



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION REGULAR WORK SESSION MEETING AGENDA

Wednesday, March 12, 2025

8:00 AM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Work Session Meeting of the Grand Rapids Public Utilities Commission will be held on Wednesday, March 12, 2025 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota.

**CALL OF ROLL:**

**BUSINESS:**

1. Consider a motion to ratify \$117,797.74 in verified claims for February 2025.
2. Operations and Capital Updates Work Session Presentation

**ADJOURNMENT:**

The next Regular Meeting of the Commission is scheduled for Wednesday, March 19, 2025 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

The next Work Session is scheduled for Wednesday, April 9, 2025 at 8:00 AM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

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



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** March 12, 2025

**AGENDA ITEM:** Consider a motion to ratify \$117,797.74 in verified claims for February 2025.

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

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**BACKGROUND:**

See attached check registers:

Computer check register \$117,797.74

Total \$117,797.74

**RECOMMENDATION:**

Consider a motion to ratify \$117,797.74 in verified claims for February 2025.

Grand Rapids Public Utilities  
Accounts Payable  
February 2025  
(Meeting Date: 3/12/2025)

Item 1.

<b>NAME</b>	<b>AMOUNT</b>
Altec Industries	21.19
APG	531.31
Baldwin Supply	5,858.32
Bishop Performance	7,685.37
Border States	5,865.43
Burggraf's	274.59
Busy Bees	1,840.00
City of Grand Rapids	8,862.17
CliftonLarsonAllen	1,050.00
Cole Hardware	245.57
Compass Minerals	9,534.74
Core & Main	3,640.15
Duncan Co	1,956.14
Fastenal	3,520.94
Frontier Energy	5,462.75
Grainger	2,086.60
Graybar	156.83
Hawkins	8,472.97
Herc-U-Lift	140.52
Idexx	2,909.95
Industrial Lubricant	698.44
Jamar	843.34
Johnson Controls	1,200.00
Johnson, Killen, & Sieler	354.20
Locators & Supplies	533.11
Lovett Technology	1,120.00
McMaster-Carr	2,659.90
Metro Sales	776.83
MN Power	1,250.00
Mpower	225.00
North Central Laboratories	181.08
Northeast Technical Services	7,056.25
Northern Drug Screening	120.00
Oracle	408.50
Otis Elevator	2,330.16
Paul Bunyan	1,081.00
Pitney Bowes	2,330.79
Procise Solutions	2,035.00
Power Process	3,600.45
Rapids Radio	955.50
Rapids Welding	294.20
RMB	1,413.00
Sandstroms	548.98
TMS Johnson	2,075.00
TNT Construction	974.00
United Rentals	3,523.96
Vestis	441.85
Viking Electric	916.65
Wesco	7,515.60
Xerox	219.41

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117,797.74

# Grand Rapids Public Utilities

March 12, 2025

Commission Work Session

GRPU Management Team



**GRAND RAPIDS  
PUBLIC UTILITIES**  
*Service is Our Nature*

# Grand Rapids Public Utilities

**March 12, 2025**

## **Commission Work Session**

### AGENDA

1. Consider a motion to approve \$117,797.74 in verified claims for February 2025.
2. Operational and Capital Updates



# MISSION VISION VALUES

## WHO WE ARE

**Grand Rapids Public Utilities (GRPU) is a statutory municipal utility established by the city of Grand Rapids, Minnesota. The Grand Rapids Public Utilities Commission (GRPUC) provides full control, operation and management of the GRPU electric power distribution system, the water production, treatment and distribution systems, and the wastewater collection and treatment systems.**



## Our Vision

Our vision is to be a dynamic public asset for the thriving community of Grand Rapids, enhancing lives and fostering growth through excellence in the provision of essential utility services.



## Our Mission

Our mission is to empower GRPU team members to deliver safe, reliable, affordable, sustainable, and customer-focused utility services for our community.



## Our Values

- Safety* We hold paramount the well-being of our employees and the public in all operations.
- Integrity* We uphold ethical standards and foster trust with all stakeholders.
- Customer Focus* We prioritize customer needs and satisfaction in all our decisions and actions.
- Efficiency* We maximize resources to provide cost-effective services without compromising quality.
- Reliability* We consistently deliver high-quality utility services and strive for uninterrupted access.
- Sustainability* We employ environmentally responsible practices in our operations and services.
- Transparency* We openly share information and decision-making processes, promoting informed community involvement.





# Uninterrupted, High-Quality Utility Services (US)

## Operations: 2025 Legislative Efforts by Julie Kennedy

### APPA Federal Legislative Rally

- February 24-26 in Washington, DC
- Meetings with Sen. Klobuchar, Sen. Smith, & Rep. Stauber



**Issue Briefs**

The American Public Power Association's policy positions are reflected in the issue briefs listed below on various topics as well as in resolutions approved annually by members. APPA also acts on members' behalf through regulatory comments and filings with various federal administrative agencies as well as in the courts.

**AMERICAN PUBLIC POWER ASSOCIATION**

Disaster Recovery, Hazard Mitigation, and the Stafford Act [PDF]	Distributed Energy Resources [PDF]	Elective Pay Tax Credits [PDF]
Electric Reliability & Affordability and the Importance of Natural Gas [PDF]	Electric Transmission Policies [PDF]	Electric Vehicles [PDF]
Energy Efficiency [PDF]	Federal Efforts to Address Climate Change [PDF]	Federal Power Program [PDF]
Grid Security [PDF]	Hydropower [PDF]	Municipal Bonds [PDF]
Nuclear Power [PDF]	Pole Attachment Regulations [PDF]	Sequestration of Bond and Tax Credit Payments [PDF]
Streamlining Energy Infrastructure Permitting [PDF]		

**MMUA**  
Minnesota Municipal Utilities Association

 2025 Federal Legislative Priorities

Issue Discussed	Requested Legislative Action
Municipal bonds	Protect and continue the current tax exemption for municipal bonds. Bonding is the primary way local governments finance infrastructure. Current law exempts the interest paid on municipal bonds from being subject to federal taxes and has provided this exemption since the US federal tax code was developed in 1913. This makes municipal bonds more attractive to investors, and it collectively saves local governments billions of dollars each year. Subjecting municipal bonds to taxes would amount to being a tax imposed on local government and would increase the costs of projects. These increases would be passed on to customers through increased utility rates, higher taxes, enhanced user fees, and other added costs.
Support direct/elective pay tax credits	Preserve and protect "direct pay," aka "elective pay," tax credits as authorized by Congress in 2022. This tool helps level the playing field for municipal utilities looking to invest in clean energy. Under direct pay, all sectors of the electricity industry—private investor-owned utilities (IOUs), rural electric cooperatives, and municipal utilities—have access to these new tax credits that provide financial incentives to promote a wide array of clean energy solutions. These resources include nuclear, carbon capture, battery storage, hydro, and other renewable energy infrastructure.
Public finance	Complete the modernization of public finance laws. Our priorities include (1) restoring the authority to use advance refunding bonds which will save municipal utilities millions of dollars in interest rates, (2) increasing the threshold under which a lender remains a small issuer from \$10 million to \$30 million, thus allowing smaller lending institutions to remain competitive at the local level, and (3) exempting public finance bonds and grants to local governments from sequestration and rescission, which will help protect stability and encourage investment in our communities.



## Operations: Updating the Commission Bylaws

- Last updated in 2006
- Add reference to relevant City ordinances and resolutions
- Remove specific meeting dates and replace with language allowing for designation at the annual reorganizational meeting (March)
- Review remuneration for Commissioners
- Consider designating committees
  - Personnel
  - Audit and Finance
  - City / GRPUC

### **Bylaws of the Grand Rapids Public Utilities Commission**

#### Background

The Public Utilities Commission (the "PUC") was established in 1910 with the mandate to operate the electrical, water and waste water treatment systems for the City of Grand Rapids. As of 2006, the PUC has approximately 45 employees and serves 6880 electrical customers, 3322 water customers and 3270 wastewater treatment customers.

#### By-Laws (adopted October 11, 2006)

These By-Laws apply to the conduct of the Board of Commissioners which governs the PUC. Extensive rules, regulations, rate schedules and procedures govern the PUC service delivery. Employee rights and responsibilities are documented in the Personnel Policy Manual and elsewhere.

#### Article I - Name

The name of the organization is the Grand Rapids Public Utilities Commission.

#### Article II - Purpose

The PUC was established in 1910 under Minnesota Statutes Chapter 412 and is charged with the responsibility to operate and manage the electrical distribution system, the water supply system and the wastewater collection and treatment system for the City of Grand Rapids. The PUC also serves the nearby communities and rural areas through contracts or state mandated service territories.





# Strategic and Sustainable Fiscal Management (FM)

Item 2.

## Operations: Sunsetting Water Heater Control Program by Chad Troumbly

Recap from September 2024 Work Session discussion

- Water Heater Control is part of GRPU's Load Management Program
  - 680 Participants
  - \$5 Monthly credit
- GRPU suspended controlling in 2024 to ensure hot water was kept as hot as possible during the Legionella outbreak
- Under the new wholesale electric contract, the Water Heater Control Program is losing money – GRPU is paying out more in credits than the amount able to be saved by shaving the peak
- Requested actions from the September discussion were to determine what to do with the control equipment and to determine how to best sunset the program





# Strategic and Sustainable Fiscal Management (FM)

Item 2.

## Operations: Sunsetting Water Heater Control Program by Chad Troumbly

### Equipment (Radio Box)

- Propose leaving equipment in field
  - No cost (estimated 2.5 hours labor to remove)
  - Equipment cost is low (\$150)
  - Minimal risk of failure

### Sunsetting Water Heater Control program

- Proposing to end by June 30<sup>th</sup>, 2025
- Developing a customer communication program
  - Customer letters, bill stuffer, Facebook/website posts



Next step is to bring an agenda item for action at March meeting



# Use and Stewardship of the Natural Environment (NE)

Item 2.

## Operations: PCB Audit Update by Chad Troumbly

- Polychlorinated biphenyls (PCBs) - class of chemicals often used in electrical equipment, including transformer oil
- Manufacturing banned the use of PCBs in 1979
- Found in transformers – both in service (field) and inventory
- Ongoing process to eliminate PCBs - GRPU internal audits show no PCBs in our electric utility system
- In October 2024, a random audit by MPCA revealed GRPU had removed transformers from the field but had not yet disposed of them
- MMUA safety Brad brought in to assist in MPCA inspection
- Team of GRPU employees worked to submit all requested documents to MPCA and to dispose of transformers

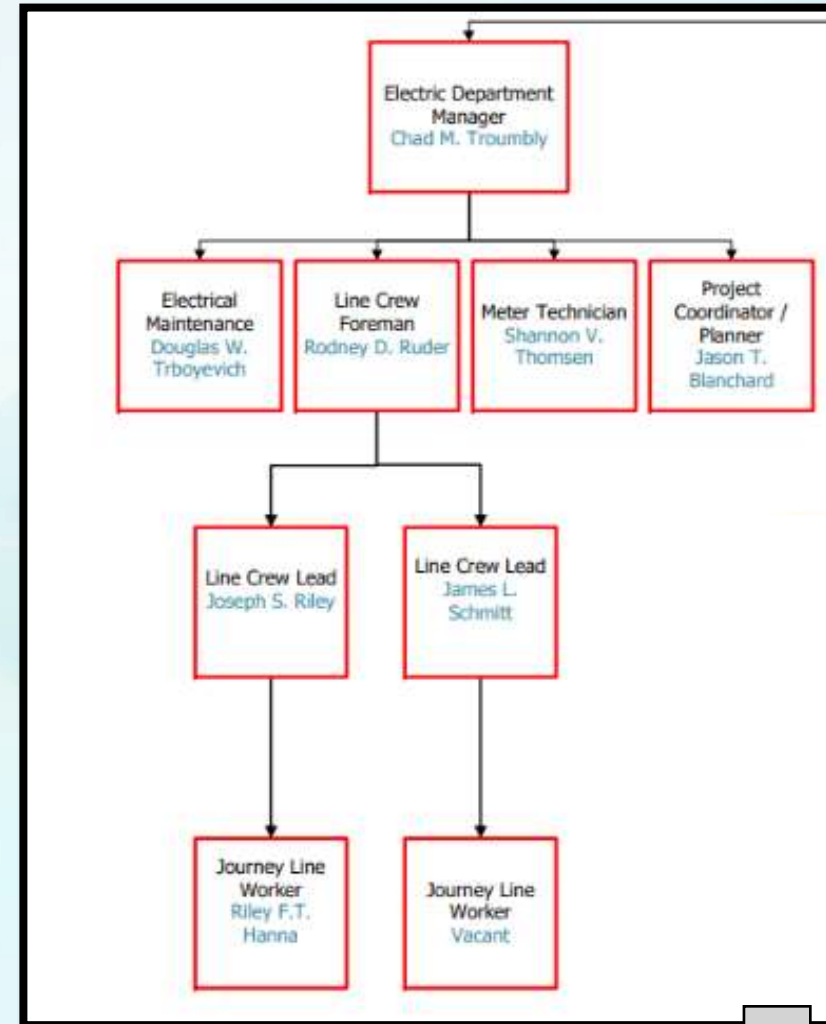




# Operational Excellence (OE)

## Operations: Electric Department Undergrounding Initiative by Julie Kennedy

- In 2025, GRPU is evaluating the potential to perform underground electric utility system work in house
- Possible benefits include enhanced quality control, improved scheduling and flexibility, and cost efficiencies
- GRPU Lineworker, Blake Brewster, resigned Feb 28 as he is moving out of state
- GRPU HR is delaying the declaration of a Lineworker vacancy until the April Commission meeting to evaluate its fit within the undergrounding initiative





# Grand Rapids Public Utilities

## Upcoming Commission Meetings

**Work Session: March 12, 2025**

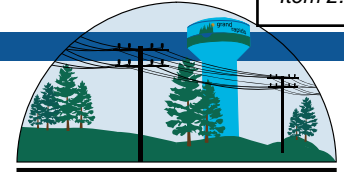
**Regular Meeting: March 19, 2025**





GRAND RAPIDS  
**PUBLIC UTILITIES  
 COMMISSION**

Item 2.



**GRAND RAPIDS  
 PUBLIC UTILITIES**  
*Service is Our Nature*

WHO WE  
**ARE**

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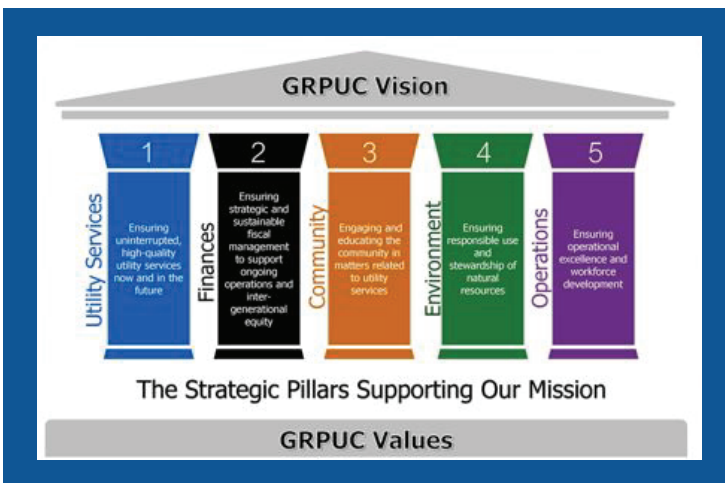
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<p><b>Municipal bonds</b></p>	<p><b>Protect and continue the current tax exemption for municipal bonds.</b> Bonding is the primary way local governments finance infrastructure. Current law exempts the interest paid on municipal bonds from being subject to federal taxes and has provided this exemption since the US federal tax code was developed in 1913. This makes municipal bonds more attractive to investors, and it collectively saves local governments billions of dollars each year. Subjecting municipal bonds to taxes would amount to being a tax imposed on local government and would increase the costs of projects. These increases would be passed on to customers through increased utility rates, higher taxes, enhanced user fees, and other added costs.</p>
<p><b>Support direct/elective pay tax credits</b></p>	<p><b>Preserve and protect “direct pay,” aka “elective pay,” tax credits as authorized by Congress in 2022.</b> This tool helps level the playing field for municipal utilities looking to invest in clean energy. Under direct pay, all sectors of the electricity industry—private investor-owned utilities (IOUs), rural electric cooperatives, and municipal utilities—have access to these new tax credits that provide financial incentives to promote a wide array of clean energy solutions. These resources include nuclear, carbon capture, battery storage, hydro, and other renewable energy infrastructure.</p>
<p><b>Public finance</b></p>	<p><b>Complete the modernization of public finance laws.</b> Our priorities include (1) restoring the authority to use advance refunding bonds which will save municipal utilities millions of dollars in interest rates, (2) increasing the threshold under which a lender remains a small issuer from \$10 million to \$30 million, thus allowing smaller lending institutions to remain competitive at the local level, and (3) exempting public finance bonds and grants to local governments from sequestration and rescission, which will help protect stability and encourage investment in our communities.</p>
<p><b>Taxes on nonprofits</b></p>	<p><b>Oppose additional taxing of nonprofits. Nonprofit entities are currently exempt from most federal income taxes.</b> They do currently pay federal taxes on unrelated business income (UBIT), and they pay many other forms of tax as well. Additional taxing of nonprofits will increase costs, which in turn will likely reduce the services they can offer for the greater good. Further taxing of entities like MMUA that assist local governments amounts to taxing the local units because they will have to pay more for the specialized services offered by the nonprofit. These expenses will, in turn, be passed on to ratepayers, indirectly increasing their taxes through higher utility bills.</p>
<p><b>Permitting reform</b></p>	<p><b>Support bipartisan permitting reform legislation.</b> We urge Congress to approve bipartisan legislation that (1) streamlines federal regulations and permits for energy projects across the country, (2) allows new energy infrastructure, including pipelines and transmission, and (3) reduces judicial review guidelines.</p>

Issue Discussed	Summary of Discussion
<p><b>Lead service lines replacement</b></p>	<p><b>Repeal the mandate to replace lead service lines by 2037 or pass legislation that makes compliance feasible.</b> While municipal utilities believe everyone should have safe drinking water, the current federal mandate creates an under-funded requirement and exposes utilities to increased liability for property damage incurred during a switch out. Estimated costs are several times higher than the \$15 billion currently budgeted to help local governments offset the expense of replacing lead service lines. Alternatively, make the deadline attainable by (1) providing full funding to replace existing lead pipes, and (2) pass immunity protections to hold utilities harmless for damages that may occur to property and structures as a result of the excavation and related work required to switch out the service lines.</p>
<p><b>Workforce incentives</b></p>	<p><b>Sign onto and support the Freedom to Invest in Tomorrow’s Workforce Act.</b> HR 1151 has enjoyed broad bipartisan support in the past, including having Rep. Finstad as a co-author. Now is the time to get it passed and signed into law. Workforce shortage is a widespread problem for utilities, especially those located in less populated areas. HR 1151 is legislation that would allow more flexibility in how the proceeds of a 529 Savings Plan can be spent. For the first time 529 funds could be used for expenses related to training in middle-skill jobs that may require a certificate or license but not a college degree or graduate education. These skilled trade jobs make up the majority of utility jobs. Passing this legislation will help train workers for these essential positions. We encourage the Senate to reintroduce comparable and complementary legislation such as was authored and/or sponsored by Sen. Klobuchar in the 118th Congress including S.83—American Apprenticeship Act, S.722—Freedom to Invest in Tomorrow’s Workforce Act, and S.3816—Skills Investment Act of 2024.</p>

*Hometown services. Hometown strengths. Hometown solutions.*

# **Bylaws of the Grand Rapids Public Utilities Commission**

## **Background**

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## **Article III - Membership**

Section 1: Five (5) Commission Board members (“Commissioners”) are appointed by the Grand Rapids City Council:

(1) No more than one member may be chosen from the City Council membership, which membership shall terminate when that member ends city council membership, at which time the vacancy created shall be filled for the balance of the unexpired term in the manner in which the original appointment was made.

(2) The City Council may set the term of the Commissioner who is a member of the City Council to coincide with that member’s term of office as a member of the City Council.

(3) Each member shall serve for a term of three (3) years and until a successor is appointed and qualified, except that appointments shall be staggered so that the term for no more than two positions shall expire in any year.

#### **Article IV - Meetings**

- Section 1: Regular meetings shall be the second Wednesday of the month at 4:00 p.m. Special and emergency meetings may be called from time-to-time with notice according to law.
- Section 2: Three of the five Commissioners shall constitute a quorum.
- Section 3: Robert's Rules of Order shall govern.
- Section 4: All members of the commission shall have equal voting rights.
- Section 5: All meetings shall be conducted in compliance with Minnesota open meeting laws.

#### **Article V - Officers**

- Section 1: The Commission members shall annually choose a President from among its own members. The Commission members shall also appoint a Secretary for an indefinite term. The Secretary need not be a member of the Commission.
- Section 2: The Commission members shall have the power to remove any officer chosen by the Commission who, in the opinion of the Commission, is not serving the best interests of the PUC.

#### **Article VI – Powers and Duties of the Commission and Officers**

- Section 1: The President shall act as the executive officer, convene meetings, and execute documents for the Commission.
- Section 2: The Commission shall exercise general supervision over the PUC manager.
- Section 3: The Commission member with the most seniority on the Commission shall act in place of the President during his/her absence.
- Section 4: The Secretary shall ensure that meetings are posted and minutes kept.
- Section 5: The Commission shall ensure that proper financial records are kept and that the accounts are audited annually by an independent auditor.



### **Article VII – Conflict of Interest**

Commissioners shall abide by the Ethics Policy of the PUC.

### **Article VIII – Adoption**

These By-Laws shall become effective upon the approval of a majority of the members of the Commission.

### **Article IX – Amendments**

Section 1: Notice of proposed amendments to the By-Laws shall be posted two weeks before the next regular meeting.

Section 2. A majority of the Commissioners shall approve changes to the By-Laws.

### **Article X – Remuneration**

Section 1: No member of the Commission shall receive a salary except as fixed by the Council.

Section 2: The Secretary shall receive a salary fixed by the Commission.

### **Article XI – Dissolution**

The process for dissolution, abolition of the Commission or utility transfer is described by Minnesota State Statutes.