Accounts owned on agreements with the same Due Date, the payment will be applied proportionately to all agreements with the same Due Date.

Minimum Due is the amount to pay to avoid any agreements on your account from going into a late pay status which could cause cancellation of coverage. If you fail to pay the Minimum Due by the Due Date, a Direct Notice of Cancellation for Non Payment may be issued for one or more agreements on your account. If your account has more than one agreement and you pay less than the Minimum Due, your payment will be applied first to amounts owed on agreements with the oldest balance due.

If we receive a payment after the cancellation effective date and we elect not to reinstate your agreement, the payment will be applied toward any unpaid earned premium on your account before any remainder is refunded.

After an agreement is cancelled, we will bill you for any unpaid earned premium. If you do not pay, the matter may be referred to collections.

**Audit Premium:** Any Audit Premium owed will be included in both Current Balance and Minimum Due balance shown on the Billing Invoice. Payment of Audit Premium is due in full by the Due Date. If Audit Premium is owed, your payment may be applied first to Audit Premium owed and then to amounts owed on agreements with the earliest Due Date. If special arrangements are needed for repayment of audit premium you MUST contact the Billing Unit at the number shown above for consideration of any such arrangements.

**Refunds:** Any refund due will be mailed from our office within 15 days after the Invoice date.

**Payment address:** ALL PAYMENTS SHOULD BE SENT TO OUR PAYMENT PROCESSING CENTER ALONG WITH THE PAYMENT COUPON. The address change from below is printed on the back of the payment coupon. If needed it may also be sent along with your payment to the Payment Processing Center at:

222 South Ninth Street, Suite 2700 Minneapolis, MN 55402 . Please do not send any other correspondence to the payment processing center.

### CHANGE OF ADDRESS AND/OR NAME

PLEASE FILL IN THE NAME, AGREEMENT NUMBER AND CHECK APPROPRIATE BOX

- Name Change Only
- Name and Address Change
- Address Change Only

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Former Name: \_\_\_\_\_

Address: \_\_\_\_\_

Agreement Number: \_\_\_\_\_

City: \_\_\_\_\_

State

Zip Code: \_\_\_\_\_

PLEASE REFER ALL OTHER CHANGES TO YOUR AGENT. THANK YOU.





# Mod Analysis

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**Insured Name** GRAND RAPIDS PUBLIC UTILITIES  
**Effective Date** 01/01/2024  
**As Of Date** 08/31/2023

**Prepared By League of Minnesota Cities (St. Paul)**  
Janna Berge  
145 University Ave. West  
St. paul, MN 55103  
jberge@lmc.org

## Workers' Compensation Experience Rating Worksheet

1	2	3	4	5	6	7	8	9	10	11
CODE	ELR	D-RATIO	PAYROLL	EXP. LOSSES	EXP. PRI. LOSSES	CLAIMDATA	IJ	OF	ACT. INC. LOSSES	ACT. PRI. LOSSES

**2020-01-01 to 2021-01-01**

5506	1.89	0.38	175,392.00	3,314.91	1,259.67	LMC WC 000000101172	5	S	25,337.17	17,500.00
7520	0.79	0.44	226,172.00	1,786.76	786.17	LMC WC 000000447511	6		1,597.28	1,597.28
7539	0.69	0.38	797,019.00	5,499.43	2,089.78	LMC WC 000000449592	5		6,854.41	6,854.41
7580	0.95	0.41	742,061.00	7,049.58	2,890.33					
8810	0.15	0.46	727,219.00	1,090.83	501.78					
9411	0.1	0.46	18,200.00	18.20	8.37					
<b>Policy Period Totals</b>			<b>2,686,063.00</b>	<b>18,759.71</b>	<b>7,536.10</b>				<b>33,788.86</b>	<b>25,951.69</b>

**2021-01-01 to 2022-01-01**

5506	1.89	0.38	154,437.00	2,918.86	1,109.17	LMC WC 000000462670	5	S	24,934.26	17,500.00
7520	0.79	0.44	223,278.00	1,763.90	776.11					
7539	0.69	0.38	897,835.00	6,195.06	2,354.12					
7580	0.95	0.41	720,213.00	6,842.02	2,805.23					
8810	0.15	0.46	962,530.00	1,443.80	664.15					
9411	0.1	0.46	18,200.00	18.20	8.37					
<b>Policy Period Totals</b>			<b>2,976,493.00</b>	<b>19,181.84</b>	<b>7,717.15</b>				<b>24,934.26</b>	<b>17,500.00</b>

**2022-01-01 to 2023-01-01**

5506	1.89	0.38	161,440.00	3,051.22	1,159.46					
7520	0.79	0.44	228,894.00	1,808.26	795.64					
7539	0.69	0.38	909,098.00	6,272.78	2,383.65					
7580	0.95	0.41	804,664.00	7,644.31	3,134.17					
8810	0.15	0.46	778,214.00	1,167.32	536.97					
9411	0.1	0.46	12,450.00	12.45	5.73					
<b>Policy Period Totals</b>			<b>2,894,760.00</b>	<b>19,956.34</b>	<b>8,015.62</b>					

### Mod Analysis for GRAND RAPIDS PUBLIC UTILITIES

'W' Value	Expected Excess	Total Expected	Total Exp. Pri.	Actual Excess	'B' Value	Total Actual	Total Act. Pri.
A	B	C	D	E	F	G	H
0.14	34,629.00	57,898.00	23,269.00	15,271.00	31,510.00	57,605.00	42,334.00

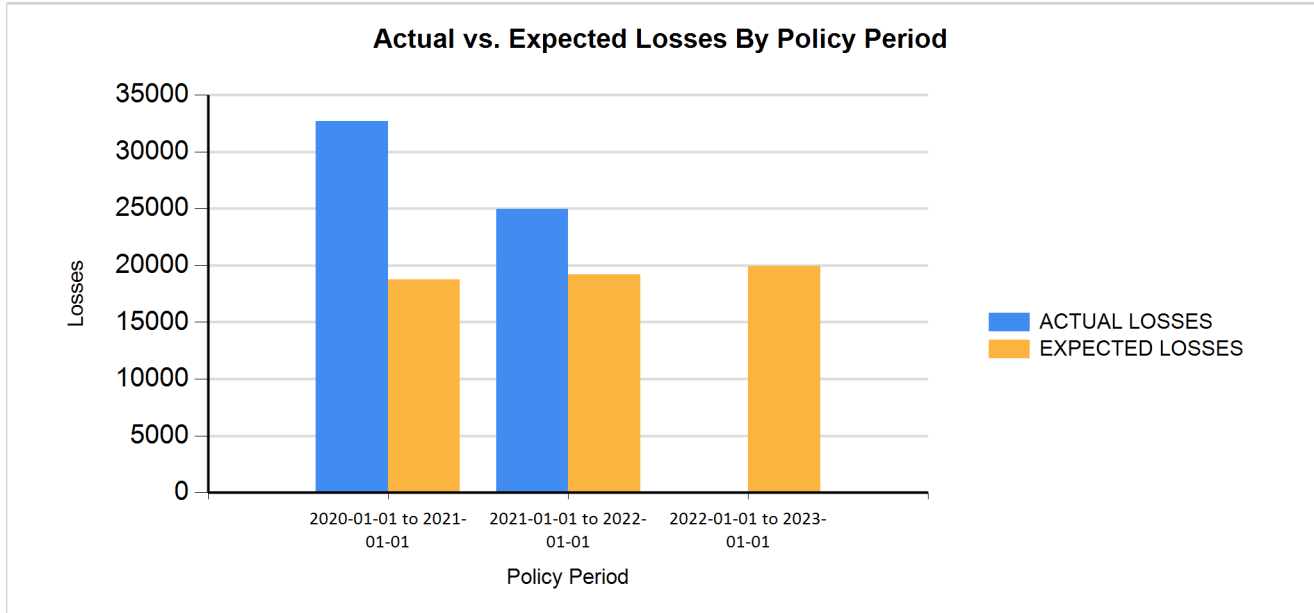
Exp Mod Calculation	Primary Losses	Stabilizing Value	Ratable Excess	Adjustable Totals	Exp. Mod
Actual	(H)	$(B) \times (1-A) + (F)$	$(A) \times (E)$		$(I) / (J)$
	42,334.00	61,290.94	2,137.94	105,762.88	1.18
Expected	(D)	$(B) \times (1-A) + (F)$	$(A) \times (B)$		
	23,269.00	61,290.94	4,848.06	89,408.00	

\* Rating reflects a decrease of 70% medical-only primary and excess loss dollars where ERA is applied, reflected in totals (E), (G) and (H).

This mod has been adjusted in accordance with experience rating plan rules. The unadjusted mod is: 1.18

## Loss Analysis by Policy Period

The graph below compares actual and expected losses in the three-year rating period. The direction of future experience mods can be predicted using this information and comparing it to the years included in a given rating period. For example, if an undesirable policy period – a year that actual losses exceed the expected losses – is dropped from the three-year rating calculation, the member can expect to see an improvement in the mod if a more desirable policy period – one where the actual losses are less than expected – is added to the calculation. Assistance in achieving this outcome can be provided by loss control efforts.



Policy Period	Adjusted Losses	Expected Losses
2020-01-01 to 2021-01-01	\$32,671	\$18,760
2021-01-01 to 2022-01-01	\$24,934	\$19,182
2022-01-01 to 2023-01-01		\$19,956
Totals:	\$57,605	\$57,898

# Mod Calculation Summary

Take a brief look at the summary values affecting your mod.

Expected Losses		Total Expected Losses
Total Expected Losses		57,898.00
Total Expected Primary Losses		23,269.00
Total Expected Excess Losses		34,629.00
Actual Losses		Total Unlimited Actual Losses
Total Unlimited Losses		58,723.00
Total Limited/Adjusted Losses		57,605.00
Total Actual Primary Losses		42,334.00
Total Actual excess Losses		15,271.00
Computed Factors		Ballast Value
Ballast Value		31,510
Weighing Value		0.14
Modification Factor		1.18

## Expected losses

Expected losses are calculated by applying the expected loss rate to the member's payroll relevant to the mod effective date.

## Actual losses

Actual losses are the losses the member incurred during the rating period. Basically, a debit will be applied if the actual losses exceed the expected losses (mod will be greater than 1.0) and a credit will be applied if the actual losses are less than the expected losses (mod will be less than 1.0).

## Computed Factors

The ballast factor and weighting factor both come from a formula based on the amount of the member's expected losses. Both have a stabilizing effect on the experience mod.

This mod has been adjusted in accordance with experience rating plan rules. The unadjusted mod is: 1.18



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion for GRPU to cease Federal Energy Regulatory Commission (FERC) regulatory accounting and only use General Accepted Accounting Principles of Governmental Accounting Standards Board for accounting and reporting.

**PREPARED BY:** Jean Lane, Business Services Manager

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### **BACKGROUND:**

The GRPU Commission met on January 10, 2024, in the work session, and discussed the draft assessment from Clifton Larson Allen (CLA), LLP which reviewed accounting and financial reporting requirements of regulatory accounting of the Federal Energy Regulatory Commission (FERC) versus Generally Accepted Accounting Principles (GAAP) using Governmental Accounting Standards Board (GASB) standards.

There were four objectives CLA, LLP assessed:

1. What accounting policies differ between regular GAAP/GASB accounting and FERC accounting and is the Commission fully using all FERC policies or only utilizing certain FERC policies.
2. What would the yearly impact be if water meters and transformers were not depreciated until placed into service, as currently depreciation is started upon purchase, as per the Commission's understanding of FERC accounting.
3. What items does the FERC chart of accounts require or clearly define that the Commission may want to consider including in their chart of accounts in case they ever need to complete or comply with FERC reporting or accounting requirements.
4. Does it appear necessary to utilize FERC accounting for the purposes of obtaining meaningful rate comparisons and rate studies.

Mary Reedy, Principal and Michelle Hoffman, CPA from CLA, LLP were available at the work session to discuss the report and answer any questions.

The assessment final considerations are (1) change in accounting decision rests with the Commission; (2) no guidelines, rules or laws were identified which would preclude the Commission from moving away from FERC accounting; (3) if FERC accounting were fully implemented GRPU would still need to account and report per GAAP/GASB; (4) financial impact is a timing difference to the depreciation expense.

Finally, the CLA, LLP assessment stated, “they were unable to find any rules and regulations or compelling reasons why it would be either required or recommended for Grand Rapids Public Utilities Commission to utilize and further implement FERC accounting.”

**RECOMMENDATION:**

Approve a motion for GRPU to cease Federal Energy Regulatory Commission (FERC) regulatory accounting and only use General Accepted Accounting Principles of Governmental Accounting Standards Board for accounting and reporting effective January 1, 2024.

# Accounting Practices - FERC VS GASB

## Key Points from CLA, LLP Assessment Report

- Federal Energy Regulatory Commission (FERC) regulatory accounting and financial reporting ***is not required.***
- GRPU is only using a small part of FERC accounting and not consistent with any other municipal.
- GASB accounting practices result in a more meaningful financial comparison to other MN municipal utilities.
- It would take a lot of work to fully implement FERC accounting.
- Unable to find any decision-making benefits by using FERC accounting.
- GRPU ***must*** follow Generally Accepted Accounting Principles (GAAP) of Governmental Accounting Standards Board (GASB) for accounting and financial reporting.

## RECOMMENDATION

Stop using any FERC regulatory accounting practices and only use GAAP/GASB for accounting and financial reporting.





Grand Rapids Public Utilities Commission  
 Grand Rapids, Minnesota

Based on the statement of work dated October 17, 2023, and per the request of the Grand Rapids Public Utility Business Services Manager, we have conducted an assessment of the accounting and financial reporting requirements of the Federal Energy Regulatory Commission (FERC) and how it impacts the Grand Rapids Public Utilities Commission (the Commission), what aspects of FERC accounting the Commission is utilizing, and what differences in financial reporting would arise from the Commission fully implementing FERC accounting and financial reporting requirements versus GAAP/GASB accounting and financial reporting requirements. Specifically, we identified the following objectives:

- A) What accounting policies differ between regular GAAP/GASB accounting and FERC accounting and is the Commission fully using all FERC policies or only utilizing certain FERC policies.
- B) What would the yearly impact be if water meters and transformers were not depreciated until placed into service, as currently depreciation is started upon purchase, as per the Commission's understanding of FERC accounting.
- C) What items does the FERC chart of accounts require or clearly define that the Commission may want to consider including in their chart of accounts in case they ever need to complete or comply with FERC reporting or accounting requirements.
- D) Does it appear necessary to utilize FERC accounting for purposes of obtaining meaningful rate comparisons and rate studies.

With the above objectives in mind, CLA has prepared the following summary to be utilized by the Grand Rapids Public Utilities Commission.

## **Analysis of FERC Accounting and Financial Reporting Regulations Versus GASB**

### ***Background of FERC and FERC Accounting***

The Federal Energy Regulatory Commission (FERC) is an independent agency of the United States government that regulates the interstate transmission of electricity and natural gas and the transportation of oil by pipeline in interstate commerce. FERC also regulates hydropower projects and natural gas terminals. The Energy Policy Act of 2005 gave FERC some additional responsibilities, such as reviewing certain mergers and acquisitions and corporate transactions by electricity companies, approving the siting and abandonment of interstate natural gas pipelines and storage facilities, monitoring and investigating energy markets, etc. Entities within FERC jurisdiction include those that engage in the above-mentioned activities and are subject to the Federal Power Act. Entities and activities that are *not within* FERC's jurisdiction include electricity and natural gas sales to consumers, the regulation of activities of municipal power systems and most rural electric cooperatives, the issuance of state water quality certificates, and other more localized utility operations. These are often regulated by State Public Utility Commissions.

In Minnesota, the Minnesota Public Utilities Commission regulates certain safety and services issue of municipal utilities, but much of the operational regulation, such as rate setting, fees, budgeting, etc., is done through the local council or commission. The MNPUC would typically only get involved in a municipal utility to address specific questions, issues, or concerns brought to its attention. This might result in the MNPUC reviewing the matter and issuing a formal statement or judgment based on applicable Minnesota laws.

As part of regulating activities and entities under its jurisdiction, FERC has established a Uniform System of Accounts (USofA) and corresponding accounting rules and regulations which these entities must follow (henceforth referred to collectively as FERC accounting). FERC accounting was established to ensure consistency and comparability as well as to assist entities in preparing various forms and filings which are required to be submitted to FERC. Some state commissions, such as Wisconsin, have developed their own Uniform System of Accounts and other regulations that mirror or mimic that of FERC while others, including Minnesota, do not require municipal utilities to use a prescribed chart of accounts or complete FERC reporting forms. As such, the Commission is not required to utilize a specific chart of accounts, nor does it need to be able to readily compile data to prepare forms based on the FERC (or other) chart of accounts. The Commission does prepare two annual report that are submitted to governing bodies. The first, Form EIA-861S, is completed and submitted to the US Energy Information Administration, an agency of the U.S. Federal Statistical System which is responsible for collecting, analyzing, and disseminating energy information to promote sound policymaking, efficient markets, and public understanding of energy. This is an informational census survey, utilized for assisting in decision making at this level, not a regulatory report for analyzing or reviewing the entities providing the submissions. The second form, the Electric Utility Rule 7610 Report, is completed and submitted to the MN Department of Commerce, Energy and Utilities Division, and is an informational report used to identify emerging trends based on supply and demand, conservation and public health and safety factors, and to determine the level of statewide and service area needs. This, too, is an informational report to assist the state in policy making and is not a regulatory report intended to assess the Commission.

FERC accounting also includes various rules and regulations, which are built into the definitions for each of its accounts included in the USofA. As the Commission is not subject to FERC regulations, it is also not required to follow this accounting guidance. *As a municipal utility in Minnesota, the Commission's audited financial statements must be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) pronouncements.* FERC accounting was designed around Financial Accounting Standards Board (FASB) pronouncements, which are utilized by, among others, for-profit entities and contain many key differences from GASB standards. FERC also publishes guidance and answers to inquiries regarding the implementation of new FASB standards and how to incorporate them into the FERC USofA, but does not do so for new GASB standards, further implying it was created with for-profit entities in mind. *As such, the utilization of FERC accounting is difficult and largely impractical for governmental entities.* Some of the key differences between FERC accounting and GAAP accounting which utilizes GASB pronouncements are summarized below, starting with terminology variances and then application variances.

### **Terminology Variances**

FERC accounting utilizes many terms that are part of FASB pronouncements but would not be correct to include in financial statements prepared utilizing GASB. These terms are specifically

listed out in the FERC rules and regulations and are also incorporated into the detailed descriptions of many of the accounts included in the USofA. Some of these terms include, but are not limited to the following:

**Capital Lease** – With the implementation of GASB 87, capital lease is no longer a term utilized under GASB. Leases are considered short-term or long-term.

**Operating Lease** – With the implementation of GASB 87, operating lease is no longer a term utilized under GASB. Leases are considered short-term or long-term.

**Unamortized Debt Expense** – N/A under GASB.

**Common Stock** – N/A under GASB.

**Preferred Stock** – N/A under GASB.

**Capital Stock** – N/A under GASB.

**Reacquired Bonds** – N/A under GASB.

**Retained Earnings** – The term net position is utilized under GASB.

**Dividends Declared** – N/A under GASB.

In addition to FERC accounting utilizing terms that are not compatible with GASB accounting, GASB includes terminology and financial statement classifications that are not included in the FERC USofA. These include, but are not limited to:

**Deferred Outflows of Resources**

**Deferred Inflows of Resources**

**Due From Other Governments**

**Due to Other Governments**

**Unearned Revenue**

**OPEB (Other Postemployment Benefits)**

**Net Investment in Capital Assets**

**Unrestricted Net Position**

**Net Position**

**Intergovernmental Revenue**

**Interfund Transfers**

### ***Application Variances***

FERC accounting also discusses the use of the various terms embedded within their USofA and the implementation of related accounting practices. Significant variances in the policies and practical application of FERC accounting versus GASB include, but may not be limited to the following:

**Leases** – The criteria FERC uses for classifying leases is almost identical to the previous GASB criteria, which has since been superseded by GASB Statement No, 87. FERC continues to classify leases as either operating or capital, and capital leases are based on the same four criteria which were previously utilized by GASB. As such, if the Commission had a ten-year lease which did not meet any of these criteria (asset transferring ownership, a bargain purchase option, present value of minimum lease payments equaling or exceeding 90% of the asset fair value, or the lease term equal to or greater than 75% of the economic life of the lease asset), it would be classified as an operating lease utilizing FERC accounting, but would then need to be classified, and properly accounted for, as a long-term lease under GASB.

**Unamortized Debt Expense** – This term and the treatment of expenses related to the issuance of various debt instruments would not be appropriate under GASB. FERC accounting requires that expenses related to the issuance or assumption of various debt securities be capitalized in an unamortized debt expense account and be amortized over the life of the respective issuance. This is similar to how GASB previously treated these costs, but GASB Statement No. 65, effective in fiscal year 2013, changed this to require the expense of these costs, other than any portion related to prepaid insurance, in the period in which they were incurred. As such, under FERC accounting the Commission would need to track and amortize these costs and then ensure they were all properly expensed when preparing financial information under GASB.

**Gains and Losses on Debt Defeasance with Existing Resources** – Under FERC accounting, when a long-term debt issuance is defeased using existing resources and not in connection with a refunding debt issuance, any gain or loss on the defeasance is to be deferred and amortized over the remaining life of the original debt issuance. This is in contrast to GASB standards, which state that any gains or losses in these situations should be recognized fully in the period of the defeasance. As such, if the Commission utilizes FERC accounting, it would need to track any variances between the two methods if this situation arises.

**Gains and Losses on Debt Refunding** – Under FERC accounting, any calculated gains or losses on debt refunding are to be amortized, similar to GASB requirements. However, FERC accounting allows the utility to elect to amortize any gains or losses either over the original life of the refunded debt or the remaining life of the new debt. This contradicts with GASB standards which required these gains and losses to be amortized over the shorter of the two. As such, if the Commission utilized FERC accounting, it would need to track any variances between the two methods if this situation arises.

**Gains and Losses From Disposition of Utility Plant** – FERC accounting requires utilities to separate the cost of land purchases for electric operations into two categories when the purchase requires the utility to acquire more land than needed for such purposes. The land is to be divided into land reported within the Electric Plant account and land recorded in the Electric Plant Held for Future Use account. If the land held for future use ends up being sold and not used for electric operations, any significant gains or losses are to be deferred and amortized over a five-year period. This treatment is inconsistent with GASB, which would require the gain or loss on a sale of land to be recognized in the fiscal year of the sale.

**Computer Software** – FERC accounting includes the capitalization of computer software as an intangible capital asset. While GASB Statement No. 96 addresses Subscription-Based Information Technology Arrangements, essentially leased computer software, and allows for the capitalization of certain types of these agreements as subscription assets, software costs in general are not capitalizable under GASB.

Currently, the Commission is utilizing GASB/GAAP accounting for all the above-mentioned scenarios, thus a conversion to FERC accounting would require recalculating and reanalyzing several areas, in addition to retaining the GASB-based accounting for reporting purposes. *One of the areas where the Commission indicates it is currently utilizing FERC accounting, is with regards to the treatment of meters and transformers purchased.* The Commission's practice is to begin depreciating these assets in the year they are purchased, regardless of when they were placed into service, rather than include them in a non-depreciable inventory account until

the time they are placed into service. The FERC USofA contains an inventory account for supplies and materials which are not yet used. This account notes that meters and transformers are not to be recorded in this account. Instead, it includes separate capital asset accounts for both meters and transformers, which specifically note that within these accounts the utility needs to separate between meters and transformers in service and those not yet in service. The depreciation expense accounts then go on to discuss that they are to include depreciation expense for assets in service. This language, along with no evidence to the contrary, would seem to indicate that assets not yet in service, though required to be accounted for in the same capital asset account in the FERC USofA, should not be depreciated.

### **Treatment of Water Meters and Transformers Not Yet in Service**

As noted above, the Commission's current practice is to begin depreciating meters and transformers upon purchase, rather than to hold them in an inventory account until placed in service. In 2022, the Commission had \$55,638 in equipment additions. If that entire amount were meters, with a conservative estimated useful life of 20 years, that would equate to \$2,782 in depreciation expense per year. It is likely that some of the meters purchased would be placed into service in the same year, but even if all meters are held for an average of five years prior to being placed into service (and assuming all of the equipment additions are meters), it would still only equate to about \$13,910 in total over the five-year span.

Applying the same conservative calculation to transformers, which would be included in infrastructure additions, one year of depreciation for the \$731,511 in additions in 2022 (assuming a 30-year useful life) would total \$24,384 and five years of depreciation would total \$121,919.

Both of the above calculations are for one year of additions, so if each year contained a similar amount of additions to meters and transformers, which are all held for an average of five years before being placed into service, this annual amount would end up totaling \$135,830 in additional expenses by immediately depreciating both meters and transformers. Due to the conservative assumptions utilized, the actual annual variance is likely much less. However, as noted in the last paragraph of the "Analysis of FERC Accounting and Financial Reporting Regulations Versus GASB" section of this report, it does *not* appear this approach is a prescribed practice under FERC accounting or GASB.

### **Components of the FERC USofA for the Commission to Consider**

The FERC chart of accounts generally contains accounts which are only three digits long, with some containing one decimal for subcategories. Three-digit accounts are somewhat limiting and the Commission will likely have more data and/or subcategories it wants to track. In addition, per review of the USofA, there are few accounts which seem to translate directly to an account the Commission would likely have. As such, if the Commission wants to incorporate any component of the FERC USofA into its own chart of accounts, it seems most practical to add a string of three digits somewhere in the account structure that would contain the FERC account number that is closest to the nature of the account. Below is the general account numbering plan used in the FERC Uniform System of Accounts and a full account listing is included as an appendix to this letter.

- 100-199 Assets and other debits
- 200-200 Liabilities and other credits
- 300-399 Plant accounts
- 400-432, 434-435 Income accounts

433, 436-439 Retained earnings accounts  
 440-459 Revenue accounts  
 500-599 Production, transmission and distribution expenses  
 900-949 Customer accounts, customer service and informational, sales, and  
 General and administrative expenses

### **FERC Accounting as it Relates to Rate Setting and Rate Studies**

The last key question to consider with regards to whether utilizing FERC accounting is appropriate for the Commission is whether or not it would have an impact on the Commission's ability to meaningfully compare rates and financial results to other municipal utilities or its conduction of utility rate studies. Though we were unable to find definitive information on how many, if any, municipal utilities in Minnesota utilize FERC accounting, through our experience, inquiries, etc. we were unable to identify any which do fully utilize FERC accounting in its day-to-day accounting records. As such, GASB accounting practices would actually result in more meaningful comparisons to other municipal utilities in the state. In addition, we were unable to identify any concerns with GASB accounting as it relates to conducting rate studies, and many other municipal utilities in Minnesota regularly conduct rate studies without the use of FERC accounting.

### **Final Considerations**

Any decision impacting the record keeping and financial reporting of an entity should not be taken lightly, as inevitably there will be a transition process and a few pain points. Based on the information gathered and presented in this report, the decision to fully utilize FERC accounting practices or transition away from these methods and instead fully implement GAAP/GASB accounting rests with governance of the Commission and not with any regulatory or other body. No guidelines, rules, or laws were identified which would preclude the Commission from moving away from FERC accounting.

Any change to financial practices will require some time and effort. If the Commission were to choose to fully utilize FERC accounting, it appears this would require more changes than choosing to report solely utilizing GAAP/GASB. As is noted earlier in this report, there are several areas where the Commission is not utilizing FERC practices and would have to make several revisions. In moving away from FERC, there would be small financial implications related to the depreciation of meters and transformers. This change would not impact the balance sheet, as the equipment would be included in assets regardless, either as inventory or as a capital asset. The only difference would be that depreciation expense is taken sooner under current practices and would not align with the actual use of the asset. As the Commission plans to implement a new financial software in the near future, revamping the chart of accounts away from the FERC USofA will likely be a bigger change from an internal perspective, though new software usually comes with revisions and improvements to an entity's chart of accounts, regardless of any changes in accounting practices.

Ultimately, the Commission of GRPUC has the authority to decide how the entity will proceed. There may also be additional factors or circumstances that the Commission considers relevant to consider when making this decision, but we were unable to find any rules and regulations or compelling reasons why it would be either required or recommended for Grand Rapids Public Utility Commission to utilize and further implement FERC accounting.

This report is intended solely for the information and use of the Grand Rapids Public Utilities Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

The purpose of this report is solely to describe the information related to the objectives stated above Accordingly, this report is not suitable for any other purpose.

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Mary Reedy".

Mary Reedy, CPA, CGFM  
Principal

## Appendix

### Balance Sheet Chart of Accounts

#### ASSETS AND OTHER DEBITS

1. Utility Plant
  - 101 Electric plant in service (Major only).
  - 101.1 Property under capital leases.
  - 102 Electric plant purchased or sold.
  - 103 Experimental electric plant unclassified (Major only).
  - 103.1 Electric plant in process of reclassification (Nonmajor only).
  - 104 Electric plant leased to others.
  - 105 Electric plant held for future use.
  - 106 Completed construction not classified—Electric (Major only).
  - 107 Construction work in progress—Electric.
  - 108 Accumulated provision for depreciation of electric utility plant (Major only).
  - 109 [Reserved]
  - 110 Accumulated provision for depreciation and amortization of electric utility plant (Nonmajor only).
  - 111 Accumulated provision for amortization of electric utility plant (Major only).
  - 112–113 [Reserved]
  - 114 Electric plant acquisition adjustments.
  - 115 Accumulated provision for amortization of electric plant acquisition adjustments (Major only).
  - 116 Other electric plant adjustments.
  - 118 Other utility plant.
  - 119 Accumulated provision for depreciation and amortization of other utility plant.
  - 120.1 Nuclear fuel in process of refinement, conversion, enrichment and fabrication (Major only).
  - 120.2 Nuclear fuel materials and assemblies—Stock account (Major only).
  - 120.3 Nuclear fuel assemblies in reactor (Major only).
  - 120.4 Spent nuclear fuel (Major only).
  - 120.5 Accumulated provision for amortization of nuclear fuel assemblies (Major only).
  - 120.6 Nuclear fuel under capital leases (Major only).
2. Other Property and Investments
  - 121 Nonutility property.
  - 122 Accumulated provision for depreciation and amortization of nonutility property.
  - 123 Investment in associated companies (Major only).
  - 123.1 Investment in subsidiary companies (Major only).
  - 124 Other investments.
  - 125 Sinking funds (Major only).
  - 126 Depreciation fund (Major only).
  - 127 Amortization fund—Federal (Major only).
  - 128 Other special funds (Major only).
  - 129 Special funds (Nonmajor only).
3. Current and Accrued Assets
  - 130 Cash and working funds (Nonmajor only).
  - 131 Cash (Major only).



- 132 Interest special deposits (Major only).
- 133 Dividend special deposits (Major only).
- 134 Other special deposits (Major only).
- 135 Working funds (Major only).
- 136 Temporary cash investments.
- 141 Notes receivable.
- 142 Customer accounts receivable.
- 143 Other accounts receivable.
- 144 Accumulated provision for uncollectible accounts—credit.
- 145 Notes receivable from associated companies.
- 146 Accounts receivable from associated companies.
- 151 Fuel stock (Major only).
- 152 Fuel stock expenses undistributed (Major only).
- 153 Residuals (Major only).
- 154 Plant materials and operating supplies.
- 155 Merchandise (Major only).
- 156 Other materials and supplies (Major only).
- 157 Nuclear materials held for sale (Major only).
- 158.1 Allowance inventory.
- 158.2 Allowances withheld.
- 163 Stores expense undistributed (Major only).
- 165 Prepayments.
- 171 Interest and dividends receivable (Major only).
- 172 Rents receivable (Major only).
- 173 Accrued utility revenues (Major only).
- 174 Miscellaneous current and accrued assets.
- 175 Derivative instrument assets.
- 176 Derivative instrument assets-Hedges.

#### 4. Deferred Debits

- 181 Unamortized debt expense.
- 182.1 Extraordinary property losses.
- 182.2 Unrecovered plant and regulatory study costs.
- 182.3 Other regulatory assets.
- 183 Preliminary survey and investigation charges (Major only).
- 184 Clearing accounts (Major only).
- 185 Temporary facilities (Major only).
- 186 Miscellaneous deferred debits.
- 187 Deferred losses from disposition of utility plant.
- 188 Research, development, and demonstration expenditures (Major only).
- 189 Unamortized loss on reacquired debt.
- 190 Accumulated deferred income taxes.

### LIABILITIES AND OTHER CREDITS

#### 5. Proprietary Capital

- 201 Common stock issued.
- 202 Common stock subscribed (Major only).
- 203 Common stock liability for conversion (Major only).
- 204 Preferred stock issued.
- 205 Preferred stock subscribed (Major only).

- 206 Preferred stock liability for conversion (Major only).
  - 207 Premium on capital stock (Major only).
  - 208 Donations received from stockholders (Major only).
  - 209 Reduction in par or stated value of capital stock (Major only).
  - 210 Gain on resale or cancellation of reacquired capital stock (Major only).
  - 211 Miscellaneous paid-in capital.
  - 212 Installments received on capital stock.
  - 213 Discount on capital stock.
  - 214 Capital stock expense.
  - 215 Appropriated retained earnings.
  - 215.1 Appropriated retained earnings—Amortization reserve, Federal.
  - 216 Unappropriated retained earnings.
  - 216.1 Unappropriated undistributed subsidiary earnings (Major only).
  - 217 Reacquired capital stock.
  - 218 Noncorporate proprietorship (Nonmajor only).
  - 219 Accumulated other comprehensive income.
6. Long-Term Debt
- 221 Bonds.
  - 222 Reacquired bonds (Major only).
  - 223 Advances from associated companies.
  - 224 Other long-term debt.
  - 225 Unamortized premium on long-term debt.
  - 226 Unamortized discount on long-term debt—Debit.
7. Other Noncurrent Liabilities
- 227 Obligations under capital lease—noncurrent.
  - 228.1 Accumulated provision for property insurance.
  - 228.2 Accumulated provision for injuries and damages.
  - 228.3 Accumulated provision for pensions and benefits.
  - 228.4 Accumulated miscellaneous operating provisions.
  - 229 Accumulated provision for rate refunds.
  - 230 Asset retirement obligations.
8. Current and Accrued Liabilities
- 231 Notes payable.
  - 232 Accounts payable.
  - 233 Notes payable to associated companies.
  - 234 Accounts payable to associated companies.
  - 235 Customer deposits.
  - 236 Taxes accrued.
  - 237 Interest accrued.
  - 238 Dividends declared (Major only).
  - 239 Matured long-term debt (Major only).
  - 240 Matured interest (Major only).
  - 241 Tax collections payable (Major only).
  - 242 Miscellaneous current and accrued liabilities.
  - 243 Obligations under capital leases—current.
  - 244 Derivatives instrument liabilities.
  - 245 Derivative instrument liabilities-Hedges.

9. Deferred Credits
  - 251 [Reserved]
  - 252 Customer advances for construction.
  - 253 Other deferred credits.
  - 254 Other regulatory liabilities.
  - 255 Accumulated deferred investment tax credits.
  - 256 Deferred gains from disposition of utility plant.
  - 257 Unamortized gain on reacquired debt.
  - 281 Accumulated deferred income taxes—Accelerated amortization property
  - 282 Accumulated deferred income taxes—Other property.
  - 283 Accumulated deferred income taxes—Other.

### Electric Plant Chart of Accounts

1. Intangible Plant
  - 301 Organization.
  - 302 Franchises and consents.
  - 303 Miscellaneous intangible plant.
2. Production Plant
  - a. steam production
    - 310 Land and land rights.
    - 311 Structures and improvements.
    - 312 Boiler plant equipment.
    - 313 Engines and engine-driven generators.
    - 314 Turbogenerator units.
    - 315 Accessory electric equipment.
    - 316 Miscellaneous power plant equipment
    - 317 Asset retirement costs for steam production plant.
  - b. nuclear production
    - 320 Land and land rights (Major only).
    - 321 Structures and improvements (Major only).
    - 322 Reactor plant equipment (Major only).
    - 323 Turbogenerator units (Major only).
    - 324 Accessory electric equipment (Major only).
    - 325 Miscellaneous power plant equipment (Major only).
    - 326 Asset retirement costs for nuclear production plant (Major only).
  - c. hydraulic production
    - 330 Land and land rights.
    - 331 Structures and improvements.
    - 332 Reservoirs, dams, and waterways.
    - 333 Water wheels, turbines and generators.
    - 334 Accessory electric equipment.
    - 335 Miscellaneous power plant equipment.
    - 336 Roads, railroads and bridges.
    - 337 Asset retirement costs for hydraulic production plant.
  - d. other production
    - 340 Land and land rights.

- 341 Structures and improvements.
  - 342 Fuel holders, producers, and accessories.
  - 343 Prime movers.
  - 344 Generators.
  - 345 Accessory electric equipment.
  - 346 Miscellaneous power plant equipment.
  - 347 Asset retirement costs for other production plant.
3. Transmission Plant
- 350 Land and land rights.
  - 351 [Reserved]
  - 352 Structures and improvements.
  - 353 Station equipment.
  - 354 Towers and fixtures.
  - 355 Poles and fixtures.
  - 356 Overhead conductors and devices.
  - 357 Underground conduit.
  - 358 Underground conductors and devices.
  - 359 Roads and trails.
  - 359.1 Asset retirement costs for transmission plant.
4. Distribution Plant
- 360 Land and land rights.
  - 361 Structures and improvements.
  - 362 Station equipment.
  - 363 Storage battery equipment.
  - 364 Poles, towers and fixtures.
  - 365 Overhead conductors and devices
  - 366 Underground conduit.
  - 367 Underground conductors and devices
  - 368 Line transformers.
  - 369 Services.
  - 370 Meters.
  - 371 Installations on customers' premises
  - 372 Leased property on customers' premises.
  - 373 Street lighting and signal systems.
  - 374 Asset retirement costs for distribution plant.
5. Regional Transmission and Market Operation Plant
- 380 Land and land rights.
  - 381 Structures and improvements.
  - 382 Computer hardware.
  - 383 Computer software.
  - 384 Communication Equipment.
  - 385 Miscellaneous Regional Transmission and Market Operation Plant.
  - 386 Asset Retirement Costs for Regional Transmission and Market Operation Plant.
  - 387 [Reserved]
6. General Plant
- 389 Land and land rights.

- 390 Structures and improvements.
- 391 Office furniture and equipment.
- 392 Transportation equipment.
- 393 Stores equipment.
- 394 Tools, shop and garage equipment.
- 395 Laboratory equipment.
- 396 Power operated equipment.
- 397 Communication equipment.
- 398 Miscellaneous equipment.
- 399 Other tangible property.
- 399.1 Asset retirement costs for general plant

### Income Chart of Accounts

1. Utility Operating Income
  - 400 Operating revenues.
  - 401 Operation expense.
  - 402 Maintenance expense.
  - 403 Depreciation expense.
  - 404 Amortization of limited-term electric plant.
  - 405 Amortization of other electric plant.
  - 406 Amortization of electric plant acquisition adjustments.
  - 407 Amortization of property losses, unrecovered plant and regulatory study costs.
  - 407.3 Regulatory debits.
  - 407.4 Regulatory credits.
  - 408 [Reserved]
  - 408.1 Taxes other than income taxes, utility operating income.
  - 409 [Reserved]
  - 409.1 Income taxes, utility operating income.
  - 410 [Reserved]
  - 410.1 Provisions for deferred income taxes, utility operating income.
  - 411 [Reserved]
  - 411.1 Provision for deferred income taxes—Credit, utility operating income.
  - 411.3 [Reserved]
  - 411.4 Investment tax credit adjustments, utility operations.
  - 411.6 Gains from disposition of utility plant.
  - 411.7 Losses from disposition of utility plant.
  - 411.8 Gains from disposition of allowances.
  - 411.9 Losses from disposition of allowances.
  - 412 Revenues from electric plant leased to others.
  - 413 Expenses of electric plant leased to others.
  - 414 Other utility operating income.
2. Other Income and Deductions
  - a. other income
    - 415 Revenues from merchandising, jobbing, and contract work.
    - 416 Costs and expenses of merchandising, jobbing, and contract work.
    - 417 Revenues from nonutility operations.
    - 417.1 Expenses of nonutility operations.
    - 418 Nonoperating rental income.

- 418.1 Equity in earnings of subsidiary companies (Major only).
  - 419 Interest and dividend income.
    - 419.1 Allowance for other funds used during construction.
  - 420 Investment tax credits.
  - 421 Miscellaneous nonoperating income.
    - 421.1 Gain on disposition of property.
    - b. other income deductions
    - 421.2 Loss on disposition of property.
  - 425 Miscellaneous amortization.
  - 426 [Reserved]
    - 426.1 Donations.
    - 426.2 Life insurance.
    - 426.3 Penalties.
    - 426.4 Expenditures for certain civic, political and related activities.
    - 426.5 Other deductions. Total other income deductions.
    - c. taxes applicable to other income and deductions
  - 408.2 Taxes other than income taxes, other income and deductions.
  - 409.2 Income tax, other income and deductions.
  - 409.3 Income taxes, extraordinary items.
  - 410.2 Provision for deferred income taxes, other income and deductions.
  - 411.2 Provision for deferred income taxes—Credit, other income and deductions.
  - 411.5 Investment tax credit adjustments, nonutility operations.
  - 420 Investment tax credits.
3. Interest Charges
- 427 Interest on long-term debt.
  - 428 Amortization of debt discount and expense.
    - 428.1 Amortization of loss on reacquired debt.
  - 429 Amortization of premium on debt-Cr.
    - 429.1 Amortization of gain on reacquired debt—Credit.
  - 430 Interest on debt to associated companies.
  - 431 Other interest expense.
  - 432 Allowance for borrowed funds used during construction—Credit.
4. Extraordinary Items
- 434 Extraordinary income.
  - 435 Extraordinary deductions.

#### Operation and Maintenance Expense Chart of Accounts

- 1. Power Production Expenses
  - a. steam power generation
    - Operation*
    - 500 Operation supervision and engineering.
    - 501 Fuel.
    - 502 Steam expenses (Major only).
    - 503 Steam from other sources.
    - 504 Steam transferred—Credit.
    - 505 Electric expenses (Major only).
    - 506 Miscellaneous steam power expenses (Major only).
    - 507 Rents.

508 Operation supplies and expenses (Nonmajor only).

509 Allowances.

*Maintenance*

510 Maintenance supervision and engineering (Major only).

511 Maintenance of structures (Major only).

512 Maintenance of boiler plant (Major only).

513 Maintenance of electric plant (Major only).

514 Maintenance of miscellaneous steam plant (Major only).

515 Maintenance of steam production plant (Nonmajor only).

b. nuclear power generation

*Operation*

517 Operation supervision and engineering (Major only).

518 Nuclear fuel expense (Major only).

519 Coolants and water (Major only).

520 Steam expenses (Major only).

521 Steam from other sources (Major only).

522 Steam transferred—Credit. (Major only).

523 Electric expenses (Major only).

524 Miscellaneous nuclear power expenses (Major only).

525 Rents (Major only).

*Maintenance*

528 Maintenance supervision and engineering (Major only).

529 Maintenance of structures (Major only).

530 Maintenance of reactor plant equipment (Major only).

531 Maintenance of electric plant (Major only).

532 Maintenance of miscellaneous nuclear plant (Major only).

c. hydraulic power generation

*Operation*

535 Operation supervision and engineering.

536 Water for power.

537 Hydraulic expenses (Major only).

538 Electric expenses (Major only).

539 Miscellaneous hydraulic power generation expenses (Major only).

540 Rents.

540.1 Operation supplies and expenses (Nonmajor only).

*Maintenance*

541 Maintenance supervision and engineering (Major only).

542 Maintenance of structures (Major only).

543 Maintenance of reservoirs, dams and waterways (Major only).

544 Maintenance of electric plant (Major only).

545 Maintenance of miscellaneous hydraulic plant (Major only).

545.1 Maintenance of hydraulic production plant (Nonmajor only).

d. other power generation

*Operation*

546 Operation supervision and engineering.

547 Fuel.

548 Generation expenses (Major only).

549 Miscellaneous other power generation expenses (Major only).

550 Rents.

550.1 Operation supplies and expenses (Nonmajor only).

*Maintenance*

- 551 Maintenance supervision and engineering (Major only).
- 552 Maintenance of structures (Major only).
- 553 Maintenance of generating and electric plant (Major only).
- 554 Maintenance of miscellaneous other power generation plant (Major only).
- 554.1 Maintenance of other power production plant (Nonmajor only).
- e. other power supply expenses
- 555 Purchased power.
- 556 System control and load dispatching (Major only).
- 557 Other expenses.

## 2. Transmission Expenses

*Operation*

- 560 Operation supervision and engineering.
- 561.1 Load dispatch—Reliability.
- 561.2 Load dispatch—Monitor and operate transmission system.
- 561.3 Load dispatch—Transmission service and scheduling.
- 561.4 Scheduling, system control and dispatch services.
- 561.5 Reliability planning and standards development.
- 561.6 Transmission service studies.
- 561.7 Generation interconnection studies.
- 561.8 Reliability planning and standards development services.
- 562 Station expenses (Major only).
- 563 Overhead line expense (Major only).
- 564 Underground line expenses (Major only).
- 565 Transmission of electricity by others (Major only).
- 566 Miscellaneous transmission expenses (Major only).
- 567 Rents.
- 567.1 Operation supplies and expenses (Nonmajor only).

*Maintenance*

- 568 Maintenance supervision and engineering (Major only).
- 569 Maintenance of structures (Major only).
- 569.1 Maintenance of computer hardware.
- 569.2 Maintenance of computer software.
- 569.3 Maintenance of communication equipment.
- 569.4 Maintenance of miscellaneous regional transmission plant.
- 570 Maintenance of station equipment (Major only).
- 571 Maintenance of overhead lines (Major only).
- 572 Maintenance of underground lines (Major only).
- 573 Maintenance of miscellaneous transmission plant (Major only).
- 574 Maintenance of transmission plant (Nonmajor only).

## 3. Regional Market Expenses

*Operation*

- 575.1 Operation Supervision.
- 575.2 Day-ahead and real-time market administration.
- 575.3 Transmission rights market administration.
- 575.4 Capacity market administration.
- 575.5 Ancillary services market administration.
- 575.6 Market monitoring and compliance.



575.7 Market facilitation, monitoring and compliance services.

575.8 Rents.

*Maintenance*

576.1 Maintenance of structures and improvements.

576.2 Maintenance of computer hardware.

576.3 Maintenance of computer software.

576.4 Maintenance of communication equipment.

576.5 Maintenance of miscellaneous market operation plant.

4. Distribution Expenses

*Operation*

580 Operation supervision and engineering.

581 Load dispatching (Major only).

581.1 Line and station expenses (Nonmajor only).

582 Station expenses (Major only).

583 Overhead line expenses (Major only).

584 Underground line expenses (Major only).

585 Street lighting and signal system expenses.

586 Meter expenses.

587 Customer installations expenses.

588 Miscellaneous distribution expenses.

589 Rents.

*Maintenance*

590 Maintenance supervision and engineering (Major only).

591 Maintenance of structures (Major only).

592 Maintenance of station equipment (Major only).

592.1 Maintenance of structures and equipment (Nonmajor only).

593 Maintenance of overhead lines (Major only).

594 Maintenance of underground lines (Major only).

594.1 Maintenance of lines (Nonmajor only).

595 Maintenance of line transformers.

596 Maintenance of street lighting and signal systems.

597 Maintenance of meters.

598 Maintenance of miscellaneous distribution plant.

5. Customer Accounts Expenses

*Operation*

901 Supervision (Major only).

902 Meter reading expenses.

903 Customer records and collection expenses.

904 Uncollectible accounts.

905 Miscellaneous customer accounts expenses (Major only).

6. Customer Service and Informational Expenses

*Operation*

906 Customer service and informational expenses (Nonmajor only).

907 Supervision (Major only).

908 Customer assistance expenses (Major only).

909 Informational and instructional advertising expenses (Major only).

910 Miscellaneous customer service and informational expenses (Major only).

7. Sales Expenses

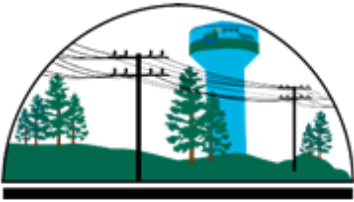
*Operation*

- 911 Supervision (Major only).
- 912 Demonstrating and selling expenses (Major only).
- 913 Advertising expenses (Major only).
- 916 Miscellaneous sales expenses (Major only).
- 917 Sales expenses (Nonmajor only).

8. Administrative and General Expenses

*Operation*

- 920 Administrative and general salaries.
- 921 Office supplies and expenses.
- 922 Administrative expenses transferred—Credit.
- 923 Outside services employed.
- 924 Property insurance.
- 925 Injuries and damages.
- 926 Employee pensions and benefits.
- 927 Franchise requirements.
- 928 Regulatory commission expenses.
- 929 Duplicate charges—Credit.
- 930.1 General advertising expenses.
- 930.2 Miscellaneous general expenses.
- 931 Rents.
- 933 Transportation expenses (Nonmajor only).



**GRAND RAPIDS  
PUBLIC UTILITIES**

*Service is Our Nature*

500 SE Fourth Street • Grand Rapids, Minnesota 55744

## **BUSINESS SERVICES DEPARTMENT MONTHLY REPORT January 2024 Commission Meeting**

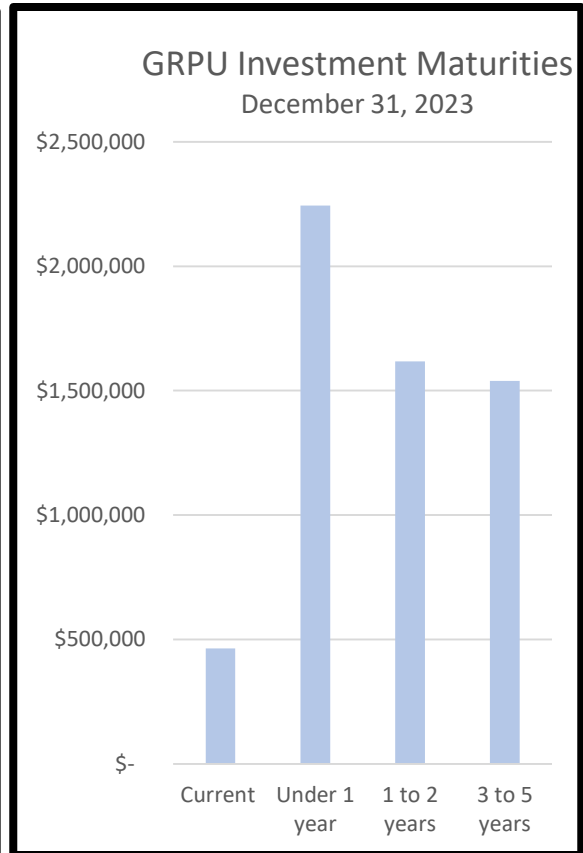
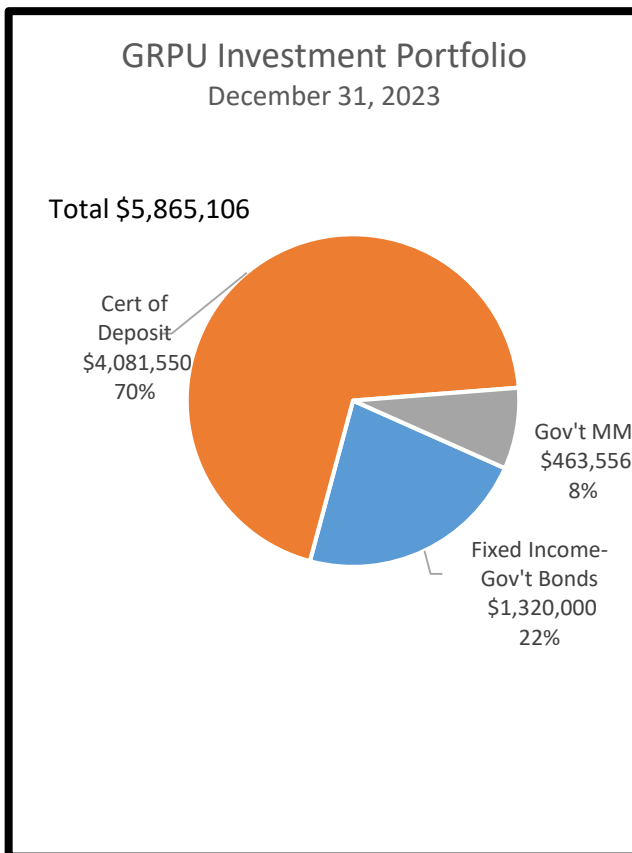
### ***SAFETY***

### ***RELIABILITY***

### ***CUSTOMER SERVICE***

Governments have a fiduciary responsibility in managing their funds, including the ongoing management and monitoring of investment activity. Investments increased from \$2,658,837 at EOY 2022 to \$5,856,106 as of December 31, 2023.

### **SAFETY OF ASSETS – INVESTMENTS**



## **CUSTOMER SERVICE – CUSTOMER-FOCUSED COMMUNICATION CAMPAIGNS**

*December 2023 customer focused communication campaign was energy audits.*

Act now and save on energy costs all year long!

Grand Rapids Public Utilities works in partnership with Frontier Energy to provide home energy audits for as low as \$25. If you want to save money on your energy bills, enjoy a cozier, weatherized home, or just want to help reduce energy waste, contact Doug Eli at 1-763-222-3039. To learn more, visit us on Facebook or go to our website [www.grpuc.org](http://www.grpuc.org).

Link - <https://cityofgrandrapidsmn.com/utilities/page/energy-audits>

*January 2024 customer focused communication campaign is rebates.*

Starting the new year with new appliances? Grand Rapids Public Utilities offers rebates to our residential customers on Energy Star certified appliances and so much more! Air conditioning, heat pumps, custom lighting, washers, and dryers are just a few examples of the rebates GRPU offers. Save energy and earn up to \$1,000 on a qualifying purchase. Wow! Put money back in your pocket, check out our rebates at [www.grpuc.org](http://www.grpuc.org) or visit us on Facebook.

Link – <https://cityofgrandrapidsmn.com/utilities/page/rebates>

## **RELIABILITY – UPDATE ON NEW ENTERPRISE RESOURCES PLANNING SOFTWARE**

City and GRPU ERP software themes: (1) importance of transparency and customer interactions; (2) self-service portals for customers; (3) interface with utility billing, OMS, AMI, and GIS.

The new ERP software will allow the City and GRPU to have data that is easier to access and increased reliability.

The GR joint steering/strategy team met to finalize some Enterprise Resource Planning (ERP) request for proposal (RFP) discussion, decisions, and next action steps. The current software GRPU software Cogsdale (utility billing) and Great Plains (GP) Dynamics (financial & projects) is outdated or will not be supported in the near future. The City software MSI is not being supported. Below are some decisions and next steps from the joint steering/strategy team:

- GFOA has started negotiations, on GRPU's behalf, with SpryPoint for utility billing and related software. Negotiations slowed to allow for a review of another utility billing software integrated with an ERP financial software being reviewed. Following that review, SpryPoint is now being recommended as the best utility billing software for GRPU and negotiations are being finalized for a contract presentation to the GRPU Commission meeting in February 2024.
- Financial software platform – Two financial software vendors are in the final stages of discovery and the City and GRPU are optimistic they'll make a decision at the end of January 2024.



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** January 24, 2024

**AGENDA ITEM:** Consider a motion to adopt the GRPU Electric Vehicle Policy.

**PREPARED BY:** Chad Troumbly, Electric Department Manager

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## **BACKGROUND:**

GRPU managers continue to draft policies for Commission review to better serve our customers and prepare for the future. The GRPU Commission met on January 10, 2024, in the work session, and discussed the draft policy addressing the emerging use of electric vehicles and charging along with the draft customer application and information packet.

## **RECOMMENDATION:**

Consider a motion to adopt the GRPU Electric Vehicle Policy.



# COMMISSION POLICY

## Electric Vehicle Charging

Category: <b>Electric</b>	Subcategory: <b>Distributed Energy</b>	Policy Number: <b>4.3.001</b>
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### Section 1 - Introduction

This policy was developed to be used as a guide by Grand Rapids Public Utilities (GRPU) personnel and to provide GRPU customers the greatest practicable latitude in the use of utilities services consistent with reliable, economical, and safe service to all customers. The result of using this policy should be consistent, logical, and fair treatment of GRPU customers regarding electricity delivery and infrastructure integrity.

The legal ramifications of these policies are addressed in various parts of the Municipal Code.

### Section 2 – Policy

Customers or property owners must submit an application to GRPU when adding a Level 2 or higher electric vehicle (EV) charging load to their service. This application is essential to verify the appropriate electric service, as the EV load was not considered in the original service size estimation. The verification process assesses transformer and external wire sizes to prevent possible overloading and ensuing reliability issues. Note that GRPU’s service size verification does not extend to the customer’s internal electrical panel.

Customers using Level 2 or higher chargers have access to various rate options. One option is the Time of Use (Electric Vehicle – Off Peak) rate which allows users to save money by shifting their EV charging to evening hours. Customers can also choose to have the load remain on their general service meter. The different rates can be found on the GRPU website under Billing Rates [here](#).

EVs represent a new frontier for many GRPU customers. To assist in this transition, we encourage customers to explore vehicle and charging options through online resources or consulting with a vehicle dealer. A valuable resource is the nonprofit website [Drive Electric Minnesota - Drive Forward \(driveelectricmn.org\)](http://driveelectricmn.org) which offers comprehensive information. It’s important to note that charging capabilities vary among EV models, and not all charge at the same rate or use the same type of charger. Additionally, it is advised that customers have a qualified professional assess their electrical setup, whether it be in a garage, residential or commercial space. Customers should be aware that EV chargers cannot be installed on load

management panels, and adherence to all required state electrical permits is needed. Below is basic charger information and its relevance to GRPU customers:

Item 13.

- **Level 1** charging occurs when an EV is charged using the charger provided with the vehicle. These chargers can be connected by plugging one end into a standard 120V outlet and the other end directly into the car. (source: [Chargehub.com](https://www.chargehub.com)) There are no specific requirements from GRPU for Level 1 charging, but customers can notify GRPU if they wish to be added to a list for future program offerings if they choose.
- **Level 2** chargers are typically purchased separately from the vehicle, although they are often acquired at the same time. These chargers entail a slightly more complex setup, involving connection to a 240V outlet, which enables charging 3 to 7 times faster, depending on the EV and the charger used. Installation of Level 2 chargers usually necessitates the services of an electrician. (source: [Chargehub.com](https://www.chargehub.com))

To add Level 2 charging, an EV application ([EV charger application](#)) is required. Additionally, the time-of-use (TOU) rate option requires the installation of another meter. The TOU meter measures the power consumption specifically for the vehicle and transmits that data for billing purposes. The meter base and wiring for TOU must be installed by the customer or by an electrician.

- **Level 3** chargers are high powered commercial DC chargers. The GRPU requirements are the same as Level 2 chargers.
- **Bidirectional** chargers have the capability to offer backup power to buildings or specific loads. It's important to note that not all vehicles are compatible with this type of charging, and additional hardware is necessary to prevent the unintended flow of power back into the electrical grid during an outage.

The EV application information will allow GRPU to properly align the grid to effectively accommodate the additional load. It may also serve as an incentive for users to consider adjusting their usage for the overall benefit of the system.

Following EV application submittal, GRPU staff will review the information provided and evaluate the local system that supplies power to the neighborhood. If inadequacies are identified, necessary changes will be implemented to accommodate the new load. Customers can expect to receive information from GRPU on the status of their application within 1-2 weeks.

Customers or their electrician requiring more guidance on how to properly prepare for a charger installation can review the GRPU website for EV FAQs or call the office during regular business hours.

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GRPU Commissioner

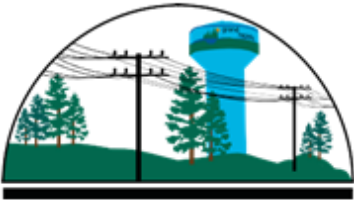
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GRPU Commissioner

#### **POLICY HISTORY:**

Adopted:

Revised:



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## ELECTRIC DEPARTMENT MONTHLY REPORT January 2024 Commission Meeting

### Reliability Report Last Month

SAIDI:	0.10	Avg Minutes / Customers Served	CAIDI:	12.53	Avg Minutes / Customer Out	Total Customers Out:	63
SAIFI:	0.01	Cust Outages / Customers Served	CAIFI:	0.159	Avg Outages / Customer Out	Total Reported Hours:	13
Active:	7642	Active Electric Customers	Outages:	10	Total Number of Outages	Total Customer Hours Out:	52
ASAI:	99.99992	Average Percent System Available					

GRPU had ten outages last month. Highlighted below is an outage caused by a vehicle where a car went off the road and pushed a transformer completely off its base. The power was still on and partially exposed where the transformer was originally located. When line crews arrived, they shut off the power and made the repair. GRPU wants to remind the public how important it is to stay away from any power lines and electrical equipment, especially when parts are damaged.



Figure 1: Vehicle Caused Outage



Outage Type	Outages	Duration	Customers	Customer Hours
Equipment -r-	2	2.50	4	2.80
Power Supply -r-	1	0.01	1	0.01
Tree -r-	2	6.56	18	22.47
Unknown -r-	1	0.29	1	0.29
Vehicle Accident -r-	1	1.55	1	1.55
Wildlife -r-	3	2.25	38	25.18

Figure 2: Outage Information by Type

### **Electric Load Graph Last Month**

The Monthly Peak was 23,770 kW on Dec 18th. The battery was dispatched that morning which helped reduce the load.

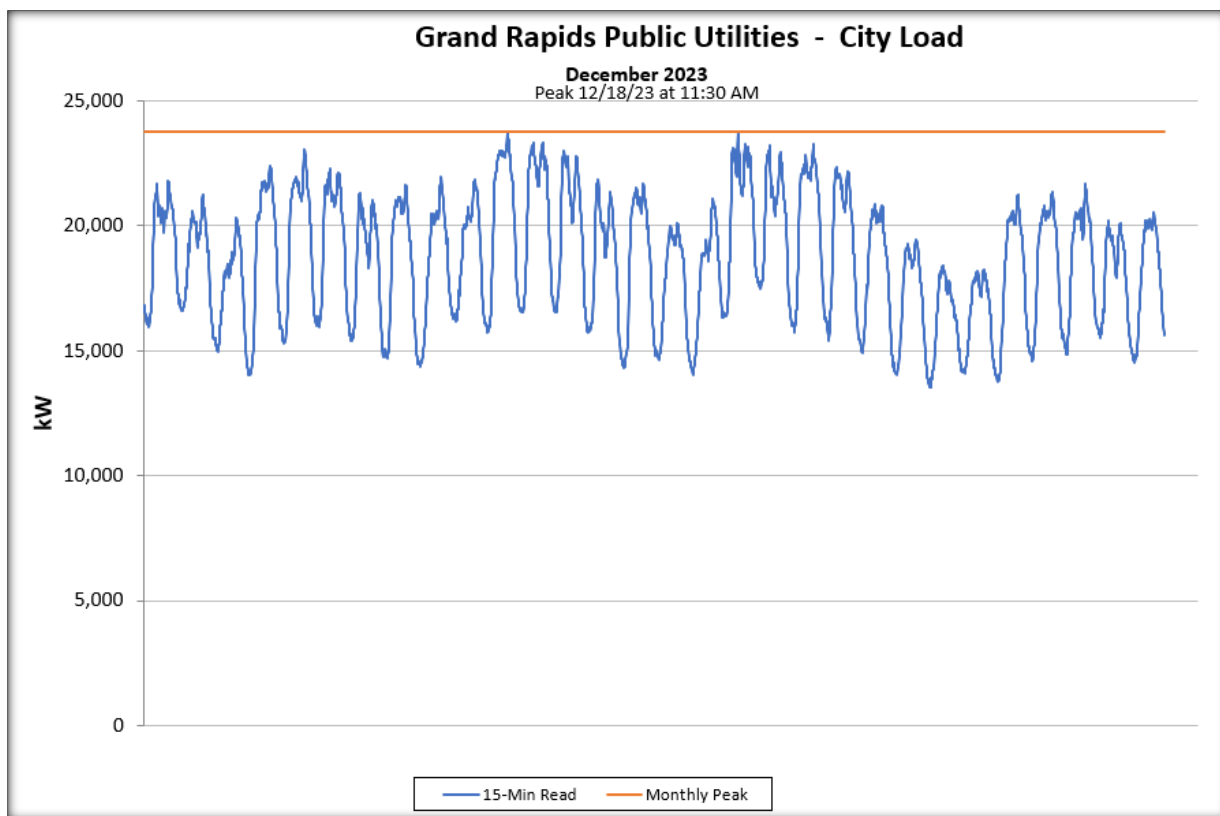


Figure 3: 23,770 kW 12/18 at 11:30 AM

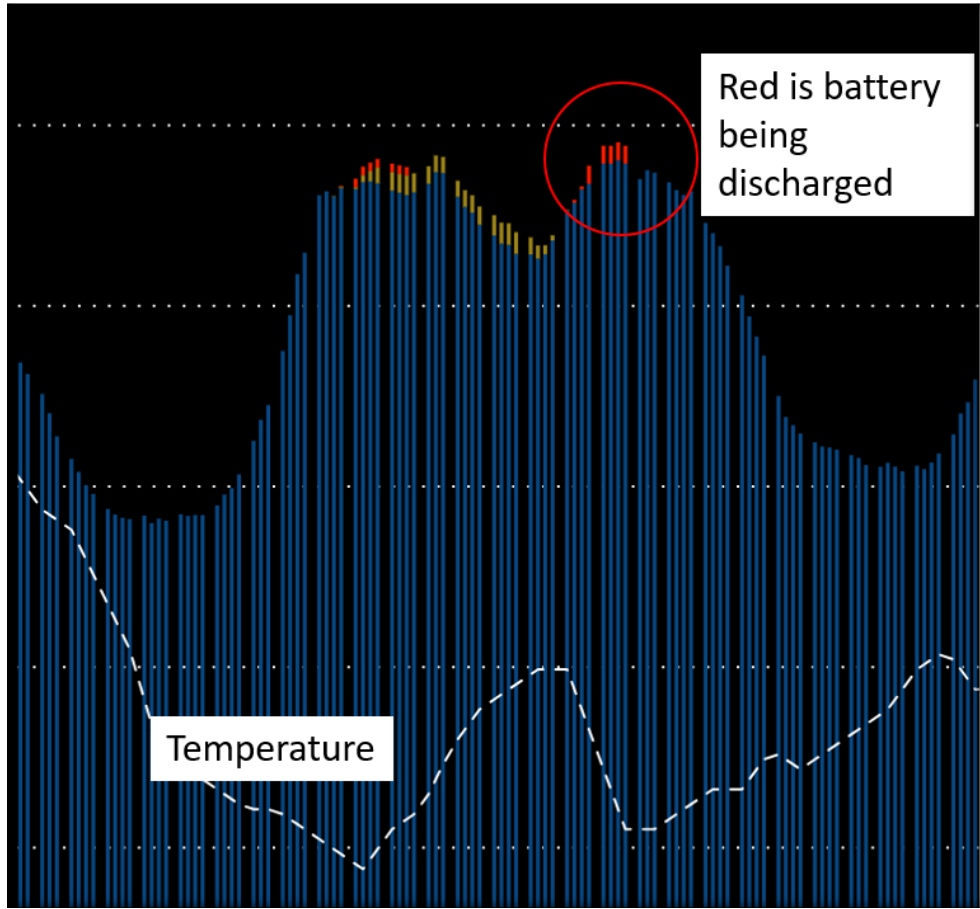


Figure 4: NEMMPA Load with Battery

### **NEMMPA vs. non-NEMMPA Peak Last Month**

The attached graph shows the aggregated NEMMPA peak versus non-NEMMPA peak.

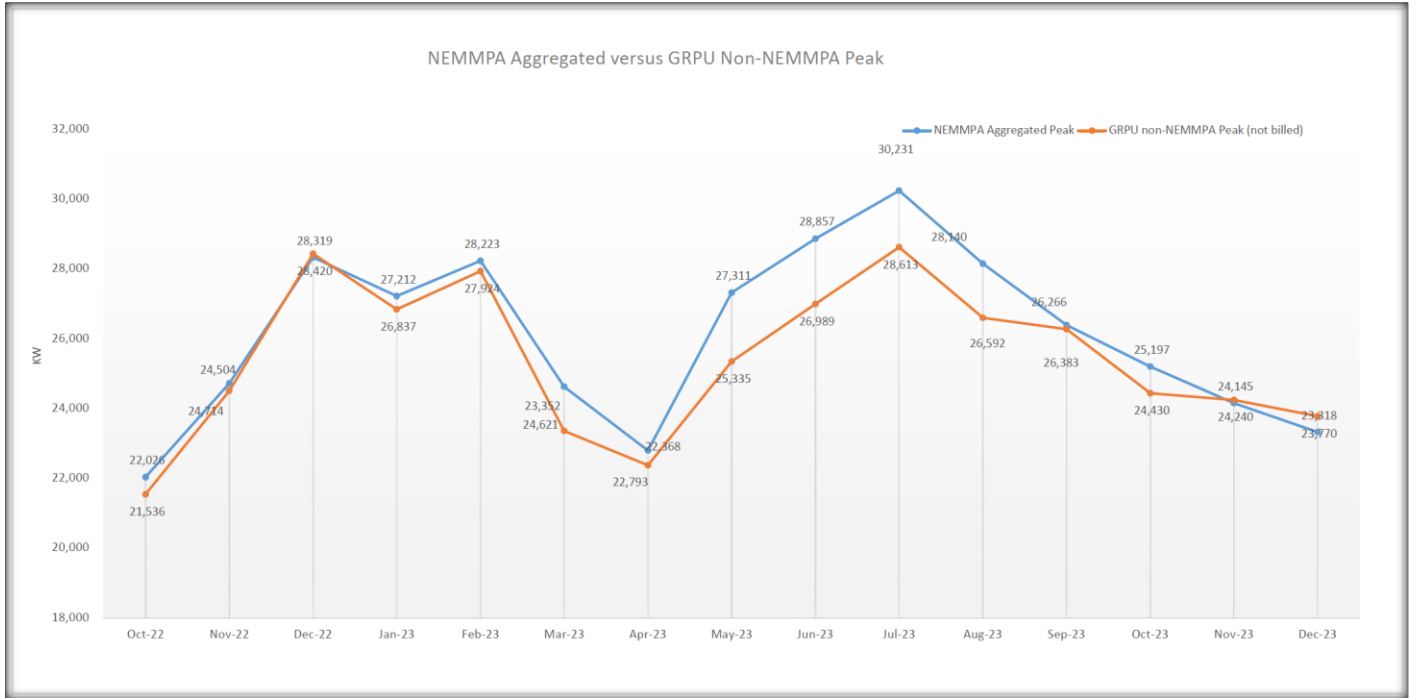


Figure 5: NEMMPA Peak -vs- non-NEMMPA

### Effective Wholesale Electric Power Rate Last Month

The attached graph shows the effective wholesale electric rate.

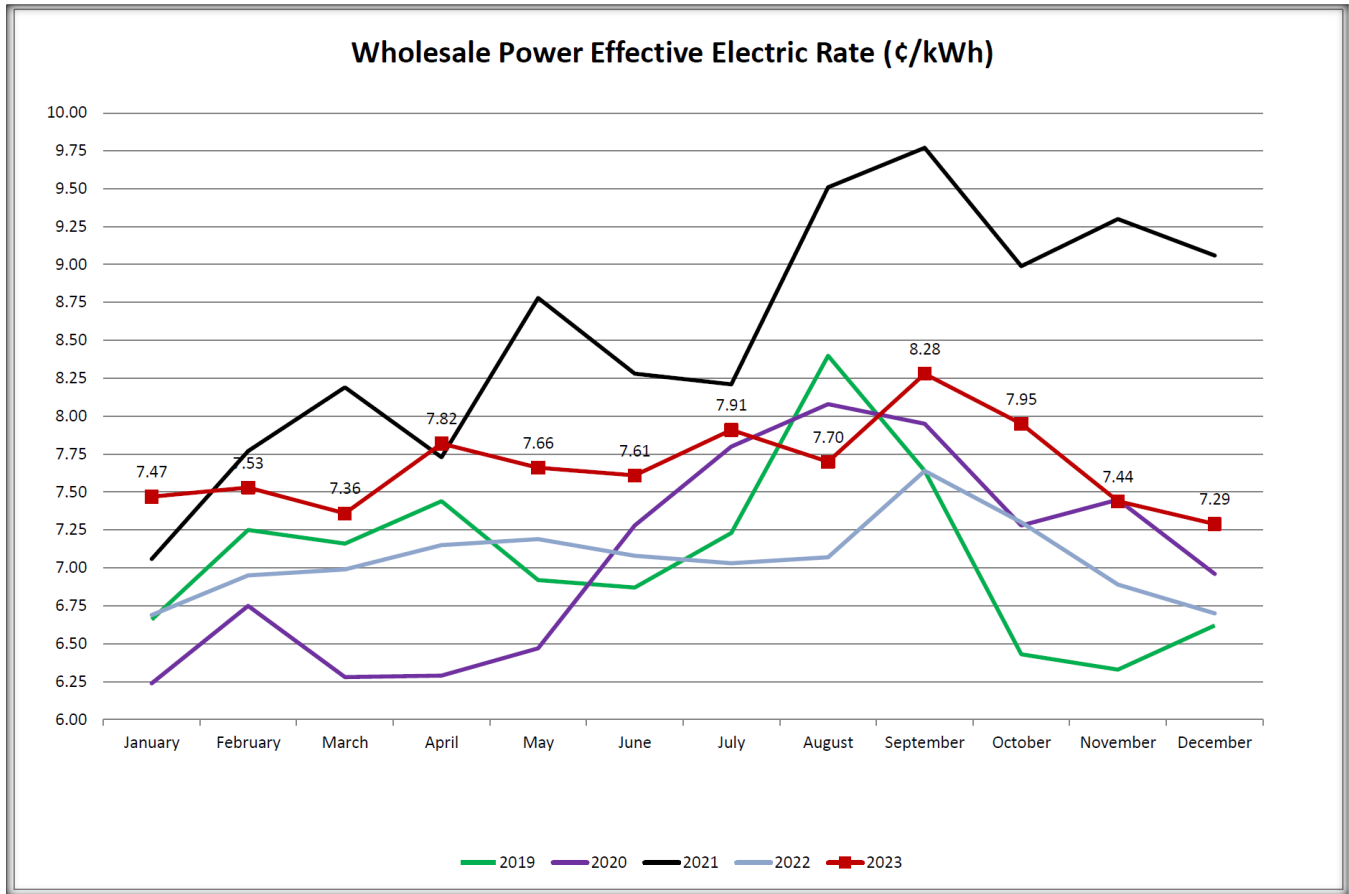


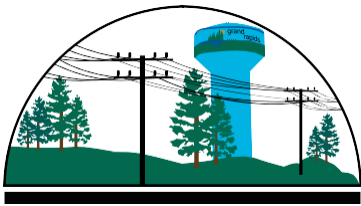
Figure 6: Wholesale Power Effective Elect Rate

## Capital and Operations Project Summary

Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Spent (calc'd)	Percent Comple	Status	Noted Issues / Highlights
ELEC	Tree Trimming	EOPS	\$150,024	\$143,596	96%	0%	In Progress	closing out 99% of yearly work
ELEC	Distribution System Transformers	ELEC2306	\$150,000	\$0	0%	10%	In Progress	Larger order, lead-time reduction
ELEC	Crystal Springs Conversion	ELEC2135	\$146,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
ELEC	Reliability Upgrades	ELEC2314	\$100,000	\$0	0%	0%	In Progress	working through collecting costs
ELEC	Backyard Machine	ELEC2318	\$90,000	\$90,000	100%	100%	Completed	
ELEC	OH Replacements	ELEC2304	\$60,000	\$10,290	17%	0%	In Progress	
ELEC	Power Pole Replacement	ELEC2311	\$50,000	\$0	0%	0%	Not Started	working through collecting costs
ELEC	Distribution System Services	ELEC2301	\$40,000	\$0	0%	0%	Not Started	
ELEC	SW 1st Avenue Conversion	ELEC2317	\$30,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
ELEC	UG Replacements	ELEC2305	\$30,000	\$29,526	98%	1%	In Progress	working through collecting costs
ELEC	Maple Street Conversion	ELEC2316	\$29,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
ELEC	AMI Meters	ELEC2307	\$25,000	\$5,422	22%	1%	In Progress	
ELEC	Security Lighting	ELEC2303	\$13,996	\$1,118	8%	0%	Not Started	
ELEC	Dual Fuel Services	ELEC2302	\$2,560	\$0	0%	0%	Not Started	working through collecting costs
ELEC	21st St & Forest Hills Dr	EOPS			#DIV/0!		In Progress	
ELEC	Ainsworth Site Transformer	EOPS		\$62,283	#DIV/0!	75%	In Progress	changes in works
ELEC	CSC Generator	EOPS			#DIV/0!		In Progress	2024 delivery
ELEC	East Sub Rewire	EOPS		\$0	#DIV/0!	0%	Not Started	
ELEC	Forest Lake School Site Housing	ECON-23-A0010		\$26,642	#DIV/0!		Not Started	
ELEC	Newman Campground - LaPrairie	ECON-22-c0010		\$48,404	#DIV/0!	100%	Completed	

**Status Definitions**

- Not Started - no human or financial resources utilized
- In Progress - time or money spent on the project
- In Service - operational but final close out needed
- Completed - done and closed out
- On Hold - waiting on some type of significant action



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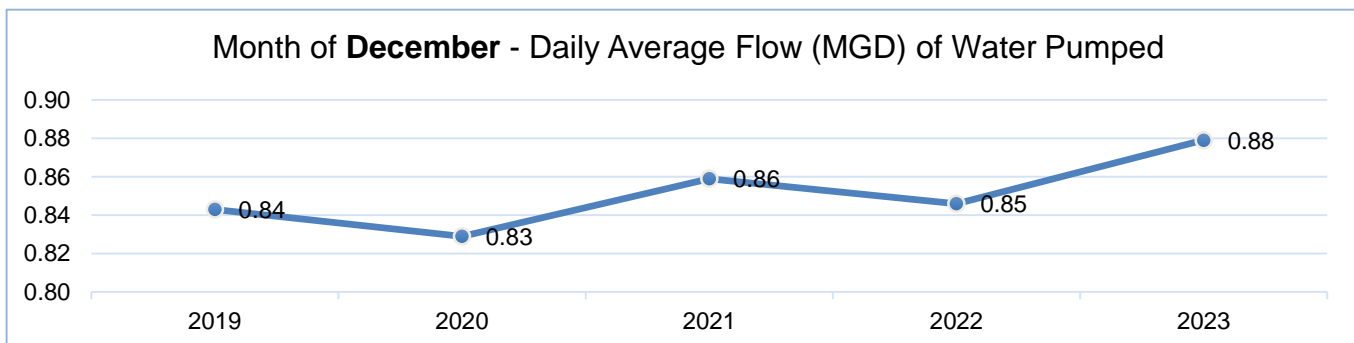
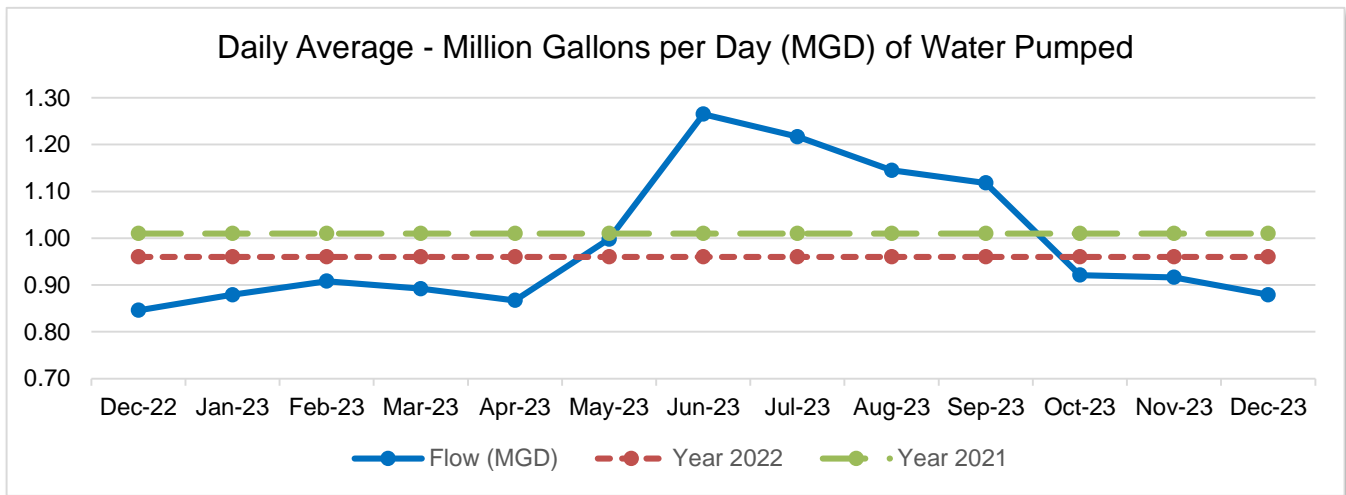
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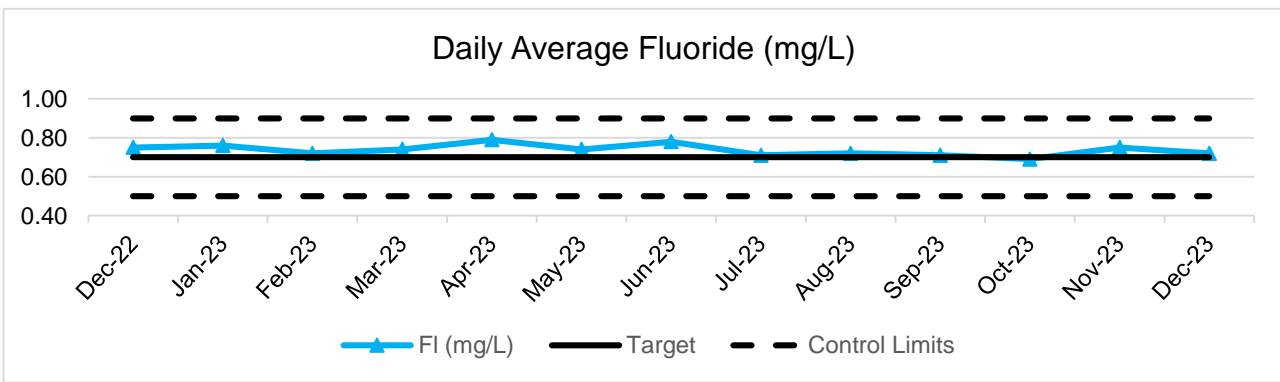
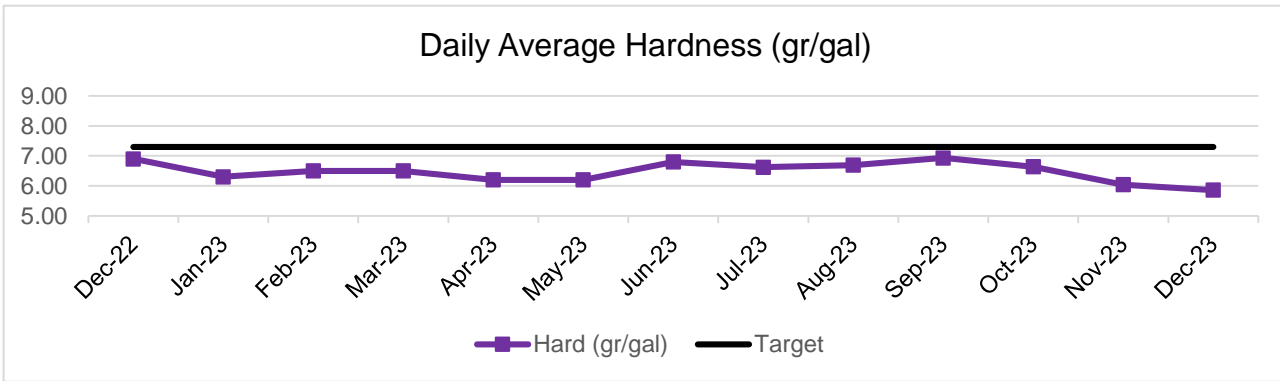
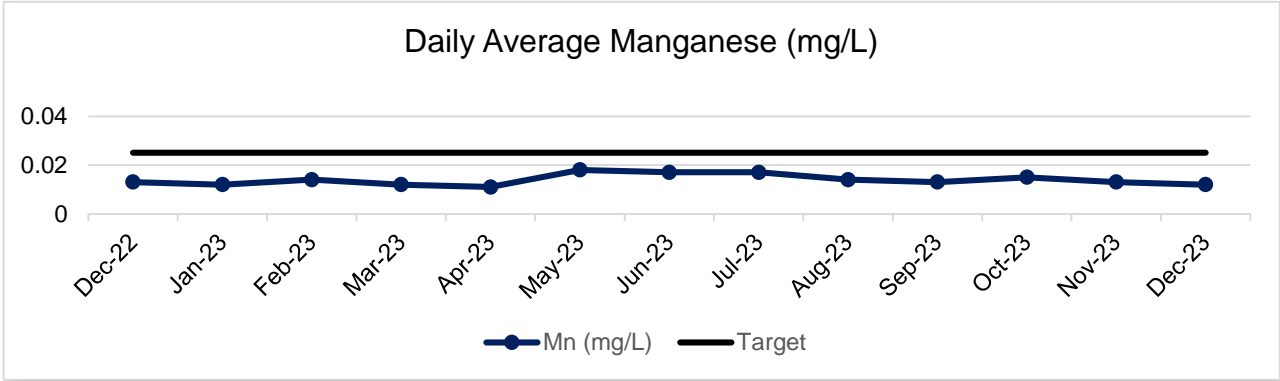
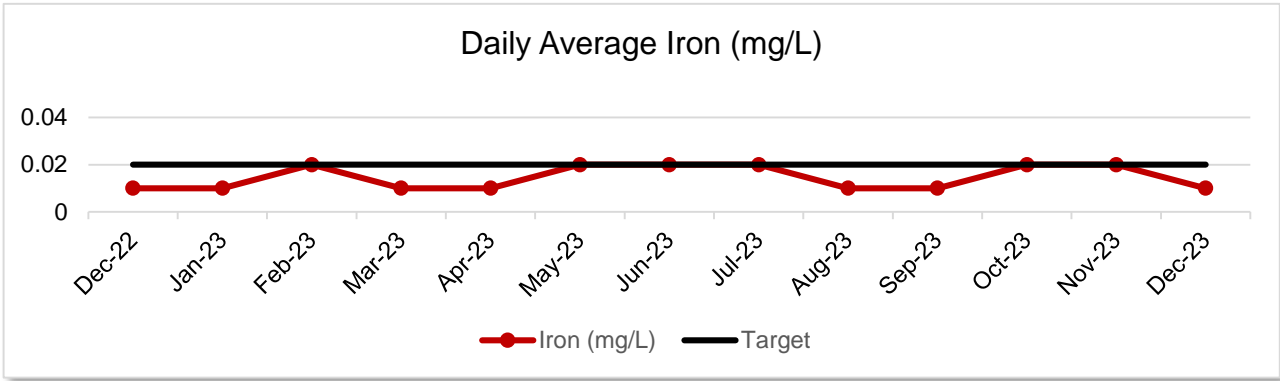
## WATER UTILITY MONTHLY REPORT January 2024 Commission Meeting

### Water Operations

The water plant pumped an average of 0.88 million gallons of water per day (MGD) with a peak of 1.08 million gallons during last month which is four percent more than typical for this time of the year.



All water quality analysis was normal for the month as seen in the graphs below.



## Capital and Operations Project Summary

### WTP Renovation Project Update:

We have been busy working on the project scope through a project management methodology called Work Breakdown Structure. This provides tasks for employees to be able to provide their valuable input on all parts of the project. In the end, we will have a deliverable that the engineer can use to aid in their detailed design.

COMMISSION REPORT CONTENTS										
Agency	Lead	Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Spent (calc'd)	Percent Completed	Status	Noted Issues / Highlights
GRPU		WATER	Water Plant Renovations	WATR2213	\$4,943,400	\$0	0%	1%	In Progress	
City		WATER	Sylvan Overlays	WATR2306	\$1,202,000	\$20,000	2%	100%	Completed	
GRPU		WATER	Category 1 - Piping Repairs	WATR2312	\$350,000	\$0	0%	0%	Not Started	Place holder
GRPU		WATER	South Tower Coating Repairs	WATR2310	\$150,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU		WATER	Curb Stop Replacements	WATR2305	\$100,000	\$15,000	15%	5%	In Progress	Some completed, always more to do.
City		WATER	Paradise Park	WATR2313	\$85,000	\$0	0%	0%	Not Started	Pushed to 2024 per Casper Const
City		WATER	River Road Roundabout	WATR2311	\$82,455	\$82,455	100%	100%	Completed	
GRPU		WATER	High Service Pump Controls	WATR2005	\$60,000	\$2,000	3%	30%	In Progress	Pushed
GRPU		WATER	Well 2 Rehabilitation	WATR2004	\$55,000	\$20,055	36%	100%	Completed	
GRPU		WATER	WTP Security	WATR2108	\$43,000	\$43,000	100%	100%	Completed	
GRPU		WATER	Mid-Tower Coating Repairs	WATR2107	\$38,000	\$33,500	88%	100%	Completed	
GRPU		WATER	Fire Hydrant Repairs	WATR2209	\$35,000	\$4,843	14%	25%	In Progress	Some completed, always more to do.
GRPU		WATER	Radio Communication Upgrades	WATR2308	\$30,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU		WATER	Booster Station Panel View	WATR2302	\$30,000	\$0	0%	10%	In Progress	Pushed to 2024
GRPU		WATER	WTP Turbidity Meters	WATR2207	\$30,000	\$26,238	87%	100%	Completed	
GRPU		WATER	WTP Flow Meters	WATR2204	\$30,000	\$23,500	78%	90%	In Progress	1 of 5 left to install
GRPU		WATER	WTP Main Valve	WATR2212	\$22,500	\$13,403	60%	50%	In Progress	Work scheduled early 2024
GRPU		WATER	WTP Valve Updates	WATR2304	\$20,000	\$6,007	30%	50%	In Progress	Parts onsite.
GRPU		WATER	WTP Sewage Ejector System	WATR2206	\$20,000	\$11,834	59%	50%	In Progress	Parts ordered.
GRPU		WATER	Replace Fiber (SH to City Hall)	WATR2309	\$15,000	\$0	0%	0%	Not Started	Pushed based on security project
GRPU		WATER	WTP Communication with Wells	WATR2211	\$15,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU		WATER	WTP Aerator Media	WATR2208	\$12,000	\$4,800	40%	75%	In Progress	Media onsite, work scheduled for early 2024.
GRPU		WATER	WTP Sludge Pump	WATR2205	\$11,000	\$9,923	90%	50%	In Progress	Parts onsite, install early 2024.
GRPU		WATER	Hydrant Meters	WATR2203	\$8,700	\$2,800	32%	60%	Completed	
GRPU		WATER	WTP Backwash Valve	WATR2307	\$5,000	\$4,500	90%	50%	In Progress	Parts onsite, install early 2024.

### Status Definitions

**Not Started** - no human or financial resources utilized

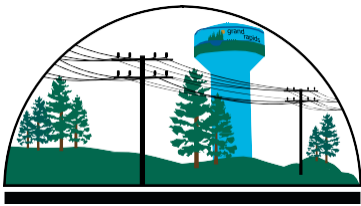
**In Progress** - time or money spent on the project

**In Service** - operational but final close out needed

**Completed** - done and closed out

**On Hold** - waiting on some type of significant action





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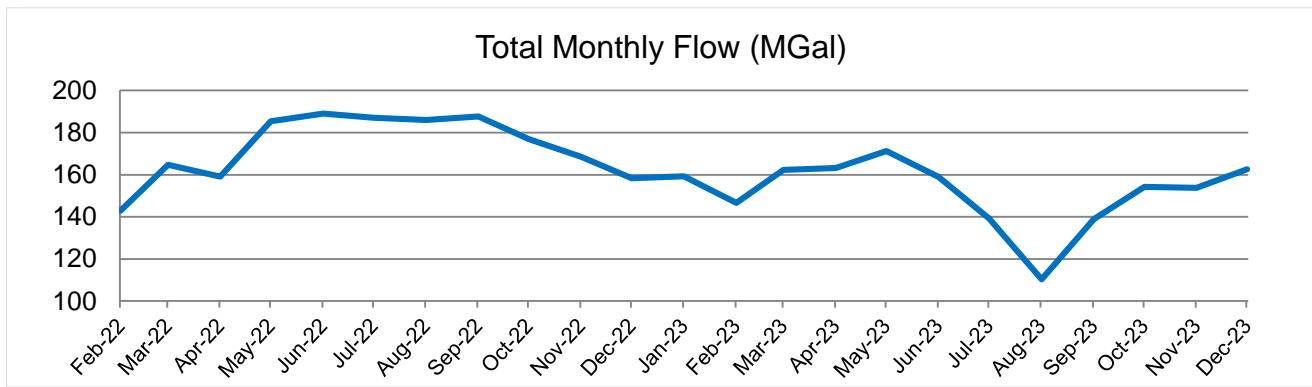
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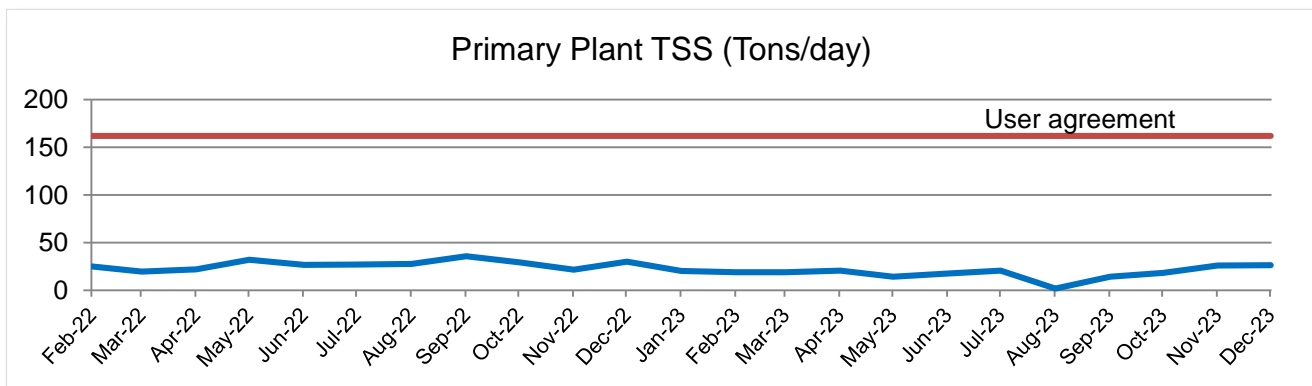
## WASTEWATER UTILITY MONTHLY REPORT January 2024 Commission Meeting

### Wastewater Operations

The Wastewater Treatment Plant (WWTP) met all National Pollutant Discharge Elimination System (NPDES) permit requirements last month. We treated 163 million gallons of water removing 99.8% of the Total Suspended Solids (TSS) and 98.8% Biochemical Oxygen Demand (cBOD).



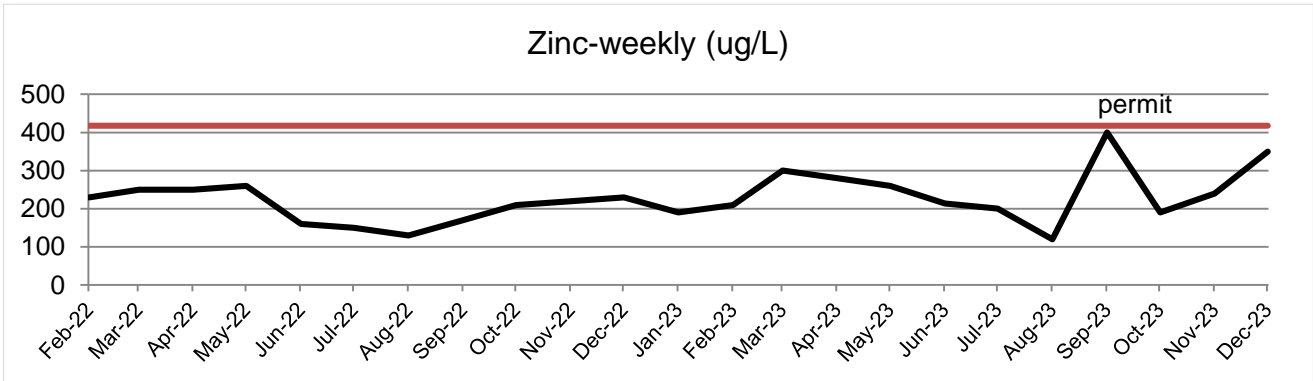
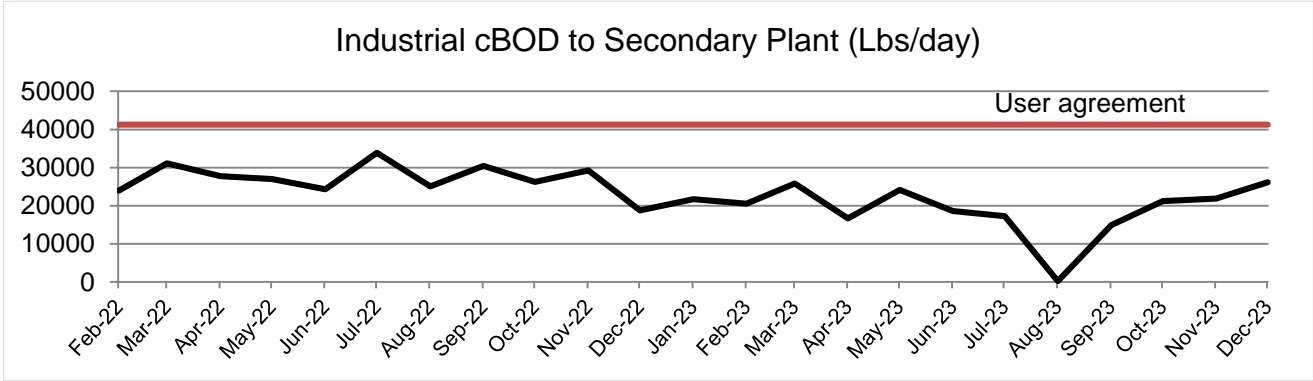
	Design Limits (monthly AVG)	Actual Results
<u>Primary Plant</u>		
Flow (MGD)	13.25	4.0
TSS (Tons/day)	162	26.4
TSS Peak (Tons/Day)	284	51.5



Design Limits (monthly AVG)      Actual Results

Secondary Plant

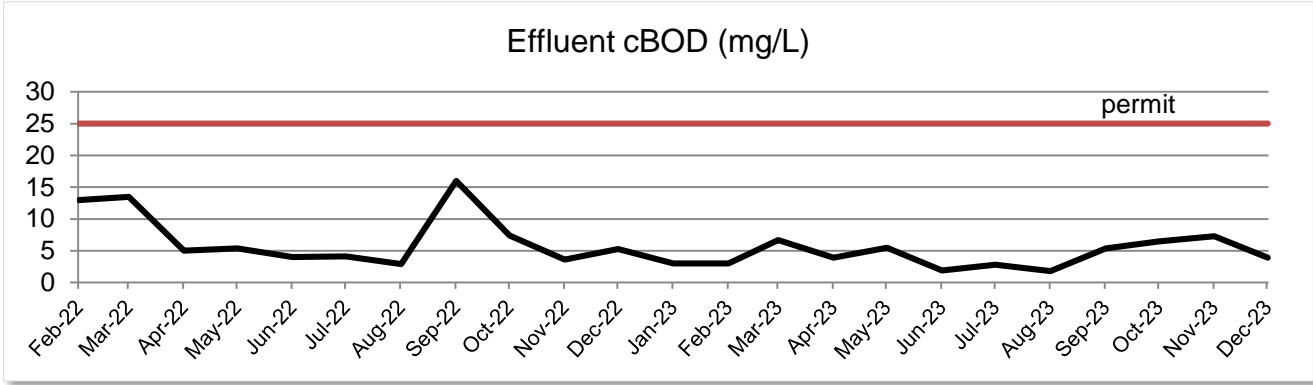
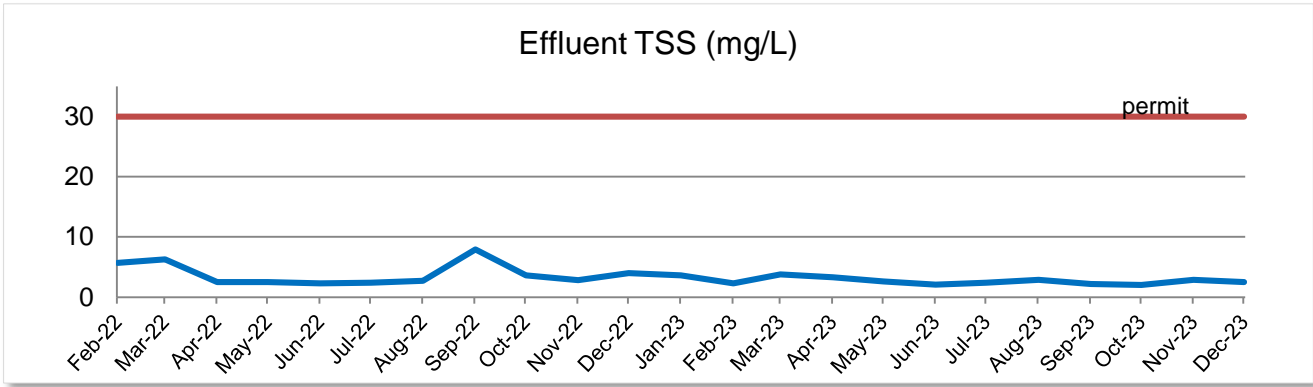
Flow (MGD)	15.25	5.2
cBOD (lbs/Day)	41,300	28,920
Peak cBOD (lbs/Day)	57,350	47,552
Zinc-weekly (ug/L)	418	350
% GRPUC		30.0%



Permit Limits (monthly AVG)      Actual Results

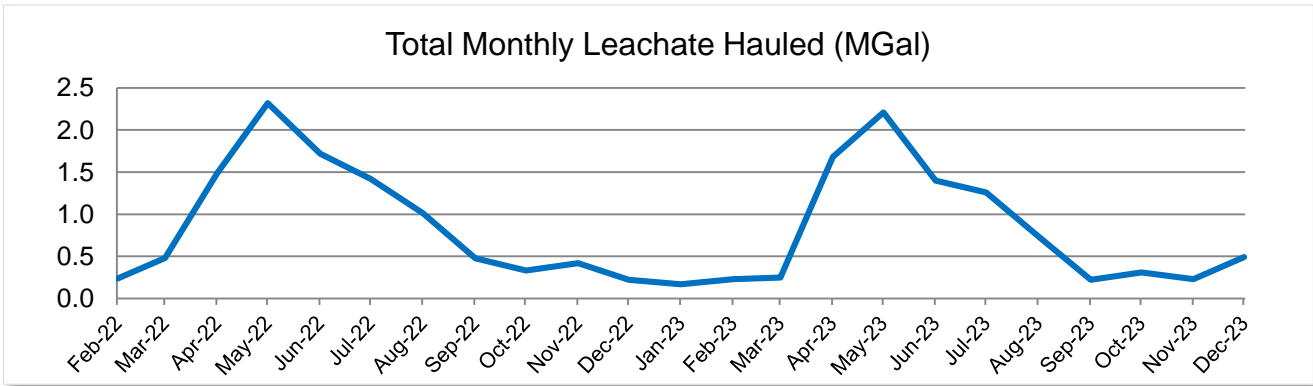
Effluent

TSS (mg/L) – monthly average	30	2.9
cBOD (mg/L) – monthly average	25	3.9
Dissolved Oxygen (mg/L)	>1.0	9.1



## Sludge Landfill Operations

- 0.49 million gallons of leachate were hauled last month.
- 3012 cubic yards of sludge solids were hauled to the landfill



# Capital and Operations Project Summary

COMMISSION REPORT CONTENTS										
Agency	Lead	Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Spent (calc'd)	Percent Completed	Status	Noted Issues / Highlights
City	WWC		Sylvan Overlays	WWCO2310	\$1,010,000	\$0	0%	100%	Completed	
GRPU	WWC		Category 1 - Piping Repairs	WWCO2308	\$350,000	\$0	0%	0%	Not Started	Placeholder
City	WWC		River Road Roundabout	WWCO2312	\$210,959	\$210,959	100%	100%	Completed	
GRPU	WWC		Jetting		\$150,000	\$92,562	62%	95%	Completed	
GRPU	WWC		Jetting Camera	WWCO2303	\$60,000	\$55,000	92%	100%	Completed	
City	WWC		6th Ave NW (4th-5th)	WWCO2302	\$52,000	\$0	0%	0%	Not Started	Pushed until later date.
GRPU	WWC		Lift Station 2 - Generator and Switch	WWCO2207	\$36,490	\$36,490	100%	95%	In Progress	Parts onsite, work scheduled for 2024
GRPU	WWC		Lift Station Pumps	WWCO2005	\$35,000	\$34,460	98%	100%	Completed	
GRPU	WWC		Lift Station 8 Controls Update	WWCO2601	\$35,000	\$20,250	58%	60%	Completed	
GRPU	WWC		Lift Station 6 I/I Repairs	WWCO2307	\$35,000	\$5,520	16%	60%	Completed	Completed for now.
GRPU	WWC		Lift Station 9 Controls Update	WWCO2304	\$35,000	\$19,250	55%	60%	Completed	
GRPU	WWC		Lift Station 3 - Generator and Switch	WWCO2208	\$32,825	\$32,825	100%	95%	In Progress	Parts onsite, work scheduled for 2024
GRPU	WWC		Lift Station 2 Pump	WWCO2305	\$25,000	\$22,800	91%	100%	Completed	
GRPU	WWC		Clinic Lift Alarm Agent	WWCO2103	\$20,000	\$8,085	40%	90%	Completed	
GRPU	WWC		Manhole Replacements	WWCO1805	\$20,000	\$0	0%	0%	Not Started	Placeholder
GRPU	WWC		Mains and Services	WWCO1804	\$15,000	\$0	0%	0%	Not Started	Placeholder
GRPU	WWC		Lift Station 2 Flow Meter	WWCO2309	\$8,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WWT		Septic Hauler Dump Station	WWSP2301	\$350,000	\$0	0%	0%	Not Started	Pushed to 2024
GRPU	WWT		Landfill Cover Work Ph 1-4, Ket D	WWSD2301	\$250,000	\$23,940	10%	95%	In Progress	Engineering completed, permit revision in process.
GRPU	WWT		Secondary Aeration Basin Mixer Repa	WWSP1804	\$175,000	\$37,564	21%	100%	Completed	
GRPU	WWT		Rebuild Domestic Screen	WWDO1801	\$150,000	\$108,625	72%	100%	Completed	
GRPU	WWT		Replace Fiber ASV to CSC	WWSC2301	\$54,000	\$0	0%	0%	Not Started	Pushed based on security project.
GRPU	WWT		Bleach Tank Replacement	WWSP2302	\$50,000	\$49,054	98%	100%	Completed	
GRPU	WWT		Sludge Screw Conveyor - Screw	WWPP2103	\$50,000	\$36,142	72%	75%	In Progress	Parts in, work scheduled this month.
GRPU	WWT		Demo of old Primary Plant	WWPP2001	\$50,000	\$0	0%	0%	Not Started	Pushed until later date.
GRPU	WWT		Trash Compactor	WWDO2302	\$50,000	\$0	0%	20%	In Progress	Pushed until 2024
GRPU	WWT		Painting Primary Clarifiers	WWPP2003	\$40,000	\$30,185	75%	100%	Completed	
GRPU	WWT		Primary Plant Sludge Pumps	WWPP2303	\$28,000	\$19,156	68%	75%	In Progress	Parts in, work scheduled this month.
GRPU	WWT		Primary Sludge Pump VFD	WWPP2301	\$24,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Landfill Phase Pumps	WWSD2302	\$18,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Forks for Front End Loader	WWPP2202	\$12,000	\$9,500	79%	100%	Completed	
GRPU	WWT		Replace Fiber Segment 1	WWSH2302	\$12,000	\$0	0%	0%	Not Started	Pushed based on security project.
GRPU	WWT		VFD Upgrades for Lift Pumps	WWSH2301	\$12,000	\$0	0%	15%	In Progress	Pushed until 2024
GRPU	WWT		Leachate Phase Pump	WWSD2101	\$8,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Screw Press VFD	WWPP2302	\$8,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		Flow Meter for Domestic Flow	WWDO2301	\$7,000	\$0	0%	0%	Not Started	Pushed until 2024
GRPU	WWT		WWTP Alarm Agent	WWPP2304	\$6,500	\$6,000	92%	100%	Completed	

## Status Definitions

- Not Started - no human or financial resources utilized
- In Progress - time or money spent on the project
- In Service - operational but final close out needed
- Completed - done and closed out
- On Hold - waiting on some type of significant action

# Grand Rapids Public Utilities

January 24, 2024 Commission Meeting

Department Head Presentation

Steve Mattson – Water & Wastewater Department Manager



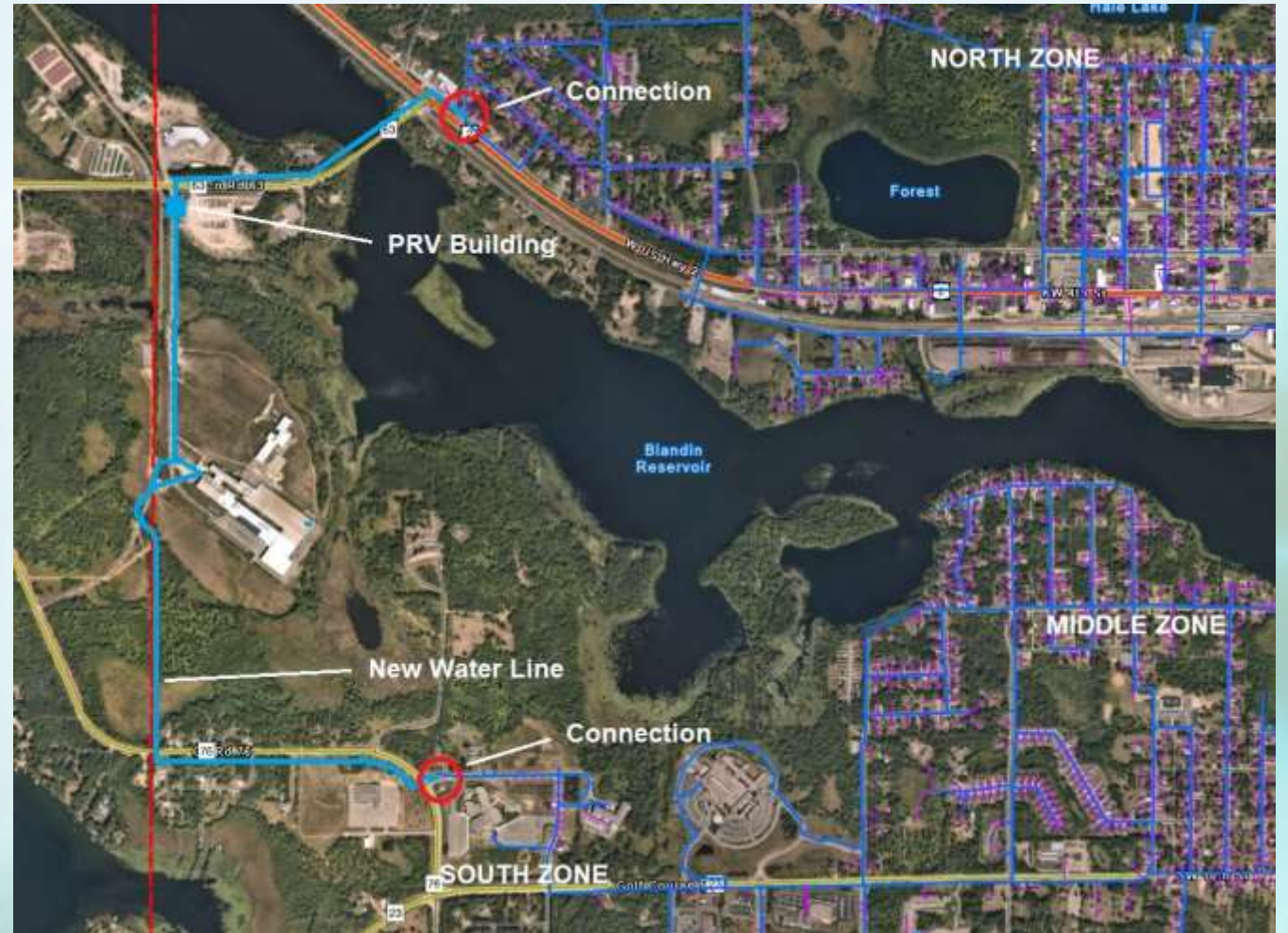
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# GRPU Water — Grand Rapids / Cohasset Industrial Park

Item 17.

## Project Update

- ◆ Grand Rapids Economic Development Authority (GREDA) Project
- ◆ \$5.5 million
- ◆ Funding - Federal EDA, DEED, GRPU, City of Grand Rapids, IRRR, IEDC, City of Cohasset
- ◆ Goal was to get utilities to the site.
- ◆ For GRPU, an additional river crossing.
- ◆ BMP – Looping within system.
- ◆ Online 1/11/24

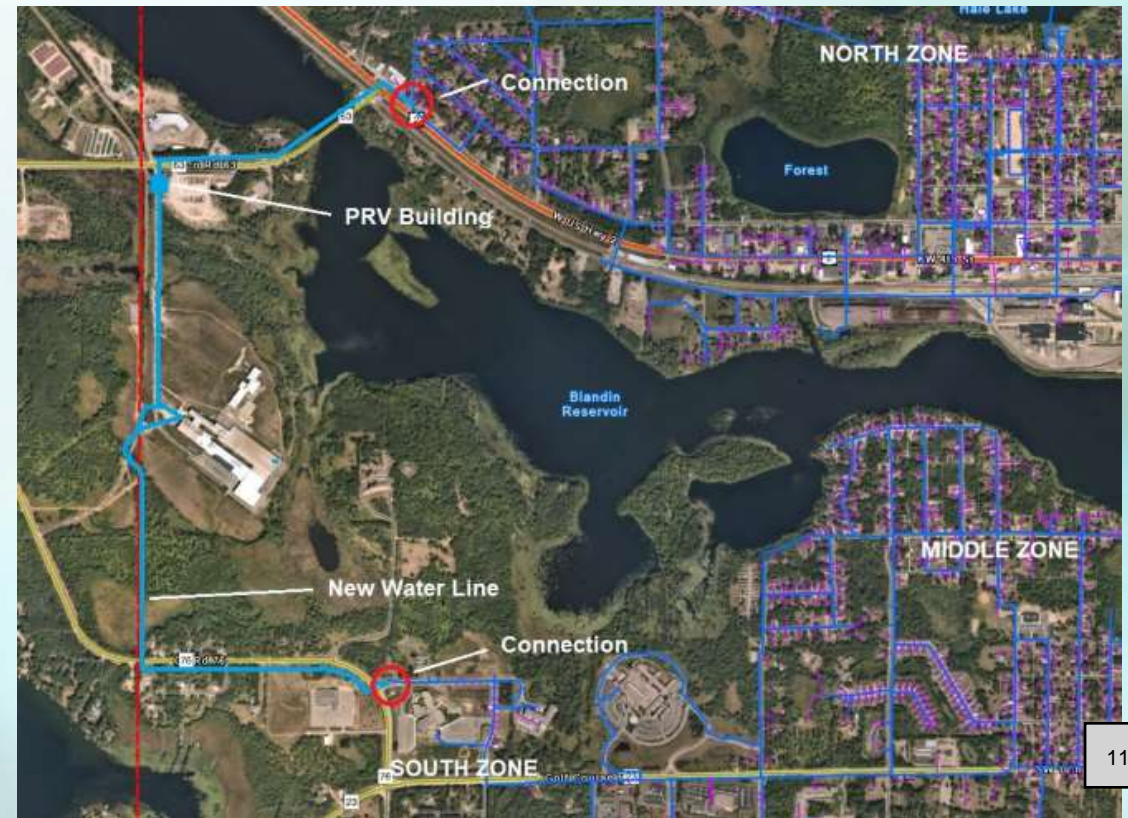


# GRPU Water — Grand Rapids / Cohasset Industrial Park

Item 17.

## Project Update continued

- 12,600 linear ft (2.4 miles) of 12-inch HDPE water pipe
- BMP – Loop, keep water moving. No dead-ends, no stagnant water etc.
- Tied low and high-pressure zones together
- Pressure reducing valve (PRV) station.
- Allows flow in both directions.



# GRPU Water– Legionella Discussion

What and where is it?

- ◆ Legionella is a bacteria that lives in soil and fresh water.
- ◆ Found at low concentrations in any public water system.
- ◆ Thrives in 77°F to 120°F stagnant water.

Why is this of concern?

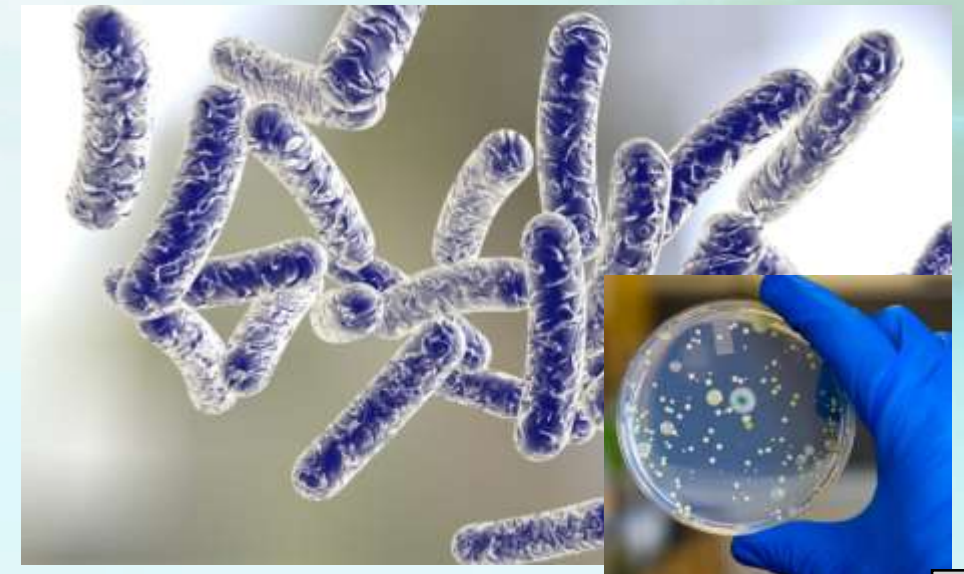
- ◆ Legionella Pneumophila (LP1) – Legionnaires' disease (bacterial pneumonia), Pontiac fever (flu-like)

How it spreads?

- ◆ Inhalation of aerosolized water droplets of water containing the bacteria.
- ◆ You **cannot** get Legionnaires' disease by drinking water that has Legionella. (MN Dept of Health)
- ◆ It is **not** spread person to person. (MN Dept of Health)

What kills it?

- ◆ Heat, Chlorine, Chlorine Dioxide, Ultraviolet





# GRPU Water– Legionella Discussion

## Legionnaires' Cases in GR (Department of Health)



Where are cases typically found?

- Cooling towers, decorative fountains, hot tubs, building plumbing systems, showers. Can travel airborne 3.5 miles from source. (Journal of Infectious Diseases)
- MDH investigation couldn't find typical sources as a cause that that aligned with cases in our area.



Source: towertechindia.com

# GRPU Water– Legionella Discussion

- MDH reached out to GRPU because they concluded no common source was identified among the cases other than exposure to the municipal water supply.
- MDH conducted sampling in December 2023 of GRPU municipal water supply.
- Testing results showed negative for LP1 in all samples taken at WTP and in distribution mains.
- Testing results showed positive for LP1 in 3 samples taken in 2 premise buildings connected to the municipal water supply.



# GRPU Water– Legionella Discussion

## Post Sampling Investigation.

- Virtual meeting with 20 experts from MDH Epidemiology, MDH Public Water, CDC, EPA Office of Water, U of MN to review results and brainstorm possible causes and potential solutions.

## What's next?

- Work with MDH on additional sampling.
- Develop interim chlorination process.
- Incorporate permanent chlorination in WTP Reno.
- Provide communications to residential and commercial customers to minimize their risk from Legionella.



# Questions / Comments

January 24, 2024 Commission Meeting

Department Head Presentation

Steve Mattson – Water & Wastewater Department Manager



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