



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING AGENDA

Wednesday, July 12, 2023

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, July 12, 2023 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 June 7, 2023 Regular Meeting Minutes and the June 29, 2023 Regular Work Session Minutes.

**VERIFIED CLAIMS:**

2. Consider a motion to approve \$2,905,332.87 of verified claims for June 2023.

**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 authorize the sale and/or disposal of surplus property.
4. Consider a motion to approve the June 2023 semi-annual write off of \$3,656.31 uncollectible accounts receivable.
5. Consider a motion to ratify the procurement contract with Duluth Coating Solutions Inc. for extra coating required for moisture mitigation on the red rubber floor replacement project for \$5,100.
6. Consider a motion to ratify Amendment #1 to the procurement contract with Rob's Bobcat Service Inc to extend the contract for vegetation control and restoration to the expiration date of December 31, 2023.
7. Consider a motion to ratify the procurement contract with Roger's Two Way Radio, a wireless solution provider, for truck radio installs for \$3,649.14.
8. Consider a motion to approve the procurement contract with Altec for a backyard machine for \$144,900.00 and authorize the General Manager to sign the contract.

- [9.](#) Consider a motion to ratify the procurement contract with Kem-Group USA for aerator media for \$4,800.
- [10.](#) Consider a motion to ratify the procurement contract with Dakota Supply Group for a kerf cutter for repairing curb stops for \$4,873.44.
- [11.](#) Consider a motion to ratify the procurement contract with Quality Flow Systems for a pump for lift station 2 for \$22,800.

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:

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

ADMINISTRATION:

- [13.](#) Review Administration Monthly Report

BUSINESS SERVICES DEPARTMENT:

- [14.](#) Consider a motion to approve the July 1, 2023 renewal of the General Liability and Commercial Property Insurance with LMCIT in the amount up to \$162,423, authorize payment of premium, and authorize the President to sign the annual Liability Coverage Waiver Form accepting the monetary limits on municipal tort liability established by MN SS 466.04.
- [15.](#) Consider a motion to adopt reimbursement resolution 07-12-23-05 Sylvan Bay Utilities Project, and reimbursement resolution 07-12-23-06 Water Treatment Renovation Project; and request the City Council issue G.O. bonds to finance related costs.

- [16.](#) Review Business Services Monthly Report

ELECTRIC DEPARTMENT:

- [17.](#) Review Electric Utility Monthly Report

WATER AND WASTEWATER DEPARTMENT:

- [18.](#) Review Water Utility Monthly Report
- [19.](#) Review Wastewater Utility Monthly Report

DEPARTMENT HEAD PRESENTATION:

- [20.](#) Business Services Department Head Presentation - July 2023

ADJOURNMENT:

The next Work Session is scheduled for Wednesday, July 26, 2023 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, August 16, 2023 at 4:00 PM 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 COMMISSION

## MEETING MINUTES

Wednesday, June 07, 2023

4:00 PM

President Stanley called the meeting to order at 4:00 PM.

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

**STAFF:** Julie Kennedy, Jean Lane, Steve Mattson

### PUBLIC FORUM:

No one from the public was present.

### APPROVAL OF MINUTES:

1. Consider a motion to approve the May 4, 2023 Special Work Session Commission Minutes, the May 10, 2023 Regular Meeting Minutes, the May 17, 2023 Closed Meeting Minutes, and the May 17, 2023 Regular Work Session Minutes.

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

### VERIFIED CLAIMS:

2. Consider a motion to approve \$873,250.07 of verified claims for May 2023.

Motion made by Secretary Francisco, Seconded by Commissioner Saxhaug to approved the verified claims as presented. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams

### COMMISSION REPORTS:

Commissioner Adams reported on the City's involvement in the County's Airport Road & River Road roundabout project which will remove the only traffic signal under the City's financial obligation. Commissioner Adams also reported on May Mobility's goMARTI, an experimental project with 5 autonomous vehicles to improve transportation accessibility in the community. The city just received notice from US Senators Smith and Klobuchar that an additional \$9M will be provided to continue to regionally expand the project beyond Grand Rapids.

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

3. Consider a motion to authorize the sale and/or disposal of surplus property.

Approved on consent agenda.

4. Consider a motion to approve the procurement contract with Nelson Roofing for re-roofing the north portion of the GRPU Combined Service Center (CSC) for \$101,897 and authorize the General Manager to sign the contract.

Approved on consent agenda.

5. Consider a motion to ratify the procurement contract with Itasca Painting for painting the CSC back hallway for \$5,393.

Approved on consent agenda.

6. Consider a motion to ratify the procurement contract with Electric Pump for the rebuilding of the Flygt pumps for the domestic lift station for \$19,278.

Approved on consent agenda.

7. Consider a motion to ratify the procurement contract with Lake Country Lawn and Snow for lawn mowing services for W-WW and Electric departments for \$10,500.

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

#### SAFETY REPORT:

8. Reviewed Safety Monthly Report

#### ADMINISTRATION:

9. Consider a motion to approve a Memorandum of Understanding (MOU) to modify Article 4, Section 1 of the 2021-2023 Collection Bargaining Agreement (CBA) between Grand Rapids Public Utilities Commission (GRPUC) and the American Federation of State, County & Municipal Employees (AFSCME).

Motion made by Commissioner Saxhaug, Seconded by Commissioner Adams to approve a MOU to modify Article 4, Section 1 of the 2021-2023 CBA between GRPUC and AFSCME to provide Juneteenth as a paid holiday to all GRPUC employees. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams

10. Consider a motion to approve a Memorandum of Understanding (MOU) to modify Article 17, Section 5 of the 2021-2023 Collection Bargaining Agreement (CBA) between Grand Rapids Public Utilities Commission (GRPUC) and the American Federation of State, County & Municipal Employees (AFSCME).

Motion made by Secretary Francisco, Seconded by Commissioner Saxhaug to approve a MOU to increase the 2023 wages set forth in Article 17, Section 5 of the 2021-2023 CBA between GRPUC and AFSCME by 2.5% for all employees covered by the CBA. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams

11. Consider a motion to approve a 2.5% wage increase for exempt non-management employees, a 3% wage increase for exempt management employees, excluding the General Manager, effective July 1, 2023 and approve June 19 as a paid holiday for exempt employees.

Motion made by Commissioner Adams, Seconded by Commissioner Saxhaug to approve a 2.5% wage increase for exempt non-management employees, a 3% wage increase for exempt management employees, excluding the General Manager, effective July 1, 2023 and approve June 19 as a paid holiday for exempt employees. Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams

12. Reviewed Administration Monthly Report

#### BUSINESS SERVICES DEPARTMENT:

13. Reviewed Business Services Monthly Report

#### ELECTRIC DEPARTMENT:

14. Reviewed Electric Utility Monthly Report

#### WATER AND WASTEWATER DEPARTMENT:

15. Reviewed Water Utility Monthly Report
16. Reviewed Wastewater Utility Monthly Report

#### DEPARTMENT HEAD PRESENTATION:

17. Water/Wastewater Manager Steve Mattson gave the Department Head presentation.

#### ADJOURNMENT:

There being no further business, the meeting was adjourned at 4:50 PM.

Respectfully submitted,



Julie Kennedy, General Manager



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION WORK SESSION MEETING MINUTES

Thursday, June 29, 2023

11:30 AM

President Stanley called the meeting to order at 11:35 AM.

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

STAFF: Julie Kennedy, Jean Lane, Steve Mattson, Chad Troumbly and guest Karleen Kos

## BUSINESS:

1. Consider a motion to approve \$241,413.87 of verified claims for May and June 2023.

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

2. Karleen Kos, MMUA CEO, will facilitate the kick off meeting for the GRPUC strategic plan project. Discussion Only.

Ms. Kos presented the proposed components and timeline for the upcoming strategic planning project.

## ADJOURNMENT:

There being no further business, the meeting adjourned at 1:05 PM.

Respectfully submitted,

Julie Kennedy, General Manager



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to approve \$2,905,332.87 of verified claims for June 2023.

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

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### BACKGROUND:

See attached check registers:

Computer check register \$1,173,443.42

Manual check register \$1,731,889.45

Total \$2,905,332.87

### RECOMMENDATION:

Consider a motion to approve \$2,905,332.87 of verified claims for June 2023.



Grand Rapids Public Utilities  
Accounts Payable  
June 2023  
(Meeting Date: 7/12/2023)

Item 2.

NAME	AMOUNT
Aramark	123.92
City of Grand Rapids	5,650.93
Coles	385.80
Cooperative Response Center	1,990.68
Duluth Coating Solutions	43,198.00
GFOA	225.00
Hawkins	12,428.15
MacQueen	341.76
Minnesota Power	1,048,971.99
Northeast Technical Services	20,620.90
Personnel Dynamics	1,163.82
Railroad Management	344.67
Rapid Rooter	4,410.00
Rapids Radio	1,459.50
RMB Environmental Lab	174.24
Rob's Bobcat	28,040.00
Stantec	1,162.75
Tank, David	1,300.00
Viking Electric	811.31
Energy Efficiency Rebate:	
Asselin, Michelle	35.00
Christopherson, Kurt	70.00
Kuechle, Maria & Randy	400.00
Lammon, Kelly	35.00
Prickett, Rebecca	100.00
	<hr/>
	1,173,443.42

## June 2023 Check Register

Document Date	Check #	Vendor Name	Document Amount	
6/1/2023	4882	Northeast Service Cooperative	4,314.00	6/30/2023
6/1/2023	4883	Northeast Service Cooperative	52,898.17	6/30/2023
6/2/2023	4884	Wells Fargo Pcard	8,334.26	
6/6/2023	4885	WEX Health	985.65	6/30/2023
6/7/2023	4886	Public Employees Retirement Association	15,964.48	6/7/2023
6/7/2023	4887	MN Department of Revenue	4,363.12	6/7/2023
6/7/2023	4888	Wells Fargo Bank	26,201.58	6/7/2023
6/7/2023	4889	Empower Retirement	8,099.56	6/7/2023
6/20/2023	4890	MN Department of Revenue	74,802.00	6/30/2023
6/20/2023	4891	Public Employees Retirement Association	16,124.65	6/20/2023
6/20/2023	4892	MN Department of Revenue	4,463.55	6/20/2023
6/20/2023	4893	Wells Fargo Bank	26,755.01	6/20/2023
6/20/2023	4894	Empower Retirement	8,189.67	6/20/2023
6/21/2023	4895	WEX Health	985.65	6/30/2023
6/26/2023	4896	WEX Health	93.50	6/30/2023
6/30/2023	4897	Public Employees Retirement Association	16,537.78	6/30/2023
6/30/2023	4898	MN Department of Revenue	4,847.85	6/30/2023
6/30/2023	4899	Wells Fargo Bank	28,385.12	6/30/2023
6/30/2023	4900	Empower Retirement	8,362.59	6/30/2023
6/5/2023	4901	Invoice Cloud	3,012.90	6/30/2023
6/29/2023	4902	4M Fund	219,000.00	6/30/2023
6/27/2023	4903	TASC	48.12	6/30/2023
6/2/2023	81579	Mattson Steve	49.13	6/2/2023
6/6/2023	81580	MN Child Support Payment Center	391.32	6/6/2023
6/6/2023	81581	NCPERS Group Life Insurance	80.00	6/6/2023
6/7/2023	81582	City of Grand Rapids	72,333.33	6/30/2023
6/16/2023	81625	MN Department of Health	23.00	6/16/2023
6/16/2023	81626	MN Energy Resources Corporation	86.69	6/16/2023
6/16/2023	81627	MN Power	940,961.19	6/16/2023
6/16/2023	81628	Postage By Phone System	5,000.00	6/16/2023
6/16/2023	81629	Radtke James	5,232.36	6/16/2023
6/16/2023	81630	UPS	425.00	6/16/2023
6/16/2023	81631	Waste Management of WI MN	1,160.08	6/16/2023
6/16/2023	81632	Xerox Corporation	118.85	6/16/2023
6/20/2023	81633	MN Child Support Payment Center	391.32	6/20/2023
6/20/2023	81634	MN Council 65	1,806.00	6/20/2023
6/22/2023	81635	City of LaPrairie	15,085.22	6/30/2023
6/23/2023	81636	US Bank Equipment Finance	315.73	6/23/2023
6/23/2023	81637	Customer Refunds - J. McQueen	3.57	6/30/2023
6/23/2023	81638	Customer Refunds - Emerald Enterprises	3.75	6/30/2023
6/23/2023	81639	Customer Refunds - USDA	5.35	6/30/2023
6/23/2023	81640	Customer Refunds - G Wagern-Carlson	16.46	6/30/2023
6/23/2023	81641	Customer Refunds - BLM Companies	19.63	6/30/2023
6/23/2023	81642	Customer Refunds - W. Randolph	24.00	6/30/2023
6/23/2023	81643	Customer Refunds - U of M	76.35	6/30/2023
6/23/2023	81644	Customer Refunds - J. Hehir	4.17	6/30/2023

6/23/2023 81645	Customer Refunds - D. Baldwin	78.42	6/30/2023
6/23/2023 81646	Customer Refunds - Wohlsdorf	268.74	6/30/2023
6/23/2023 81647	Customer Refunds - C. Bobrowski	122.20	6/30/2023
6/23/2023 81648	Customer Refunds - A. Twardowski	24.20	6/30/2023
6/23/2023 81649	Riley Joseph	199.99	6/23/2023
6/27/2023 81650	WinCan	10,100.00	6/27/2023
6/28/2023 81651	City of Grand Rapids	136.50	6/30/2023
6/28/2023 81652	City of Grand Rapids	71,703.04	6/30/2023
6/28/2023 81653	US Post Office	150.00	6/28/2023
6/29/2023 81715	City of Grand Rapids	72,333.33	6/30/2023
6/30/2023 81716	MN Child Support Payment Center	391.32	6/30/2023

Checks Previously Approved \*\* 0.00

Manual Checks/EFT to be approved 1,731,889.45

**Total Manual Checks 1,731,889.45**



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to authorize the sale and/or disposal of surplus property.

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

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### BACKGROUND:

The items shown in the attached document are no longer of use to the utility and are considered surplus property. In accordance with MN Statutes and Rules, we would like to sell, recycle, dispose of, or donate the items through means of public auction.

Grand Rapids Public Utilities will sell used surplus equipment by sealed bid at the GRPU Service Center, 500 SE 4th Street, Grand Rapids, MN. Items will be available for inspection Thursday, July 13, 2023 – Thursday, July 20, 2023 between the hours of 9:00 AM – 2:00 PM. Items are being sold as is. Some items will require minimum bids. Bid forms will be received until 3:00 PM on Thursday, July 20, 2023 at which time they will be publicly opened and read aloud. Successful bidders will be notified by phone if not present. The expense to remove the bid item(s) and the liability in moving the same is the sole responsibility of the successful bidder. Unless special arrangements are made, all bid items must be removed between the hours of 9:00 AM to 3:00 PM on or before Friday, July 28, 2023. Grand Rapids Public Utilities reserves the right to reject any or all bids or award upon such basis as they may deem to be in Grand Rapids Public Utilities' best interest.

### RECOMMENDATION:

Consider a motion to authorize the sale and/or disposal of surplus property.

# GRAND RAPIDS PUBLIC UTILITIES SURPLUS EQUIPMENT SALE

Grand Rapids Public Utilities will sell used surplus equipment by sealed bid at the GRPU Service Center, 500 SE 4th Street, Grand Rapids, MN. Items will be available for inspection Thursday, July 13, 2023 – Thursday, July 20, 2023 between the hours of 9:00 AM – 2:00 PM. Items are being sold as is. Some items will require minimum bids. Bid forms will be received until 3:00 PM on Thursday, July 20, 2023 at which time they will be publicly opened and read aloud. Successful bidders will be notified by phone if not present. The expense to remove the bid item(s) and the liability in moving the same is the sole responsibility of the successful bidder. Unless special arrangements are made, all bid items must be removed between the hours of 9:00 AM to 3:00 PM on or before Friday, July 28, 2023. Grand Rapids Public Utilities reserves the right to reject any or all bids or award upon such basis as they may deem to be in Grand Rapids Public Utilities' best interest.

# GRPU SURPLUS EQUIPMENT BID FORM

Item: black geomembrane liner

Quantity: 100 SF section

## Bidder Information

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

Phone Number: \_\_\_\_\_

Bid Amount: \_\_\_\_\_



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# GRPU SURPLUS EQUIPMENT BID FORM

Item: black geomembrane liner

Quantity: 100 SF section

## Bidder Information

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

Phone Number: \_\_\_\_\_

Bid Amount: \_\_\_\_\_





## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to approve the June 2023 semi-annual write off of \$3,656.31 uncollectible accounts receivable.

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

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### **BACKGROUND:**

The CSR team has performed internal and external collection processes for the attached listing of uncollectible customer accounts receivable.

The attached list, with redacted customer information for privacy, show the amounts of the requested accounts to write off as uncollectible.

The request to write off uncollectible customer accounts receivable will be presented to the Grand Rapids Public Utilities Commission twice per year.

### **RECOMMENDATION:**

A motion to approve the June 2023 semi-annual write off of \$3,656.31 uncollectible accounts receivable.

	A	B	C	D	E
1	<b>For Commission to Approve Write-off - June 2023 Meeting</b>				
2					
3	<b>Account #</b>	<b>Customer Name</b>	<b>Service Address</b>	<b>Reason</b>	<b>Amount</b>
4	503236-133397			Deceased	\$ 1,355.64
5	521694-129589			Statue of Limitations	\$ 288.81
6	501736-133454			Deceased	\$ 63.07
7	524191-128386			Statue of Limitations	\$ 337.60
8	525857-128810			Deceased	\$ 102.98
9	525507-133233			Bankrupt	\$ 380.55
10	525507-131926			Bankrupt	\$ 247.49
11	522120-126493			Deceased	\$ 68.99
12	524467-124467			Deceased	\$ 32.61
13	501115-129817			Statue of Limitations	\$ 200.09
14	517031-130605			Statue of Limitations	\$ 206.91
15	525719-130294			Bankrupt	\$ 371.57
16					
17					
18					\$ 3,656.31





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

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Duluth Coating Solutions Inc. for extra coating required for moisture mitigation on the red rubber floor replacement project for \$5,100.

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

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### **BACKGROUND:**

This procurement is for an approved CSC building capital purchase with a budget of \$125,000. \$38,098 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 ratify the procurement contract with Duluth Coating Solutions Inc. for extra coating required for moisture mitigation on the red rubber floor replacement project for \$5,100.

# Capital Plan

2023 *thru* 2027

Item 5.

## Grand Rapids Public Utilities Commission

<b>Project #</b>	<b>CSCW2302</b>
<b>Project Name</b>	<b>Red Rubber Flooring Replacement</b>

**Department** 6-Service Center  
**Contact** Julie Kennedy  
**Type** Unassigned  
**Useful Life** 30  
**Category** Buildings  
**Priority** 02 - Significant Need  
**Status** Active

**Total Project Cost:** \$125,000

<b>Description</b>
red flooring replacement

<b>Justification</b>

Expenditures	2023	2024	2025	2026	2027	Total
Contractor Labor	125,000					125,000
<b>Total</b>	<b>125,000</b>					<b>125,000</b>

Funding Sources	2023	2024	2025	2026	2027	Total
Rplcmt Fund-Elec share/business	81,250					81,250
Rplcmt Fund-Water share/business	25,000					25,000
Rplcmt Fund-WWC share/business	18,750					18,750
<b>Total</b>	<b>125,000</b>					<b>125,000</b>

<b>Budget Impact/Other</b>



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

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to ratify Amendment #1 to the procurement contract with Rob's Bobcat Service Inc to extend the contract for Vegetation control and restoration to the expiration date of Dec 31, 2023.

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

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### **BACKGROUND:**

This procurement contract extension is to be used for minor tree trimming maintenance projects for the calendar year of 2023. The original contract ended in December 2022. Work under this contract includes tree removal, tree trimming, and right-of-way clearing for both Grand Rapids Public Utilities and their customers. A portion of the Overhead Tree Trimming budget covers this time and material contract.

### **RECOMMENDATION:**

Consider a motion to ratify Amendment #1 to the procurement contract with Rob's Bobcat Service Inc to extend the contract for Vegetation control and restoration to the expiration date of Dec 31, 2023.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Roger's Two Way Radio, a wireless solution provider, for truck radio installs for \$3,649.14

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

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### **BACKGROUND:**

These radios allow higher power communication between trucks and crews using the county ARMER system. The GRPU Procurement Policy was followed and two quotes are on file. The total amount for this contract is \$3,649.14. The electric department will pay for the cost of install with the appropriate amounts allocated to the other utilities once an internal agreed upon allocation is determined and included in future operating budgets.

### **RECOMMENDATION:**

Consider a motion to ratify the procurement contract with Roger's Two Way Radio, a wireless solution provider, for truck radio installs for \$3,649.14



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to approve the procurement contract with Altec for backyard machine \$144,900.00 and authorize the General Manager to sign the contract.

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

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### **BACKGROUND:**

This procurement is for an approved Electric Department capital purchase with a budget of \$90,000. \$0 has been spent to date. The total cost is greater than the 2023 adopted budget, however due to supply chain issues the Electric Department will be unable to proceed with the Crystal Springs Conversion project which has an approved capital budget of \$146,000. The difference \$54,900.00 of the budget for the backyard machine will be funded by the unused Crystal Springs Conversion project. The Crystal Springs Conversion will be part of the 2024 capital budget presentation.

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 Altec for backyard machine \$144,900.00 and authorize the General Manager to sign the contract.

# Capital Plan

2023 *thru* 2027

Item 8.

## Grand Rapids Public Utilities Commission

**Project #** ELEC2318  
**Project Name** Backyard Machine

**Department** 1-Electric  
**Contact** Jeremy Goodell  
**Type** Unassigned  
**Useful Life** 20  
**Category** Vehicles  
**Priority** 02 - Significant Need  
**Status** Active

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

Description
Purchase backyard track vehicle

Justification

Expenditures	2023	2024	2025	2026	2027	Total
Purchases	90,000					90,000
<b>Total</b>	<b>90,000</b>					<b>90,000</b>

Funding Sources	2023	2024	2025	2026	2027	Total
Rplcmt Fund-Electric Infrastructure	90,000					90,000
<b>Total</b>	<b>90,000</b>					<b>90,000</b>

Budget Impact/Other

Budget Items	2023	2024	2025	2026	2027	Total
Capital Projects	90,000					90,000
<b>Total</b>	<b>90,000</b>					<b>90,000</b>

## 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 Altec Industries, Inc, an equipment manufacturer located at 1255 Port Terminal Road, Duluth MN (“**Contractor**”). GRPUC and Contractor may be referred to jointly as the “**Parties**” or individually as a “**Party**.”

### Recitals

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A. GRPUC has solicited and received quotations from State of Minnesota Cooperative Purchasing Venture for a back-yard machine. (“**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 from the State of Minnesota Cooperative Purchasing Venture; 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

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#### 1. Term of Contract

- 1.1 Effective date. The effective date of this Contract is June 20<sup>th</sup> 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 Oct 15<sup>th</sup> 2023, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first.

#### 2. Contractor’s Duties

##### 2.1 The Contractor shall:

Provide Goods - a DB41 Digger S# 1008107278 with trailer and specified accessories per Exhibit C.

(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 need 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 One Hundred, Forty-Four Thousand, Nine Hundred Dollars and no cents. (\$144,900.00).

Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed One Hundred, Forty-Four Thousand, Nine Hundred Dollars and no cents. (\$144,900.00) in US Dollars.

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.

#### 6. Authorized Representative

GRPUC's Authorized Representative is Chad Troumbly, Electrical Department Manager at the following business address: 500 SE 4<sup>th</sup> Street, Grand Rapids, MN, 55744, 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 Mathew Jundy, Account Manger at the following business address: 1730 Vanderbilt Rd, Birmingham, AL 35234 and the following telephone number: 816-341-9456 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

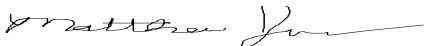
Exhibit B: Insurance Terms

Exhibit C: Specifications, Duties, and Scope of Work

Exhibit D: Price and Payment Schedule

[The Signature Page Follows]

**Altec Industries, Inc.**

By: 

Print Name: Mathew Jundy

Title: Account Manager Altec NUECO

Date: 6/26/23

**Grand Rapids Public Utilities Commission**

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

Print Name: Julie A. Kennedy

Title: General Manager

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

## **Exhibit A: Contract Terms**

### **1. Prompt Payment and Invoicing.**

- 1.1 Prompt Payment. GRPUC will pay the Contractor within ten (10) days following receipt of an undisputed invoice. Terms requesting payment in less than ten (10) days will be changed to read “Net 10 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 sent promptly to the GRPUC after GRPUC receipt of goods.

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

8.1 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.

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

## **9. 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.

## **10. 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.

## **11. General / Miscellaneous.**

11.1 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.

11.2 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.

11.3 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.

11.4 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.

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 4th Street  
Grand Rapids, MN 55744  
Attn: General Manager  
Email: jakennedy@grpuc.org

Altec NUECO  
1730 Vanderbilt Rd  
Birmingham, AL 35234  
Attn: Mathew Jundy  
Email: Mathew.jundy@altec.com

11.5 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.

11.6 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.

11.7 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.

11.8 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.

11.9 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.

11.10 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.

11.11 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:

\$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:

\$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.

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

#### **DB41 Digger**

Radio Remote

Hardwired Controller

Material Handling Jib (Independent from boom)

Jib Extension

Platform

#### **Brooks Brother 24K Trailer with Mat**

This is used equipment.

Contractor will complete a full inspection before GRPUC would take delivery. Contractor will fix anything that needs to be addressed.

All required DOT and ANSI Inspections will be completed prior to delivery.

Unit comes with a 30-Day Warranty starting after initial acceptance by GRPUC.

**Exhibit D: Price and Payment Schedule**

Total compensation for this contract will not exceed One Hundred Forty-Four Thousand Nine Hundred Dollars and No Cents (\$144,900) in US Dollars.

Payment after receipt and acceptance of goods by Grand Rapids Public Utilities.

Payment 30 days after receipt of an uncontested invoice and acceptance of goods by Grand Rapids Public Utilities.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Kem-Group USA for aerator media for \$4,800.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital project with a budget of \$12,000. \$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 ratify the procurement contract with Kem-Group USA for aerator media for \$4,800.

# Capital Plan

2023 *thru* 2027

Item 9.

## Grand Rapids Public Utilities Commission

**Project #** WATR2208  
**Project Name** WTP Aerator Media

**Department** 2-Water  
**Contact** Steve Mattson  
**Type** Unassigned  
**Useful Life** 20  
**Category** Water System  
**Priority** 03 - Moderate Need  
**Status** Active

**Total Project Cost:** \$24,000

### Description

Aerator Media is a plastic ball, that looks similar to a child's wiffle ball. These are a very necessary component in the aerator that allows fresh air to strip hydrogen sulfide and other gasses from the fresh well water. WTP aerator media needs to be cleaned and replaced on a regular basis.

### Justification

Having the media onhand will allow the WTP operators to clean the existing media over time rather than paying overtime to clean and install back into the aerator immediately.

Expenditures	2023	2024	2025	2026	2027	Total
Purchases	10,000		10,000			20,000
Labor	2,000		2,000			4,000
<b>Total</b>	<b>12,000</b>		<b>12,000</b>			<b>24,000</b>

Funding Sources	2023	2024	2025	2026	2027	Total
Grants	12,000					12,000
Rplcmt Fund-WWC Infrastructure			12,000			12,000
<b>Total</b>	<b>12,000</b>		<b>12,000</b>			<b>24,000</b>

### Budget Impact/Other

Budget Items	2023	2024	2025	2026	2027	Total
Capital Projects	12,000		12,000			24,000
<b>Total</b>	<b>12,000</b>		<b>12,000</b>			<b>24,000</b>





## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Dakota Supply Group for a kerf cutter for repairing curb stops for \$4,873.44.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital project with a budget of \$100,000. \$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 ratify the procurement contract with Dakota Supply Group for a kerf cutter for repairing curb stops for \$4,873.44.

# Capital Plan

2023 *thru* 2027

Item 10.

## Grand Rapids Public Utilities Commission

**Project #** WATR2305  
**Project Name** Curb Stop Replacements

**Department** 2-Water  
**Contact** Steve Mattson  
**Type** Unassigned  
**Useful Life** 30  
**Category** Water System  
**Priority** 02 - Significant Need  
**Status** Active

**Total Project Cost:** \$700,000

### Description

There are countless curbstops throughout the distribution system that require significant maintenance.

### Justification

Maintainence of the dsitribution system is necessary to ensure quality control and good customer service.

Expenditures	2023	2024	2025	2026	2027	Total
Purchases	100,000	150,000	150,000	150,000	150,000	700,000
<b>Total</b>	<b>100,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>700,000</b>

Funding Sources	2023	2024	2025	2026	2027	Total
Rplcmt Fund-Water Infrastructure	100,000	150,000	150,000	150,000	150,000	700,000
<b>Total</b>	<b>100,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>700,000</b>

### Budget Impact/Other

Budget Items	2023	2024	2025	2026	2027	Total
Capital Projects	100,000	150,000	150,000	150,000	150,000	700,000
<b>Total</b>	<b>100,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>150,000</b>	<b>700,000</b>



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Quality Flow Systems for a pump for lift station 2 for \$22,800.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital project with a budget of \$25,000. \$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 ratify the procurement contract with Quality Flow Systems for a pump for lift station 2 for \$22,800.

# Capital Plan

2023 *thru* 2027

Item 11.

## Grand Rapids Public Utilities Commission

**Department** 3-Wastewater Collection

**Contact** Steve Mattson

**Type** Unassigned

**Useful Life** 20

**Category** WW System

**Priority** 01 - Required

**Status** Active

**Total Project Cost:** \$25,000

**Project #** WWCO2305

**Project Name** Lift Station 2 Pump

### Description

Lift station 2 manages 100% of Cohasset's flow and is a critical lift station on the west side of town. Lift station 2 has 24 hp pumps.

### Justification

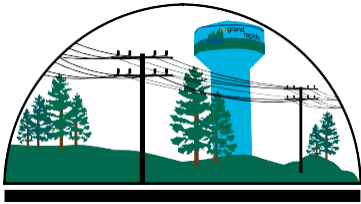
Lift station 2 does not have any backup pump in the event of an issue. With the purchase of a pump, one in service will be replaced with a new one. This will allow the lift station to have 2 pumps ready (both of varying age). Additionally the one pulled will be rebuilt with internal labor and ready to be put into service in the event of an emergency.

Expenditures	2023	2024	2025	2026	2027	Total
Purchases	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

Funding Sources	2023	2024	2025	2026	2027	Total
Rplcmt Fund-WWC Infrastructure	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>

### Budget Impact/Other

Budget Items	2023	2024	2025	2026	2027	Total
Capital Projects	25,000					25,000
<b>Total</b>	<b>25,000</b>					<b>25,000</b>



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## SAFETY REPORT July 2023 Commission Meeting

### Safety Topic Last Month

MMUA JT&S instructor Jay Reading conducted training with the electric department on the overview and practical applications of the 2023 17<sup>th</sup> edition APPA safety manual on June 15. We delayed hurt man and bucket truck rescue training for our field crews that was scheduled for June 28 and Safety Brad instead reviewed the traffic control for our crews working in the road right-of-way that day.

### Safety Topic This Month

Safety Brad will be training on drug and alcohol requirements for all CDL holders and possibly conducting the hurt man and bucket truck rescue training.

### Incidents Reported last Month by Department

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

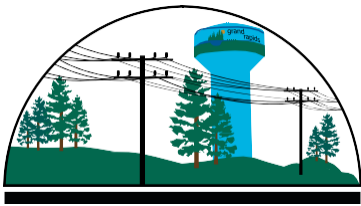
### Cumulative Incidents for 2023

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
TOTAL	10	3	1	0	1



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## ADMINISTRATION DEPARTMENT MONTHLY REPORT July 2023 Commission Meeting

### **Human Resources**

- Second round interviews for the Executive Assistant position are currently underway
- Q3 all-employee meeting scheduled for August 31

### **Community Involvement**

- GRPU staff will be participating in the Tall Timber Days parade on August 6, 2023.

### **Governance**

- The City has requested that we reschedule the joint Council/Commission work session from August 7 to sometime in October. Please bring your availability and we can discuss options.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to approve the July 1, 2023 renewal of the General Liability and Commercial Property Insurance with LMCIT in the amount up to \$162,423, authorize payment of premium, and authorize the President to sign the annual Liability Coverage Waiver Form accepting the monetary limits on municipal tort liability established by MN SS 466.04.

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

### BACKGROUND:

Attached is the Insurance Summary for Grand Rapids Public Utilities Commission General Liability and Commercial Property Insurance with the League of Minnesota Cities Insurance Trust (LMCIT). The GRPUC general liability insurance agency is Greater Insurance Service. Also, please see the attached liability coverage waiver form. It has been past practice for GRPUC to select “does not waive” the monetary limits on municipal tort liability established by MN SS 466.04.

There is a substantial increase in the general liability insurance premium for property coverage. The total general liability insurance increased from \$137,025 to \$163,423 in 2023 which is a \$26,398 or 19% increase. About 11% of the property premium increase is due to increased coverage. Please refer to page 8 in the insurance summary for changes in the annual premiums by coverage type

New for the 2023/2024 policy year is an insurance agency fee which is negotiated at a flat rate versus the historical compensation formula based on 10% of the annual premium. The change in compensation fee structure is to better match the insurance agency service level with the compensation and have the ability to control compensation costs. The negotiations with Greater Insurance Service will be completed early next week. The compensation for the agency is included in the total premium amount and paid by LMCIT directly to the agency.

For reference, the 2022 increase was \$25,587 or 23% increase. Property and crime insurance coverage increased from \$45,059 to \$64,142 or 42% even with a 5.5% credit for the 2022/2023

premium year. Also, to note the first party cyber premium increased from \$500 to \$4,368 for the 2022/2023 premium year.

Attachments:

2023/2024 Insurance Summary – League of MN Cities Insurance Trust

2022/2023 Insurance Summary – League of MN Cities Insurance Trust

Liability Coverage – Waiver Form

**RECOMMENDATION:**

Consider a motion to approve the July 1, 2023 renewal of the General Liability and Commercial Property Insurance with the League of Minnesota Cities Insurance Trust (LMCIT) in the amount up to \$162,423; authorize payment of premium, and authorize the President to sign the annual Liability Coverage-Waiver Form accepting the monetary limits on municipal tort liability established by MN SS 466.04.





## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** July 12, 2023

**AGENDA ITEM:** Consider a motion to adopt reimbursement resolution 07-12-23-5 Sylvan Bay Utilities Project, and reimbursement resolution 07-12-23-06 Water Treatment Renovation Project; and request the City Council issue G.O. bonds to finance related costs.

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

### **BACKGROUND:**

#### **SYLVAN BAY UTILITIES PROJECT**

The City of Grand Rapids CP 2015-1 Sylvan Bay phase one project bid was awarded and is being constructed this summer. The project includes \$878,973 for sanitary sewer improvements, \$1,066,705 for water improvements, and \$615,687 for street improvements for a total project cost of \$2,561,365 from the GRPUC. The street improvements of \$615,687 will be considered a GRPUC contribution to the City as the streets are City assets. The sanitary sewer and water improvements are GRPUC assets and will increase the value of the appropriate sewer and water infrastructure.

The 2023 approved GRPUC capital budget has \$1,202,000 for the water improvements and \$1,011,000 for the sanitary sewer (wastewater collection) improvements totaling \$2,213,000 which is less than the actual project bid. There is also an additional \$510,000 in the 2024 water capital plan budget and \$511,000 in the 2024 sanitary sewer (wastewater collection) capital plan budget for phase two of Sylvan Bay. Based on the 2023 actual bids for phase one of the Sylvan Bay project these 2024 budget amounts are under projections and will need to be increased substantially.

The current water capital replacement fund has a balance of \$981,636 at beginning 2023 and the sewer capital replacement fund has a balance of \$526,815 at the beginning 2023. Neither of the capital replacement funds have enough money to pay for the 2023 Sylvan project and if used would completely deplete the fund balances with additional funding source(s) required. These funds will be used for other smaller GRPUC water and wastewater capital projects.

On April 24, City Engineering and Finance and GRPUC Business Service, Electric, WW Collection/Treatment managers met to discuss city projects. At that time the City funding sources for this project were being finalized. Currently, the City has re-evaluated the City funding sources for this project and it now includes debt. The GRPU staff recommend the 2023 Sylvan Bay Project and possibly the 2024 Sylvan Bay projects be funded using general obligation debt.

Therefore, the GRPUC needs action items to (1) approve a resolution signaling the intent to use bond proceeds to pay for the Sylvan Bay project, and (2) request the City Council to issue general obligation (G.O.) bonds to finance the costs related to the improvements which language is included in the resolution.

The dollar value in the resolution signaling the intent to use bond proceeds is always projected higher than the actual project costs in case there are any unforeseen cost over runs which the issuer (City/GRPUC) would want covered by the bonds.

### **WATER TREATMENT RENOVATION PROJECT**

The City of Grand Rapids was awarded a grant of \$2,500,000 in the most recent 2023 legislative session which is partial funding for the \$5,000,000 GRPUC Water Treatment Renovation project. The GRPUC funding source for this project would be the water capital replacement fund which has a balance of \$981,626 at the beginning of 2023. There are not enough capital replacement funds for the estimated \$2.5 million funding balance of the \$5 million total water treatment renovation project.

Therefore, the GRPUC needs action items to (1) approve a resolution signaling the intent to use bond proceeds to pay for the Water Treatment Renovation project, and (2) request the City Council to issue general obligation (G.O.) bonds to finance the costs related to the improvements which language is included in the resolution.

The dollar value in the resolution signaling the intent to use bond proceeds is always projected higher than the actual project costs in case there are any unforeseen cost over runs which the issuer (City/GRPUC) would want covered by the bonds. Also, standard practice is to have this intent to bond resolution approved in the early planning stages of the project

### **RECOMMENDATION:**

Consider a motion to adopt reimbursement resolution 07-12-23-5 Sylvan Bay Utilities Project, and reimbursement resolution 07-12-23-06 Water Treatment Renovation Project; included in the resolutions a request for the City Council to issue G.O. bonds to finance related costs for the Sylvan Bay Utilities Project and the Water Treatment Renovation Project.

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
RESOLUTION NO. 07-12-23-05**

**DECLARING THE OFFICIAL INTENT OF GRAND RAPIDS PUBLIC UTILITIES  
COMMISSION TO REIMBURSE  
CERTAIN EXPENDITURES FROM THE PROCEEDS  
OF BONDS TO BE ISSUED BY THE CITY OF GRAND RAPIDS  
SLYVAN BAY UTILITY PROJECT**

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the Grand Rapids Public Utilities Commission (GRPUC) expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the GRPUC has determined to make this declaration of official intent ("Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE GRAND RAPIDS PUBLIC UTILITIEIS COMMISSION AS FOLLOWS:

1. The GRPUC proposes to undertake the following project in the City in 2023 (the "Project"): **Sylvan Bay utility project.**
2. The GRPUC reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$6,500,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) "preliminary expenditures" up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the GRPUC to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the GRPUC based on the facts and circumstances known to the GRPUC as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the GRPUC's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the GRPUC are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the GRPUC's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

6. The GRPUC requests the City Council of the City of Grand Rapids to issue general obligation bonds to finance costs related to the above project.

Approved by the Grand Rapids Public Utilities Commission 12<sup>th</sup> day of July 2023.

GRAND RAPIDS, MINNESOTA

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION  
RESOLUTION NO. 07-12-23-06**

**DECLARING THE OFFICIAL INTENT OF GRAND RAPIDS PUBLIC UTILITIES  
COMMISSION TO REIMBURSE  
CERTAIN EXPENDITURES FROM THE PROCEEDS  
OF BONDS TO BE ISSUED BY THE CITY OF GRAND RAPIDS  
WATER TREATMENT RENOVATION PROJECT**

WHEREAS, the Internal Revenue Service has issued Treas. Reg. § 1.150-2 (the "Reimbursement Regulations") providing that proceeds of tax-exempt bonds used to reimburse prior expenditures will not be deemed spent unless certain requirements are met; and

WHEREAS, the Grand Rapids Public Utilities Commission (GRPUC) expects to incur certain expenditures that may be financed temporarily from sources other than bonds, and reimbursed from the proceeds of a tax-exempt bond;

WHEREAS, the Grand Rapids Public Utilities Commission has determined to make this declaration of official intent ("Declaration") to reimburse certain costs from proceeds of bonds in accordance with the Reimbursement Regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE GRAND RAPIDS PUBLIC UTILITIES COMMISSION AS FOLLOWS:

1. The GRPUC proposes to undertake the following project in the City starting in 2023 (the "Project"): **Water Treatment Renovation project.**
2. The GRPUC reasonably expects to reimburse the expenditures made for certain costs of the Project from the proceeds of bonds in an estimated maximum principal amount of \$6,500,000. All reimbursed expenditures will be capital expenditures, costs of issuance of the bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Reimbursement Regulations.
3. This Declaration has been made not later than 60 days after payment of any original expenditure to be subject to a reimbursement allocation with respect to the proceeds of bonds, except for the following expenditures: (a) costs of issuance of bonds; (b) costs in an amount not in excess of \$100,000 or 5 percent of the proceeds of an issue; or (c) "preliminary expenditures" up to an amount not in excess of 20 percent of the aggregate issue price of the issue or issues that finance or are reasonably expected by the GRPUC to finance the project for which the preliminary expenditures were incurred. The term "preliminary expenditures" includes architectural, engineering, surveying, bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction.

4. This Declaration is an expression of the reasonable expectations of the GRPUC based on the facts and circumstances known to the GRPUC as of the date hereof. The anticipated original expenditures for the Project and the principal amount of the bonds described in paragraph 2 are consistent with the GRPUC's budgetary and financial circumstances. No sources other than proceeds of bonds to be issued by the GRPUC are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside pursuant to the GRPUC's budget or financial policies to pay such Project expenditures.

5. This Declaration is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations.

6. The GRPUC requests the City Council of the City of Grand Rapids to issue general obligation bonds to finance costs related to the above project.

Approved by the Grand Rapids Public Utilities Commission 12<sup>th</sup> day of July 2023.

GRAND RAPIDS, MINNESOTA

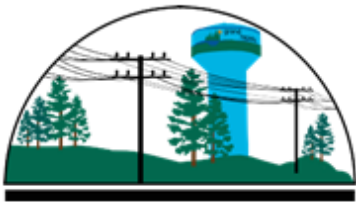
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President

Attest:

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Secretary



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## BUSINESS SERVICES DEPARTMENT MONTHLY REPORT July 2023 Commission Meeting

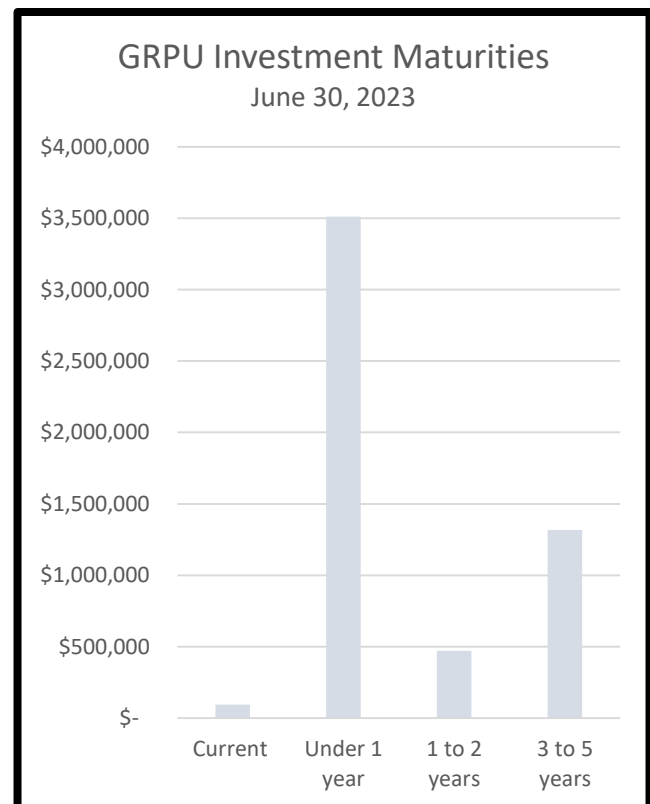
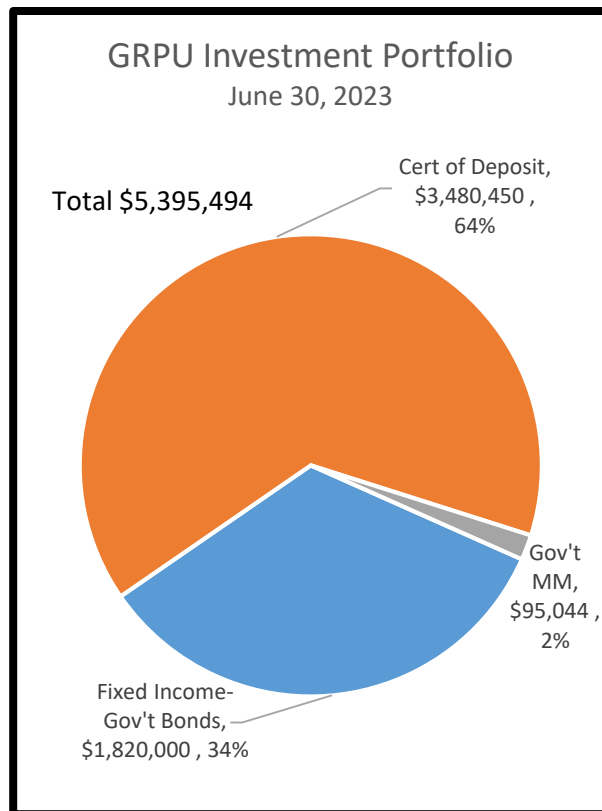
### ***SAFETY***

### ***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 \$5,395,494 as of June 30, 2023.

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



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

### *July 2023 focused communications –Water Conservation*

Radio ads informing the community about the importance of water conservation.



Water conservation focuses on taking action to improve the effectiveness of water use through various means, such as choosing to change behavior by using those fixtures and appliances less. Water efficiency often refers to the state of water use in a community, and higher levels of efficiency implies the community uses less according to metrics such as gallons per person per day or gallons per acre of irrigated area. *From the AWWA website.*

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

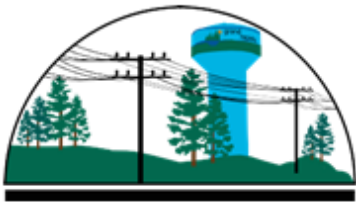
City and GRPU ERP software themes: (1) importance of transparency and customer interactions; (2) self-service portals for customers; (3) interface with utility billing, OMS, AMI, and GIS.

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

The evaluation team decided to invite the three software vendors to the discovery evaluation stage which is the final stage before contract negotiations. The team is represented by 6 City and 10 GRPU team members who have actively participated in each stage of the evaluation process.

The discovery evaluation stage was started in June with scheduled vendor specific questions and discussions. The discovery evaluation stage is serving its primary purpose to uncover issues or concerns. GR will continue this stage through July with the goal to negotiate a contract starting in August 2023.





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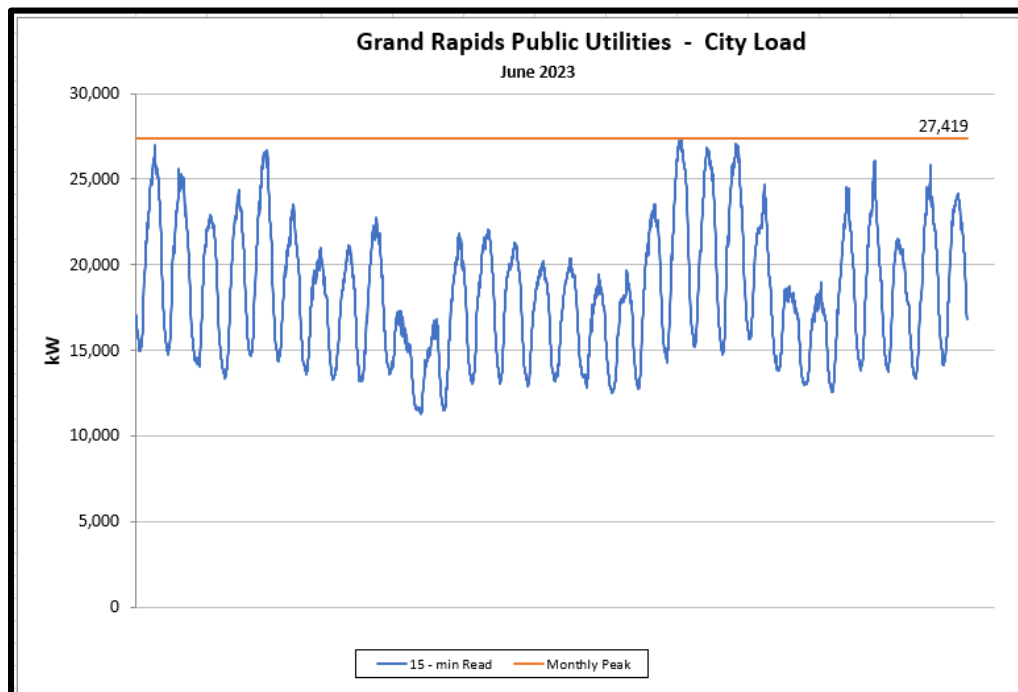
## ELECTRIC DEPARTMENT MONTHLY REPORT July 2023 Commission Meeting

### Reliability Report Last Month

June had mostly wildlife caused outages. The crew sometimes finds the squirrel, bird or owl that caused the problem. We are working through some of the OMS outage type classifications to get us the best information that will still work with industry reporting (APPA).

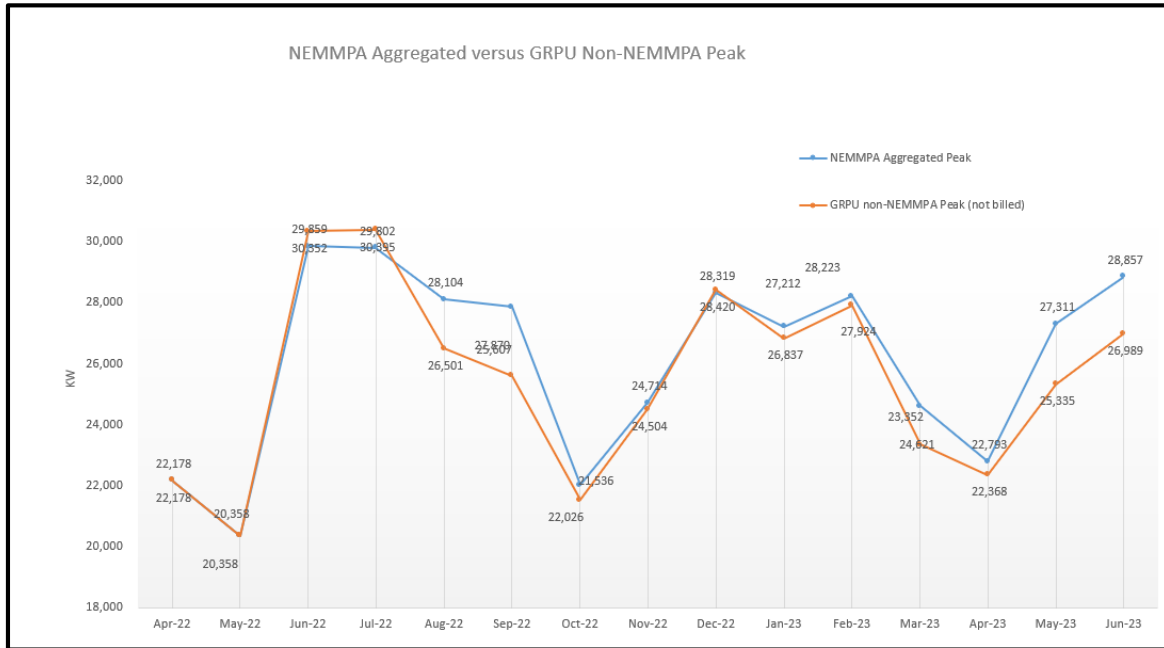
SAIDI:	0.19	Avg Minutes / Customers Served	CAIDI:	25.24	Avg Minutes / Customer Out	Total Customers Out:	58
SAIFI:	0.01	Cust Outages / Customers Served	CAIFI:	0.276	Avg Outages / Customer Out	Total Reported Hours:	24
Active:	7688	Active Electric Customers	Outages:	16	Total Number of Outages	Total Customer Hours Out:	146
ASAI:	99.99978	Average Percent System Available					

### Electric Load Graph Last Month



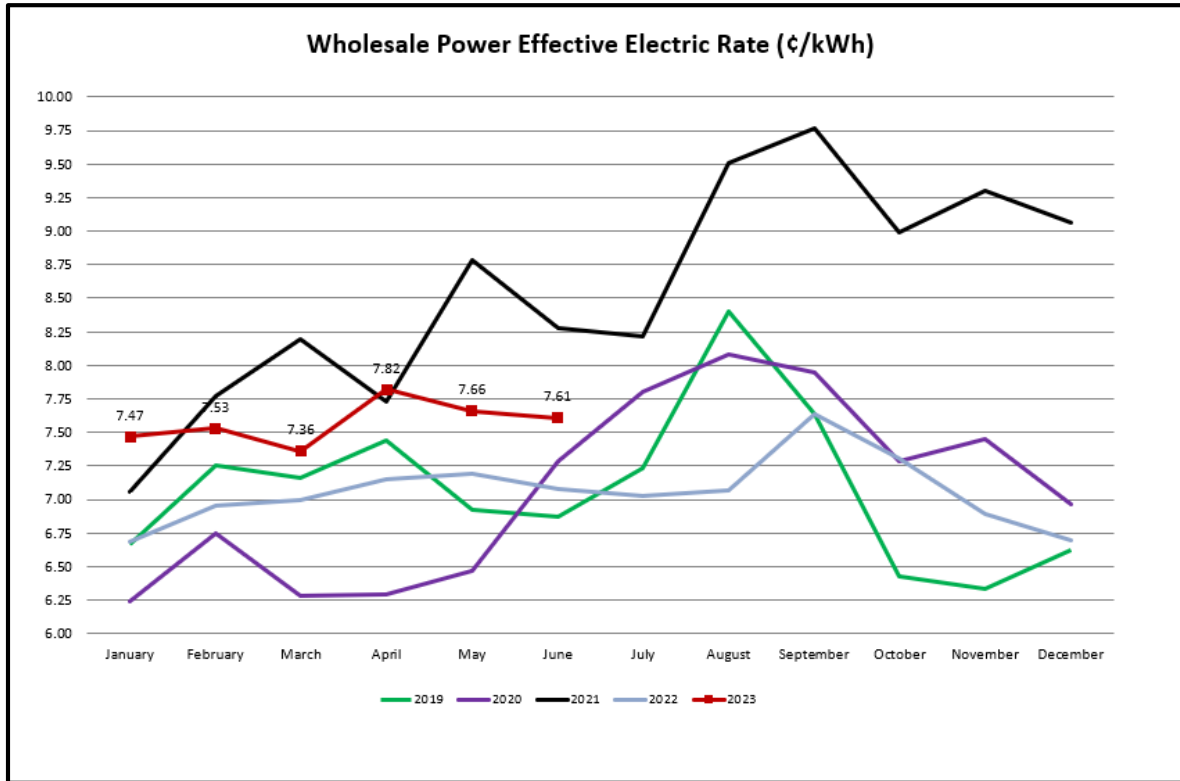
### **NEMMPA vs. non-NEMMPA Peak Last Month**

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



### **Effective Wholesale Electric Power Rate Last Month**

The attached graph shows the effective wholesale electric rate.

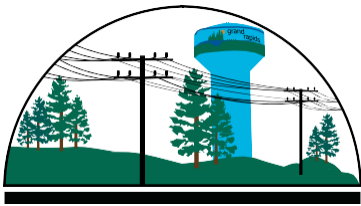


## Capital and Operations Project Summary

COMMISSION REPORT CONTENTS									
Agency						Amount	Percent Spent (calc'd)	Percent	
Lead	Dept	Proj Desc	Proj #	Budget	Spent			Comple	Status
GRPU	ELEC	Distribution System Transformers	ELEC2306	\$150,000	\$0	0%	10%	In Progress	Larger order
GRPU	ELEC	Crystal Springs Conversion	ELEC2135	\$146,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
GRPU	ELEC	Reliability Upgrades	ELEC2314	\$100,000	\$0	0%	0%	Not Started	
GRPU	ELEC	Tree Trimming	EOPS	\$100,000	\$31,000	31%	0%	In Progress	
GRPU	ELEC	Backyard Machine	ELEC2318	\$90,000	\$0	0%	0%	In Progress	looking to purchase July
GRPU	ELEC	OH Replacements	ELEC2304	\$60,000	\$9,425	16%	0%	In Progress	
GRPU	ELEC	Power Pole Replacement	ELEC2311	\$50,000	\$0	0%	0%	Not Started	
GRPU	ELEC	Distribution System Services	ELEC2301	\$40,000	\$0	0%	0%	Not Started	
GRPU	ELEC	SW 1st Avenue Conversion	ELEC2317	\$30,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
GRPU	ELEC	UG Replacements	ELEC2305	\$30,000	\$29,526	98%	1%	In Progress	
GRPU	ELEC	Maple Street Conversion	ELEC2316	\$29,000	\$0	0%	0%	On Hold	trx supply chain issues - pushed to 2024
GRPU	ELEC	AMI Meters	ELEC2307	\$25,000	\$5,422	22%	1%	In Progress	
GRPU	ELEC	Security Lighting	ELEC2303	\$13,996	\$1,118	8%	0%	Not Started	
GRPU	ELEC	Duel Fuel Services	ELEC2302	\$2,560	\$0	0%	0%	Not Started	
City	ELEC	21st St & Forest Hills Dr	EOPS			#DIV/0!		In Progress	
Developer	ELEC	Ainsworth Site Transformer	EOPS		\$62,283	#DIV/0!	75%	In Progress	Installed but not connected
GRPU	ELEC	CSC Generator	EOPS		\$0	#DIV/0!		In Progress	2024 delivery
GRPU	ELEC	East Sub Rewire	EOPS		\$0	#DIV/0!	0%	Not Started	
City	ELEC	Forest Lake School Site Housing	EOPS			#DIV/0!		Not Started	
Developer	ELEC	Newman Campground - LaPrairie	EOPS		\$33,000	#DIV/0!	100%	In Progress	
City	ELEC	Sylvan Bay Area Reconstruction	EOPS			#DIV/0!		Not Started	

### 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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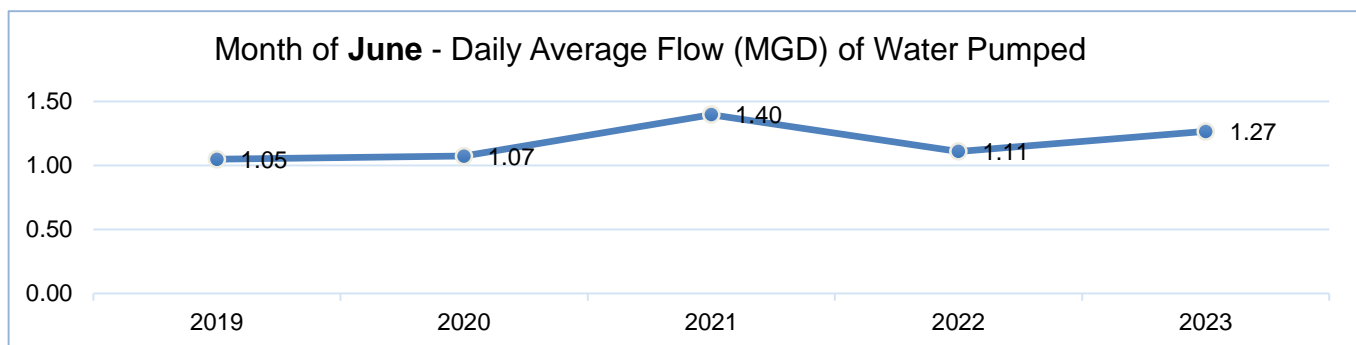
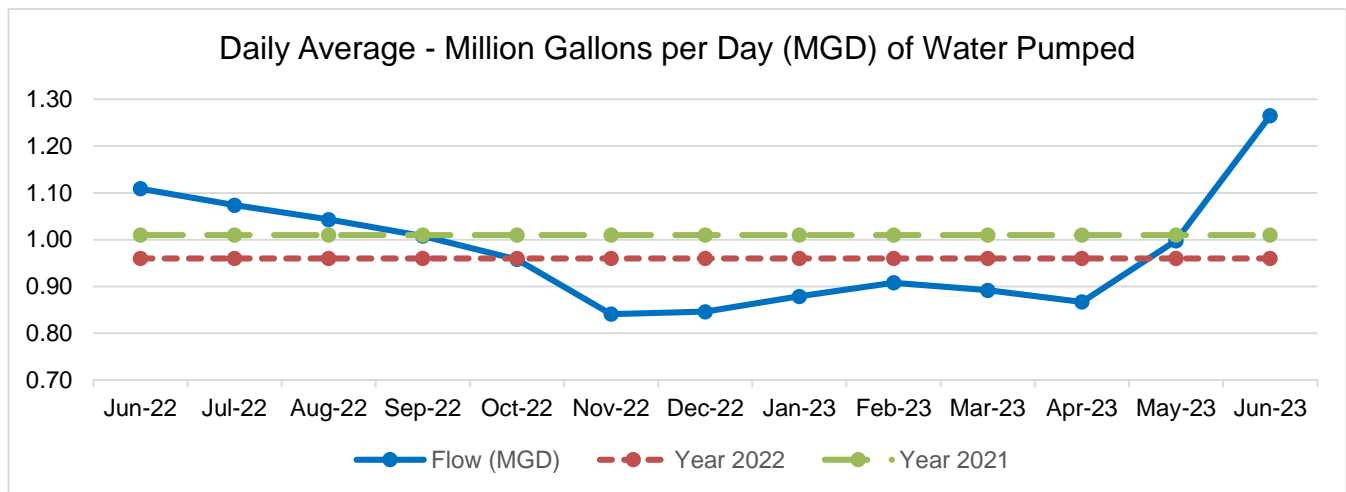
500 SE Fourth Street • Grand Rapids, Minnesota 55744

## WATER UTILITY MONTHLY REPORT July 2023 Commission Meeting

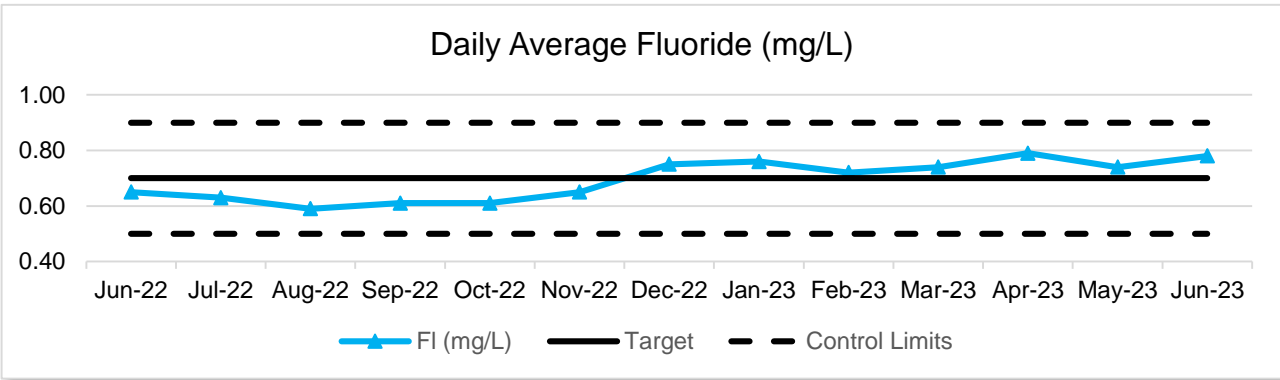
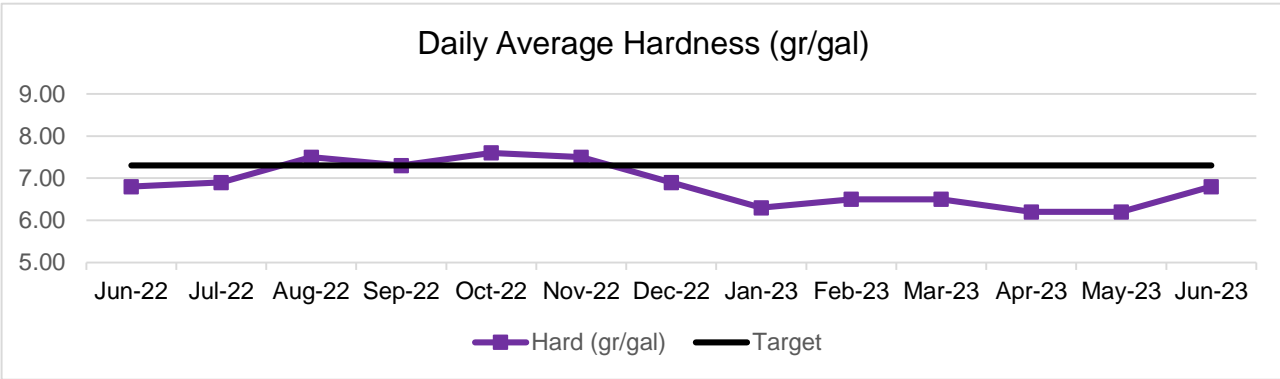
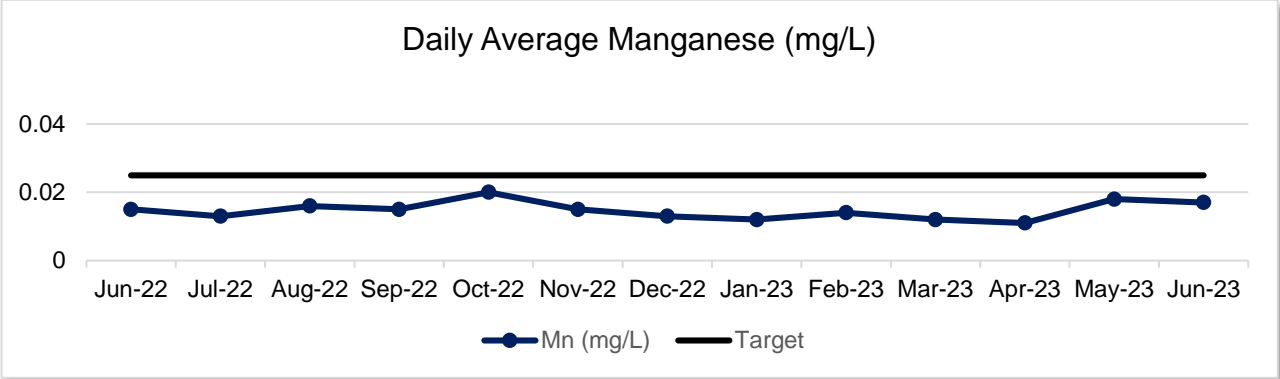
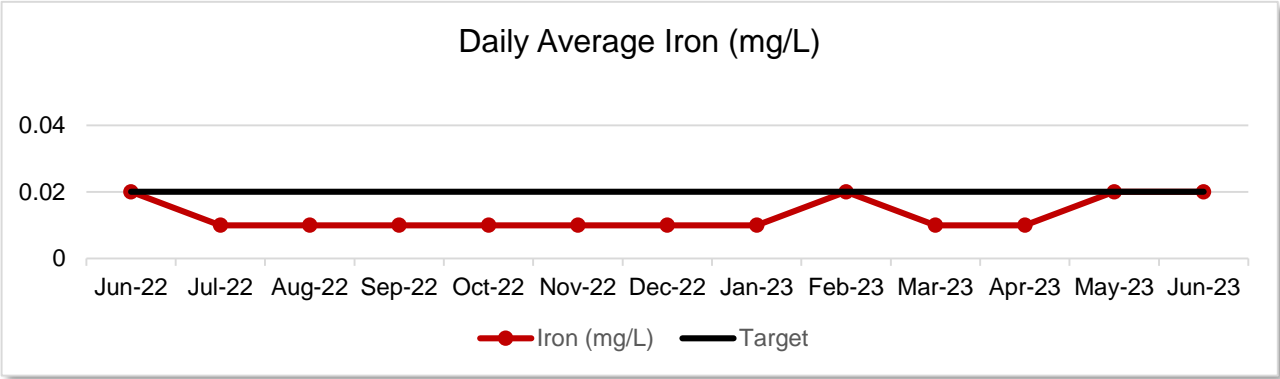
### Water Operations

The water plant pumped an average of 1.27 million gallons of water per day (MGD) with a peak of 1.55 million gallons during last month which is a little higher than typical for this time of the year.

We had one major water repair, near McDonalds, for a hole in the line between corporation and curbstop. The estimated water loss was 1,000,000 gallons.

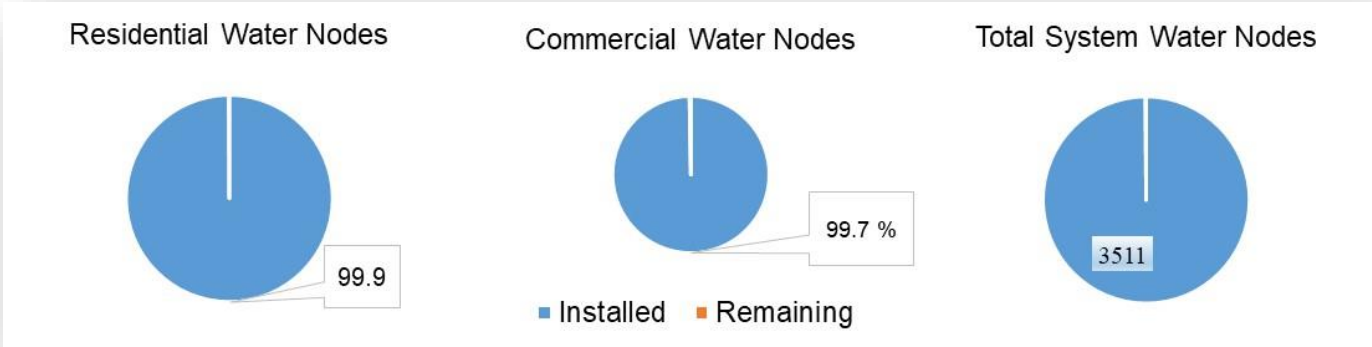


All water quality analysis was normal for the month as seen in the graphs below.



AMI Water Install Last Month

We installed no water nodes. We currently have 3512 (99+%) active water nodes installed in the system. We still have one commercial install left to complete the project. A meter has been on order since March 2023 and isn't scheduled for delivery until November.



## Capital and Operations Project Summary

### WTP Renovation Project Update:

We met with the Minnesota Public Facilities Authority (PFA) and Minnesota Department of Management and Budget (MMB) mid-June to further discuss the grant. We have until 12/31/2027 to enter into a grant agreement. The funds do not have to be spent by then, just an agreement signed. The grant agreement will be through the city of Grand Rapids. The PFA said the grant funds will be released via reimbursement from a construction contract. Thus, we will be working toward defining a clear scope and project manual in the months to come.

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%	60%	In Progress		
GRPU	WATER	Category 1 - Piping Repairs	WATR2312	\$350,000	\$0	0%	0%	Not Started		
GRPU	WATER	South Tower Coating Repairs	WATR2310	\$150,000	\$0	0%	0%	Not Started		
GRPU	WATER	Curb Stop Replacements	WATR2305	\$100,000	\$4,573	5%	0%	In Progress		
City	WATER	Paradise Park	WATR2313	\$85,000	\$0	0%	0%	Not Started		
City	WATER	River Road Roundabout	WATR2311	\$82,455	\$0	0%	20%	In Progress		
GRPU	WATER	High Service Pump Controls	WATR2005	\$60,000	\$0	0%	0%	Not Started		
GRPU	WATER	Well 2 Rehabilitation	WATR2004	\$55,000	\$20,055	36%	0%	In Progress		
GRPU	WATER	WTP Security	WATR2108	\$43,000	\$20,874	49%	50%	In Progress		
GRPU	WATER	Mid-Tower Coating Repairs	WATR2107	\$38,000	\$0	0%	0%	Not Started		
GRPU	WATER	Fire Hydrant Repairs	WATR2209	\$35,000	\$0	0%	0%	Not Started		
GRPU	WATER	Radio Communication Upgrades	WATR2308	\$30,000	\$0	0%	0%	Not Started		
GRPU	WATER	Booster Station Panel View	WATR2302	\$30,000	\$0	0%	0%	Not Started		
GRPU	WATER	WTP Turbidity Meters	WATR2207	\$30,000	\$26,238	87%	15%	In Progress		
GRPU	WATER	WTP Flow Meters	WATR2204	\$30,000	\$22,030	73%	30%	In Progress		
GRPU	WATER	WTP Main Valve	WATR2212	\$22,500	\$13,403	60%	20%	In Progress		
GRPU	WATER	WTP Valve Updates	WATR2304	\$20,000	\$0	0%	5%	In Progress		
GRPU	WATER	WTP Sewage Ejector System	WATR2206	\$20,000	\$0	0%	0%	Not Started		
GRPU	WATER	Replace Fiber (SH to City Hall)	WATR2309	\$15,000	\$0	0%	0%	Not Started		
GRPU	WATER	WTP Communication with Wells	WATR2211	\$15,000	\$0	0%	0%	Not Started		
GRPU	WATER	WTP Aerator Media	WATR2208	\$12,000	\$0	0%	25%	In Progress		
GRPU	WATER	WTP Sludge Pump	WATR2205	\$11,000	\$9,923	90%	30%	In Progress		
GRPU	WATER	Hydrant Meters	WATR2203	\$8,700	\$0	0%	0%	Not Started		
GRPU	WATER	WTP Backwash Valve	WATR2307	\$5,000	\$0	0%	0%	Not Started		

### Status Definitions

Not Started - no human or financial resources utilized

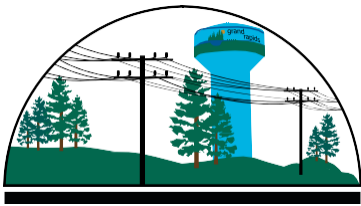
In Progress - time or money spent on the project

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**

*Service is Our Nature*

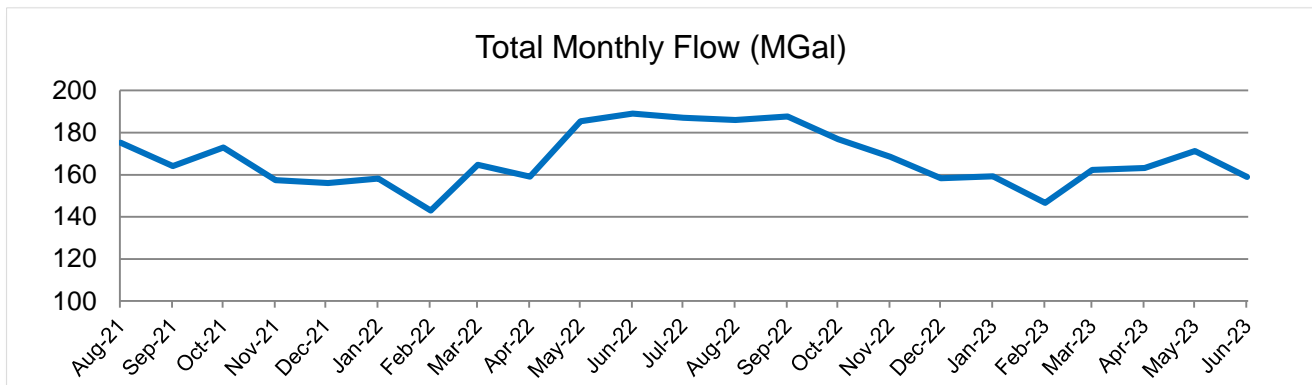
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## WASTEWATER UTILITY MONTHLY REPORT July 2023 Commission Meeting

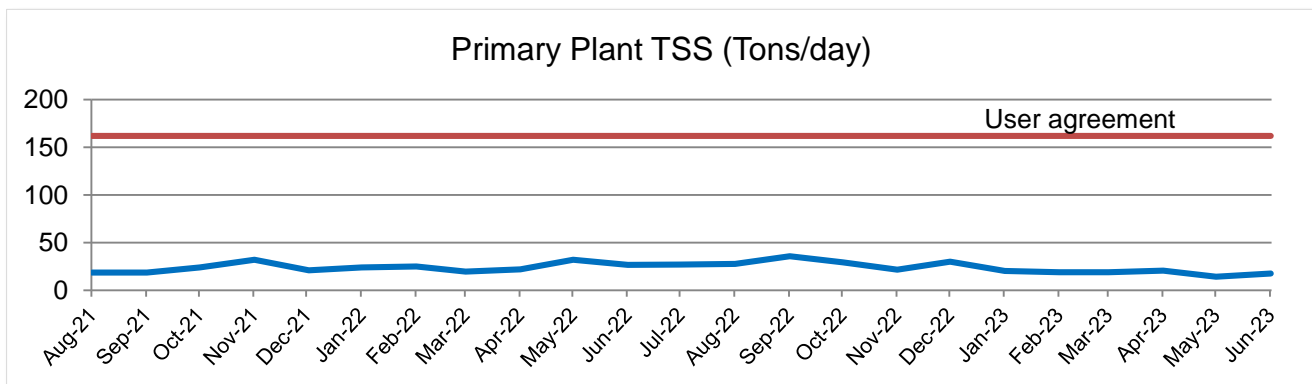
### Wastewater Operations

The Wastewater Treatment Plant (WWTP) met all National Pollutant Discharge Elimination System (NPDES) permit requirements last month. We treated 159 million gallons of water removing 99.8% of the Total Suspended Solids (TSS) and 99.6% Biochemical Oxygen Demand (cBOD).



#### Primary Plant

	Design Limits (monthly AVG)	Actual Results
Flow (MGD)	13.25	3.7
TSS (Tons/day)	162	17.6
TSS Peak (Tons/Day)	284	38.8



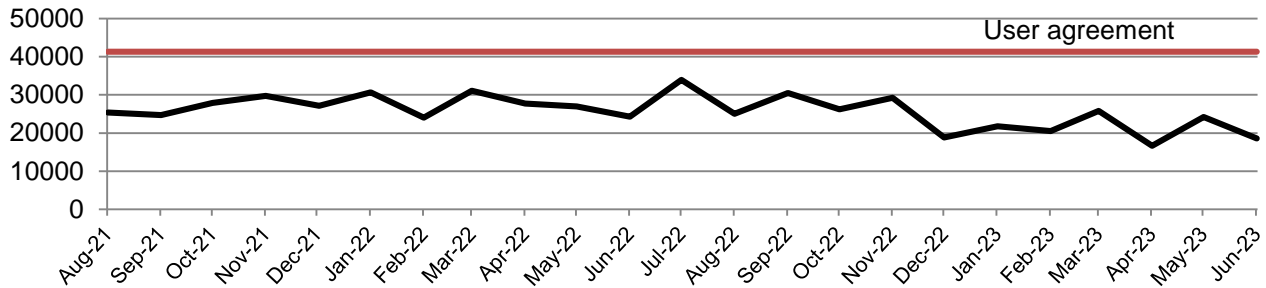
Design Limits  
(monthly AVG)

Actual Results

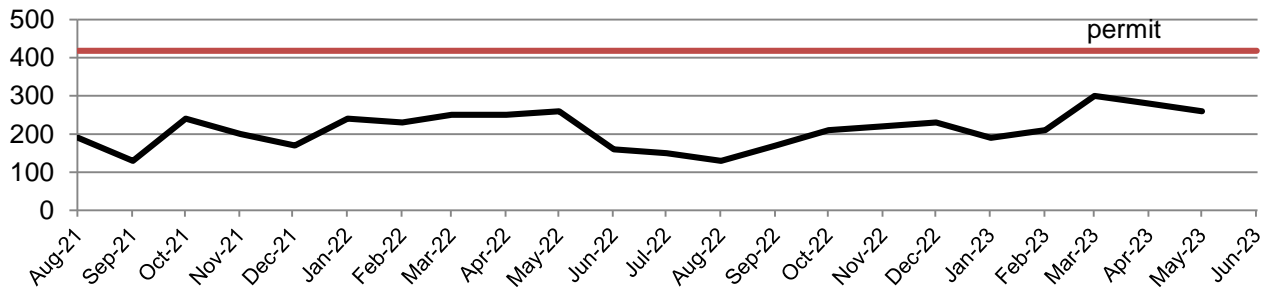
Secondary Plant

Flow (MGD)	15.25	5.3
cBOD (lbs/Day)	41,300	21,809
Peak cBOD (lbs/Day)	57,350	35,220
Zinc-weekly (ug/L)	418	No results yet
% GRPUC		30.0%

Industrial cBOD to Secondary Plant (Lbs/day)



Zinc-weekly (ug/L)

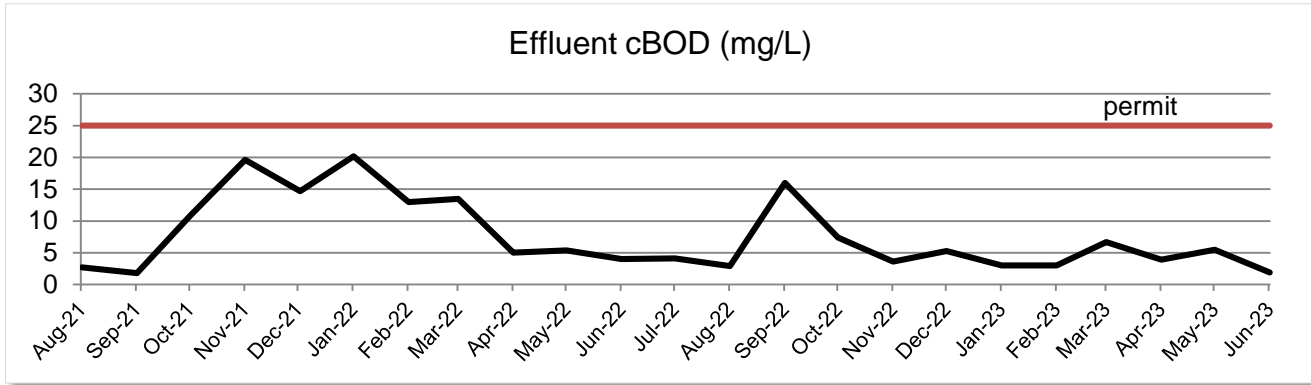
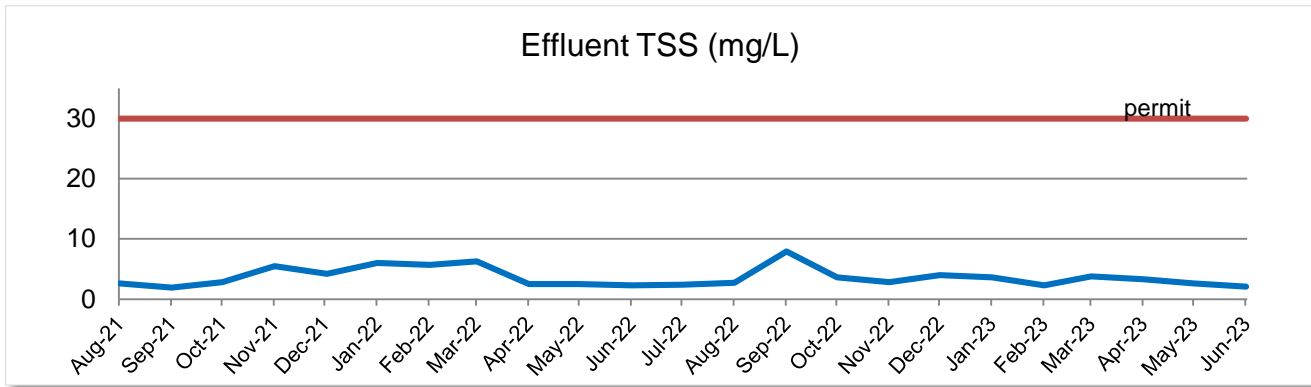


Permit Limits  
(monthly AVG)

Actual Results

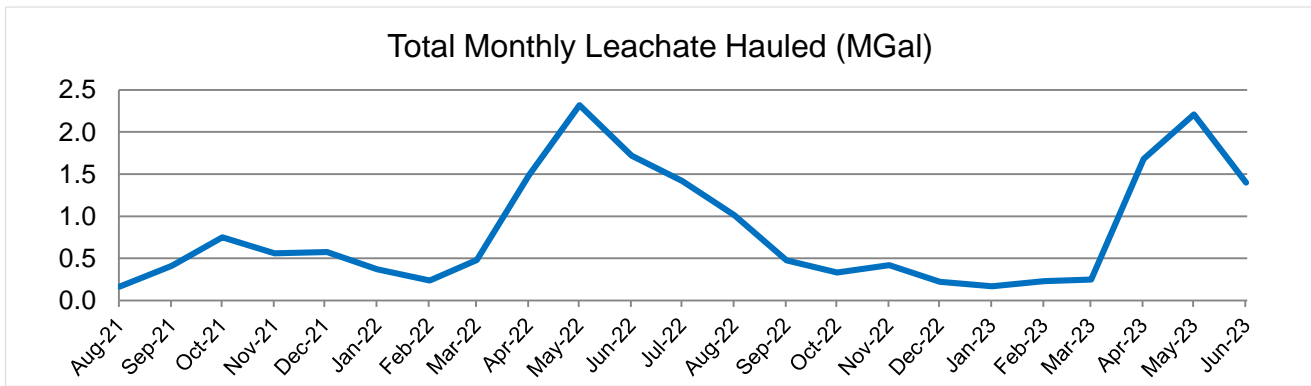
Effluent

TSS (mg/L) – monthly average	30	2.1
cBOD (mg/L) – monthly average	25	1.9
Dissolved Oxygen (mg/L)	>1.0	5.3



## **Sludge Landfill Operations**

- 1.40 million gallons of leachate were hauled last month which is typical for early summer.
- 2,604 cubic yards of sludge solids were hauled to the landfill



# Capital and Operations Project Summary

Item 19.

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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%	60%	In Progress	
GRPU		WWC	Category 1 - Piping Repairs	WWCO2308	\$350,000	\$0	0%	0%	Not Started	
City		WWC	River Road Roundabout	WWCO2312	\$210,959	\$0	0%	20%	In Progress	
GRPU		WWC	Jetting		\$150,000	\$21,000	14%	30%	In Progress	
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	
GRPU		WWC	Lift Station 2 - Generator and Switch	WWCO2207	\$36,490	\$0	0%	25%	In Progress	
GRPU		WWC	Lift Station Pumps	WWCO2005	\$35,000	\$34,460	98%	75%	In Progress	
GRPU		WWC	Lift Station 8 Controls Update	WWCO2601	\$35,000	\$20,100	57%	50%	In Progress	
GRPU		WWC	Lift Station 6 I/I Repairs	WWCO2307	\$35,000	\$0	0%	0%	Not Started	
GRPU		WWC	Lift Station 9 Controls Update	WWCO2304	\$35,000	\$19,100	55%	50%	In Progress	
GRPU		WWC	Lift Station 3 - Generator and Switch	WWCO2208	\$32,825	\$0	0%	25%	In Progress	
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%	70%	In Progress	
GRPU		WWC	Manhole Replacements	WWCO1805	\$20,000	\$0	0%	0%	Not Started	
GRPU		WWC	Mains and Services	WWCO1804	\$15,000	\$0	0%	0%	Not Started	
GRPU		WWC	Lift Station 2 Flow Meter	WWCO2309	\$8,000	\$0	0%	0%	Not Started	
GRPU		WWT	Septic Hauler Dump Station	WWSP2301	\$350,000	\$0	0%	0%	Not Started	
GRPU		WWT	Landfill Cover Work Ph 1-4, Ket D	WWSD2301	\$250,000	\$23,940	10%	60%	In Progress	
GRPU		WWT	Secondary Aeration Basin Mixer Repa	WWSP1804	\$175,000	\$0	0%	0%	Not Started	
GRPU		WWT	Rebuild Domestic Screen	WWDO1801	\$150,000	\$98,750	66%	100%	Completed	
GRPU		WWT	Replace Fiber ASV to CSC	WWSC2301	\$54,000	\$0	0%	0%	Not Started	
GRPU		WWT	Bleach Tank Replacement	WWSP2302	\$50,000	\$43,300	87%	90%	In Progress	
GRPU		WWT	Sludge Screw Conveyor - Screw	WWPP2103	\$50,000	\$0	0%	25%	In Progress	
GRPU		WWT	Demo of old Primary Plant	WWPP2001	\$50,000	\$0	0%	0%	Not Started	
GRPU		WWT	Trash Compactor	WWDO2302	\$50,000	\$0	0%	15%	In Progress	
GRPU		WWT	Painting Primary Clarifiers	WWPP2003	\$40,000	\$0	0%	90%	In Progress	
GRPU		WWT	Primary Plant Sludge Pumps	WWPP2303	\$28,000	\$0	0%	10%	In Progress	
GRPU		WWT	Primary Sludge Pump VFD	WWPP2301	\$24,000	\$0	0%	0%	Not Started	
GRPU		WWT	Landfill Phase Pumps	WWSD2302	\$18,000	\$0	0%	0%	Not Started	
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	
GRPU		WWT	VFD Upgrades for Lift Pumps	WWSH2301	\$12,000	\$0	0%	10%	In Progress	
GRPU		WWT	Leachate Phase Pump	WWSD2101	\$8,000	\$0	0%	0%	Not Started	
GRPU		WWT	Screw Press VFD	WWPP2302	\$8,000	\$0	0%	0%	Not Started	
GRPU		WWT	Flow Meter for Domestic Flow	WWDO2301	\$7,000	\$0	0%	0%	Not Started	
GRPU		WWT	WWTP Alarm Agent	WWPP2304	\$6,500	\$6,000	92%	70%	In Progress	

## 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

**July 12, 2023 Commission Meeting**

**Department Head Presentation**

**Jean Lane – Business Services Department Manager**



# TREASURY – Critical Component - Receivables

## “Money Coming In”



- Automation of processes
- Driving customers to pay with electronic options
- Move to reduce check and paper processing
- Faster settlement
- Easier reconciliation

## CASH FLOW FORECASTING/LIQUIDITY MANAGEMENT

Daily Liquidity  
Core Liquidity



# TREASURY – Critical Component – Payable

## “Money Going Out”



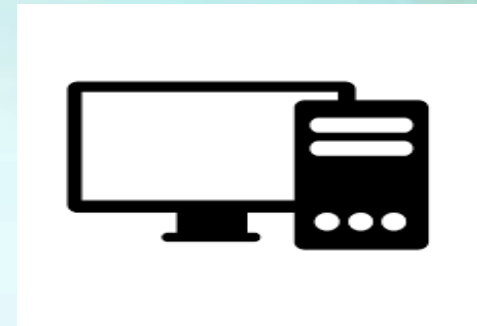
- Automation options for vendors
- Moving from checks to ACH, PCards or virtual payment
- Work toward a rebate for GRPU by increasing spending via PCards & virtual card channels

FRAUD PRACTICES – positive pay and ACH check block

Prevention – check and ACH fraud

Protect against check washing & printing

Check fraud losses are GRPU responsibility without fraud practices in place





# Questions / Comments

**July 12, 2023 Commission Meeting**

**Department Head Presentation**

**Jean Lane, Business Services Department Manager**

