



JOINT CITY COUNCIL/PUC MEETING AGENDA

Monday, June 02, 2025

4:00 PM

CALL TO ORDER: Pursuant to due notice and call thereof, a joint City Council/PUC meeting will be held on Monday, June 2, 2025 at 4:00 PM in City Hall Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

CALL OF ROLL:

BUSINESS:

1. PILOT Agreement Update

UPDATES:

2. ~ Franchise Fee Billing
~ MMUA Legislative Workshop
~ Proposed MP Acquisition

ADJOURNMENT:

Hearing Assistance Available: This facility is equipped with a hearing assistance system.

MEETING PROTOCOL POLICY: Please be aware that the Council has adopted a Meeting Protocol Policy which informs attendees of the Council's desire to conduct all City meetings in an orderly manner which welcomes all civil input from citizens and interested parties. If you are unaware of the policy, copies (orange color) are available in the wall file by the Council entrance.

ATTEST: Kimberly Gibeau, City Clerk

Councilor Zabinski introduced the following resolution and moved for its adoption:

GRPUC RESOLUTION NO. 08-12-2015-01
CITY OF GRAND RAPIDS RESOLUTION NO. 15 – 57

RESOLUTION TO AMEND RESOLUTION NO. 12-15-09-05 THAT ESTABLISHED THE AGREEMENT BETWEEN THE GRAND RAPIDS PUBLIC UTILITIES COMMISSION AND THE CITY OF GRAND RAPIDS FOR IN LIEU OF TAX PAYMENTS AND UTILITY SUPPLIED SERVICES

WHEREAS, The Grand Rapids Public Utilities Commission, hereinafter referred to as GRPUC, and the City of Grand Rapids, hereinafter referred to as City previously adopted Resolution No. 12-15-09-05 establishing the Agreement between the GRPUC and City for in lieu of tax payments and utilities supplied services, and

WHEREAS, The City annexed certain areas of the Township of Grand Rapids through an orderly annexation process and further desire to provide those constituents in the annexed areas municipal electric utility services where it is reasonably; financially and technically feasible, and

WHEREAS, The Minnesota Public Utilities Commission requires the negotiation of electric service territory acquisition, between electric utilities take into consideration; the depreciated value of the assets being acquired, interconnection associated costs, lost revenue reimbursements and other costs, and

WHEREAS, The City desires to reduce the costs associated with having its Utility acquire the service territory of the annexed areas and further minimize the financial impact on both current and future customers of the Utility;

NOW, THEREFORE, BE IT RESOLVED by the City and Utility that Resolution No. 12-15-09-05 be amended as follows:

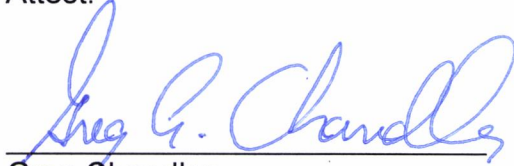
The calculation of the annual PILOT amount shall exclude all kilowatt hours sold in electric service territory acquisitions made after January 1, 2015 for a period of time equivalent to the time basis used in the lost revenue calculation; typically a period of ten (10) years from the date of the electric service territory acquisition.

BE IT FURTHER RESOLVED, That either party to this Amendment may, at any time, request modification of the terms of this Amendment by notification, in writing to the other party. The notified party agrees to meet and confer regarding the requested modification.

BE IT FURTHER RESOLVED, That this Amendment shall become effective and be in full force and effect following agreement to and adoption by the Grand Rapids City Council.


Adopted by the Grand Rapids Public Utilities Commission this ____ day August 2015.

Attest:


Greg Chandler
Secretary


Stephen Welliver
President

Agreed to and adopted this 10th day of August 2015.


Dale C. Adams, Mayor

Attest:

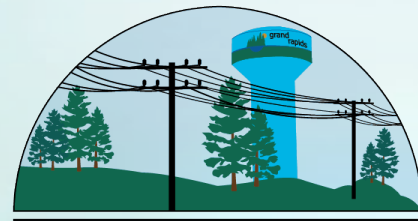

Tom Pagel, City Administrator

Councilor Christy seconded the foregoing resolution and the following voted in favor thereof: Zabinski, Blake, Zeige, Christy, Adams; and the following voted against same: None, whereby the resolution was declared duly passed and adopted.

Grand Rapids Public Utilities Updates

Joint City Council & Commission Meeting

4 PM on June 2, 2025 at City Hall



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UPDATE: ERP Go-live Timeline

Proposed revised timelines:

- Vendor disruptions caused GRPU to an agreed revision of the SpryPoint utility billing go-live to the first week of September.
- GRPU has chosen to shift our Oracle/NS4G financials go-live to the last week of August to run parallel with the utility billing launch.
- These GRPU date adjustments do not impact the City's Oracle/NS4G schedule.

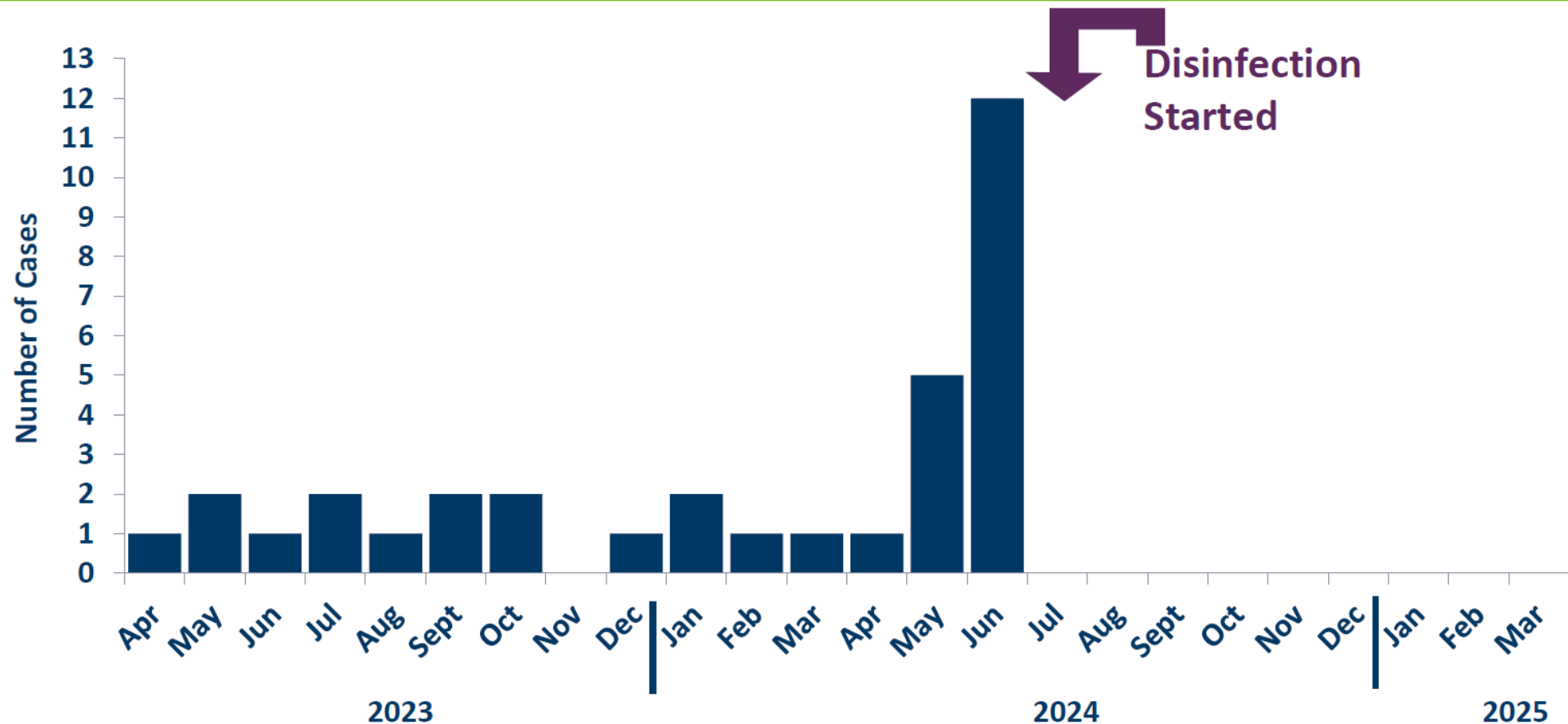
Franchise fee billing timeline:

- September 18 for Cycle 2 (residential) for August 12 through September 11 usage
- September 25 for Cycle 3 (residential) for August 18 through September 17 usage
- October 2 for Cycle 4 (residential) for August 25 through September 24 usage
- October 9 for Cycles 1 & 5 (commercial) for September 1 through September 30 usage

UPDATE: Legionnaires' Disease Outbreak, 2023-2024

Item 2.

Confirmed Legionnaires' Disease Cases with Exposure to Grand Rapids, 2023-25 (n=34) by Illness Onset Month



UPDATE: City - GRPU Collaborative Services

Item 2.

Proposed updates for the 2026 MOU:

- Information Technology (IT) Services

The IT Services collaboration ended May 20, 2025, as requested by the City.

- GRPW/PU Shared Facility

The original lease agreement was structured around the 20-year bond debt repayment.

Now that bonds have been retired, the focus has shifted to routine capital replacements such as roof and flooring upgrades.

GRPU finance, along with City finance and PW teams, will begin collaborative discussions in July to modernize the agreement.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered into on this 18th day of December 2024 between the City of Grand Rapids, Minnesota, (City) and the Grand Rapids Public Utilities (GRPU).

This MOU establishes the framework for collaboration between the City and GRPU to benefit their property taxpayers and utility ratepayers. This MOU intends to outline the various areas of collaboration as they may change over time. The Parties agree to quarterly invoicing, an annual review of the MOU, and a six-month written notice of anticipated changes. Updates and changes will be recognized in a subsequent MOU on or before December 31 of each year. The original MOU became effective on January 1, 2024. Either party may terminate the MOU with a one-year written notice. In the absence of such notification, the latest documented revision of this MOU will remain in effect.

Now, therefore, the parties agree to the various areas of collaboration as follows:

Information Systems (IS) Services

Key Contacts:

City: Matt Wegwerth Public Works Director/City Engineer mwegwerth@grandrapidsmn.gov 218.326.7625	GRPU: Mike LeClaire GRPU IS Manager mleclaire@grpuc.org 218.326.7498
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Employees in the IS Department shall be GRPU employees. The Parties agree to share costs associated with IS staff and software applications. The cost-sharing shall follow the spreadsheet template developed annually by the Key Contacts which details the proposed IS projects and system maintenance, software licenses, and utility locating services breakdown. The GIS virtual servers shall be located to the GRPU network prior to December 31, 2025.

Information Technology (IT) Services

Key Contacts:

City: Lasha Karels Assistant IT Director lkarels@grandrapidsmn.gov 218.326.7620	GRPU: Julie Kennedy GRPU General Manager jakennedy@grpuc.org 218.326.7687
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Employees in the IT Department shall be City employees. The ERP Special Project Coordinator employee shall be a GRPU employee. Cost sharing shall be split 50/50 based on the actual cost of the department and ERP Project employee, less expenditures that only benefit one Party. Except for the separately documented ERP project, the IT Services collaboration shall end on

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Until then, during the transition to another IT provider, services from City IT and will pay for these based on the

ation ended September 30, 2024, as requested by the

GRPU: Jean Lane GRPU Business Svcs Manager jmlane@grpuc.org 218.326.7199

employees shall be City employees. Public Works will hicles and equipment, as requested. Work performed those specific products used on GRPU vehicles and ditures will be cost-shared based on the spreadsheet etails the number of vehicles and equipment serviced for

GRPU: Chad Troumbly GRPU Electric Manager cmtroumbly@grpuc.org 218.326.7182
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e GRPU employees. GRPU will perform maintenance on

City streetlights, as requested. Work performed will be billed on an hourly basis.

PW/PU Shared Facility

Key Contacts:

City: Matt Wegwerth Public Works Director/City Engineer mwegwerth@grandrapidsmn.gov 218.326.7625	GRPU: Jean Lane GRPU Business Svcs Manager jmlane@grpuc.org 218.326.7199
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GRPU Electric and Water Departments and the City Public Works Department run opera from the Public Works / Public Utilities Combined Service Center (CSC). GRPU will m the CSC buildings and bill rent based on the actual costs of building upkeep, which inclu

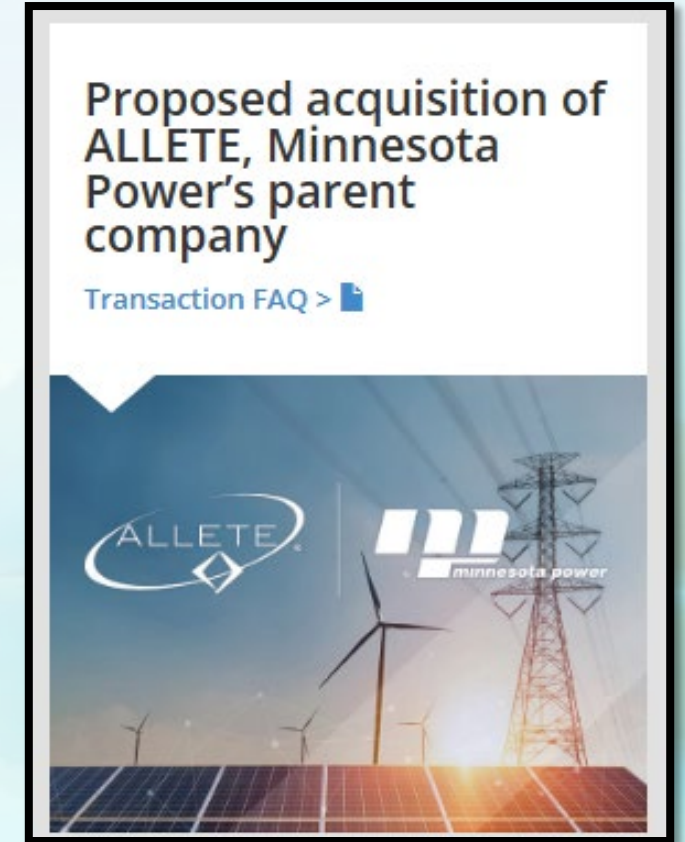
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Proposed ALLETE Acquisition & GRPU Power Agreements

Item 2.

Background:

- Minnesota has assigned service areas for electric utilities and their retail customers (MN Stat. 216B.37)
- GRPU is a *wholesale*, not a retail, customer of Minnesota Power (MP)
- GRPU is a board member of the Northeastern Minnesota municipal power agency (NEMMPA)
- In 2021, NEMMPA negotiated new wholesale Electric Service Agreements (ESAs) with MP
 - ESA term is January 2022 – December 2029
 - ESA is for full requirements (all power supply except 2 MW solar)
 - ESA is binding for successors; assigns with prior written consent



FREE Chemical Hazard Training to Community Businesses

Item 2.

Training Details:

- GRPU, in partnership with MMUA and a Susan Harwood Training Grant, offers this training at no charge to our community businesses
- 60-minute training session, additional 60 minutes advanced session available for business owners and supervisors
- Intended for small business workers in our community as a refresher course or new learning
- Class size is 10-30 attendees
- Must be completed before September 1, 2025

Topics Covered:

- Identifying hazardous chemicals, potential health impacts, emergency best practices, hazard prevention and control



Chemical Hazards and Hazard Communication Training

Helping your community

The purpose of this program is to provide training to employees of small businesses in communities throughout the Midwest on chemical hazards and hazard communication. The valuable training is offered at no cost to employees and owners of businesses, with an added training segment for supervisors. These sessions will be scheduled through September 2025. Spanish versions of materials and simultaneous translation will be available, if requested and scheduled in advance.

Along with the training, there is an added advantage for MMUA member communities. In a short separate segment, our team will showcase the value of hometown utilities, helping participants better understand the value of local control and the work you do. Intended participants are small businesses and farm workers in your community. Utility personnel are welcome to attend.

If you and your team are interested in hosting this training event for your community, please reach out to your MMUA safety coordinator or contact us at info@mmua.org for more information.

TRAINING DETAILS:

- 60 minute training session
- Additional 60 minutes for supervisors and owners
- Intended for small business workers in your community as a new learning or refresher course
- Classroom size 10-30 attendees
- MMUA will provide communications resources

TOPICS TO BE COVERED:

- Identifying hazardous chemicals
- Potential health impacts
- Emergency best practices
- Hazard prevention and control



This material was produced under grant number SHTG-FY-24-01-SH04 from the Occupational Safety and Health Administration, U.S. Department of Labor. It does not necessarily reflect the views or policies of the U.S. Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement by the U.S. Government.

MMUA Annual Summer Conference

Item 2.

This event is intended for municipal utility leaders, city leaders, commissioners, council members, mayors, affiliate members, and associate members.

MMUA's Summer Conference is an opportunity for networking, educational programs, and social time for municipal utility leaders from around the state. For the first time, the 2025 conference will be held in Rochester, Minnesota.



Extensive programming offers something for everyone, with engaging sessions and activities throughout the conference. Kickstart your experience with one of three newly added pre-conference workshops on Monday morning. Afterward, enjoy a round at the golf tournament or explore scenic trails on a guided hike. Your registration also includes access to the awards luncheon and a walk through the trade show, providing valuable networking and discovery opportunities.

More details can be found at: <https://www.mmua.org/events/summer-2025>

Please contact Julie at jakennedy@grpuc.org or 218-326-7687 if you'd like additional information.

MMUA Legislative Workshop – Interacting on the Issues

Item 2.

Last year, MMUA began hosting meetings throughout the state with councils, commissioners and utility leaders about the outcome of the legislative session and its impact on local utilities. Grand Rapids was chosen as the location for one of the meetings. By popular demand, MMUA will be back on the road in June and Grand Rapids Public Utilities is once again fortunate to host our regional meeting.



GRPU Commissioners invite the City Council to join them to hear from the MMUA government relations team and peers from our region to discuss the implications of new laws, explore opportunities, and network with others committed to protecting, promoting, and strengthening hometown utilities.

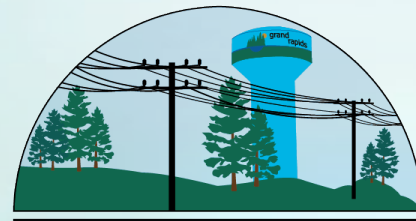
Wednesday, June 18, 2025

5 – 7 PM in the GRPU conference room

Light hors d'oeuvres and drinks provided by MMUA

Registration is free, however, MMUA asks that you register for planning purposes. Please contact Megan at mrsjostrand@grpuc.org or 218-326-7189 if you'd like us to register you.

Questions / Comments



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