



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING AGENDA

Wednesday, March 08, 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, March 8, 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:**

**ORGANIZATIONAL MEETING:**

1. Consider the election of the 2023 GRPU Commission Officers of President and Secretary.

**APPROVAL OF MINUTES:**

2. Consider a motion to approve the minutes of the February 8, 2023 Regular Meeting and the February 22, 2023 Regular Work Session Meeting.

**VERIFIED CLAIMS:**

3. Consider a motion to approve \$1,638,049.02 of verified claims for February 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.

4. Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for January 2023.
5. Consider a motion to ratify the procurement contract with Egan Company for the slab heat controller for the CSC building for \$5,069.
6. Consider a motion to approve the procurement contract with Duluth Coating Solutions Inc. for coating floors in the CSC building for \$38,098 and authorize the General Manager to sign the contract.
7. Consider a motion to approve the procurement contract with Schwing Bioset for one screw conveyor section for the sludge screw conveyor for \$36,142.15 and authorize the General Manager to sign the contract.
8. Consider a motion to ratify the procurement contract with Electric Pump for a pump impeller for the super oxygen pump for \$8,841.

- [9.](#) Consider a motion to ratify the procurement contract with Electric Pump for a pump rebuild kit for the super oxygen pump for \$8,324.
- [10.](#) Consider a motion to ratify the procurement contract with Quality Flow Systems for lift station 8 control panel for \$20,100.
- [11.](#) Consider a motion to ratify the procurement contract with Quality Flow Systems for pumps for lift station 8 for \$17,230.
- [12.](#) Consider a motion to ratify the procurement contract with Quality Flow Systems for lift station 9 control panel for \$19,100.
- [13.](#) Consider a motion to ratify the procurement contract with Quality Flow Systems for pumps for lift station 9 for \$17,230.

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:

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

ADMINISTRATION:

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

BUSINESS SERVICES DEPARTMENT:

- [16.](#) Consider a motion to adopt Resolution 03-08-23-02 approving the 2023 Primary Services and Rates for Increased Transformation and Irrigation Water Services and Resolution 03-08-23-03 approving the 2023 Ancillary Services and Fees.

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

ADJOURNMENT:

The next Special meeting/Work Session is scheduled for Wednesday, March 22, 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, April 12, 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 AGENDA ITEM

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider the election of the 2023 GRPU Commission Officers of President and Secretary.

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

## **BACKGROUND:**

[MN Stat. 412.341](#) requires the GRPUC to annually choose a President from its own members and appoint a Secretary, who need not be a member of the Commission, for an indefinite term. For the past several years, the GRPUC has conducted this process during the March Regular Meeting.

The typical procedure for selection of officers is:

- The current President calls for nominations, “Nominations are now in order for the office of President”.
- A member of the GRPUC may then place a member in nomination, “I nominate \_\_\_\_\_ for President.” Nominations do not require a second, however a member of the GRPUC may second a nomination to show support for the nominee.
- The President restates the nomination and calls for additional nominations, “Mr./Ms. \_\_\_\_\_ is nominated. Are there any other nominations?” If no other nominations are put forth, the President states, “If not, a motion to close the nominations is in order.”
- A member of the GRPUC moves to close the nominations, “I move that the nominations for the office of President be closed and a roll call vote for each nominee be taken”. This motion should have a second and the vote taken.

If more than one nominee for the office, election by roll call vote for each nominee would be in order.

If there is only one nominee and there is a unanimous vote to close the nominations, the President may state, “The “Ayes” have it by unanimous vote. Nominations are closed and Mr./Ms. \_\_\_\_\_ is declared elected to the office of President”.



This process should then be repeated for the position of Secretary.

**RECOMMENDATION:**

Consider the election of the 2023 GRPU Commission Offices of President and Secretary.



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## MEETING MINUTES

Wednesday, February 08, 2023

4:00 PM

**CALL TO ORDER:** Pursuant to due notice and call thereof, a Regular Meeting of the Grand Rapids Public Utilities Commission was held on Wednesday, February 8, 2023 in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street, Grand Rapids, Minnesota. The meeting was call to order at 4:03 PM.

### CALL OF ROLL:

#### PRESENT

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

Also present: General Manager Julie Kennedy, Business Services Manager Jean Lane, Electric Department Manager Chad Troumbly, Water/Wastewater Department Manager Steve Mattson, Administrative/HR Assistant Carrie Jo Kruger and ICTV Representative Pete Garsow.

### PUBLIC FORUM:

None

### APPROVAL OF MINUTES:

1. Consider a motion to approve the January 11, 2023 Regular Commission Minutes and the January 25, 2023 Regular Work Session Minutes.

**Motion made by Commissioner Smith, Seconded by Commissioner Adams to approve the January 11, 2023 Regular Commission Minutes and the January 25, 2023 Regular Work Session Minutes.**

**The motion carried by the following vote:**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

### VERIFIED CLAIMS:

2. Consider a motion to approve \$2,243,538.47 of verified claims for December 2022 and January 2023.

**Motion made by Commissioner Saxhaug, Seconded by Secretary Francisco to approve \$2,243,538.47 of verified claims for December 2022 and January 2023.**

**The motion carried by the following vote:**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

#### COMMISSION REPORTS:

None

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

**Motion made by Secretary Francisco, Seconded by Commissioner Saxhaug to approve the consent agenda as presented.**

**The motion carried by the following vote:**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

3. Consider a motion to declare a Wastewater Treatment Plant (WWTP) Operator vacancy exists and authorize the internal posting and external advertising, if needed, for the position.

**Approved by consent agenda vote.**

4. Consider a motion to ratify the procurement contract with Procise Solutions, Inc. for IT professional services in an amount not to exceed \$10,000.00.

**Approved by consent agenda vote.**

5. Consider a motion to ratify the procurement contract with Midwest Communications for radio ad spots in the amount of \$5,200.

**Approved by consent agenda vote.**

6. Consider a motion to ratify the procurement contract with Cogsdale for GP Dynamics year end closing assistance services in the amount of \$6,510.00

**Approved by consent agenda vote.**

7. Consider a motion to ratify the procurement contract with Blake Electric for professional services not to exceed \$19,000 to provide Master Electrician support for electrical work performed by GRPU staff.

**Approved by consent agenda vote.**

8. Consider a motion to approve the procurement contract with Altec Industries for the purchase of a Model AT41ME Bucket for \$238,071.00 and authorize the General Manager to sign the contract.

**Approved by consent agenda vote.**

9. Consider a motion to ratify the procurement contract with Tech Sales Co for flow meters for the water treatment plant for \$22,029.95.

**Approved by consent agenda vote.**

10. Consider a motion to approve the procurement contract with Hach Company for three turbidity meters for the water treatment plant for \$26,238 and authorize the General Manager to sign the contract.

**Approved by consent agenda vote.**

11. Consider a motion to ratify the procurement contract with NOS Automation for Alarm Agents for WWT, WW Collection and WTP for \$14,085.20.

**Approved by consent agenda vote.**

12. Consider a motion to approve the procurement contract with MacQueen Equipment for a jetting camera and crawler for \$55,000 and authorize the General Manager to sign the contract.

**Approved by consent agenda vote.**

13. Consider a motion to approve the procurement contract with Vessco Inc. for two bleach tanks for the secondary plant for \$29,730 and authorize the General Manager to sign the contract.

**Approved by consent agenda vote.**

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 Saxhaug, Seconded by Commissioner Adams to set the regular agenda as it stands.**

**The motion carried by the following vote:**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

**SAFETY REPORT:**

14. Review Safety Monthly Report

Commissioner Smith mentioned that the cumulative number for 2022 is wrong. Julie Kennedy will make the correction.

## ADMINISTRATION:

15. Consider a motion to confirm filling the Electric Department Manager position with the preferred candidate, Mr. Chad Troumbly.

**Motion made by Secretary Francisco, Seconded by Commissioner Adams to confirm filling the Electric Department Manager position with the preferred candidate, Mr. Chad Troumbly.**

**The motion carried by the following vote:**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Adams**

**Voting Abstaining: Commissioner Smith**

16. Consider a motion to adopt Resolution No, 02-08-23-01 Supporting And Authorizing Submission Of An Application To Minnesota Management And Budget Requesting \$2.5M in Funds From The 2023 State Appropriation Funded From State General Bonds For Design And Construction Of The Grand Rapids Public Utilities Water Treatment Plant Renovation Project In Grand Rapids, Minnesota.

**Motion made by Commissioner Smith, Seconded by Commissioner Adams to adopt Resolution 02-08-23-01 as written.**

**The motion carried by the following vote:**

**Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams**

17. Review Administration Monthly Report

General Manager Julie Kennedy mentioned that a legislative portion will be added to future reports.

## BUSINESS SERVICES DEPARTMENT:

18. Review Business Services Monthly Report

Business Services Manager Jean Lane mentioned that Budget/Timeframe items will be added to future reports.

## ELECTRIC DEPARTMENT:

19. Review Electric Utility Monthly Report

General Manager Julie Kennedy presented the report. She added that future reports may include more information about wholesale power rates, with and without true up. Chad Troumbly, Electric Department Manager will be presenting future Electric Department reports.

WATER AND WASTEWATER DEPARTMENT:

20. Review Water Utility Monthly Report

21. Review Wastewater Utility Monthly Report

22. W & WW Department Head Presentation

ADJOURNMENT:

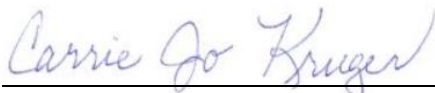
By call of the Chair, the meeting was adjourned at 5:19 PM.

The next Special meeting/Work Session is scheduled for Wednesday, February 22, 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, March 8, 2023 at 4:00 PM in the conference room of the Public Works/Public Utilities Service Center at 500 SE 4th Street.

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Respectfully submitted:



Carrie Jo Kruger, Administrative/HR Assistant



# GRAND RAPIDS PUBLIC UTILITIES COMMISSION REGULAR WORK SESSION MEETING MINUTES

Wednesday, February 22, 2023

8:00 AM

President Stanley called the meeting to order at 8:00 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

## BUSINESS:

1. Consider a motion to approve \$1,234,821.24 of verified claims for January and February 2023.

Motion made by Commissioner Adams, Seconded by Commissioner Saxhaug to approve the claims.

Voting Yea: President Stanley, Secretary Francisco, Commissioner Saxhaug, Commissioner Smith, Commissioner Adams.

2. Ancillary Services and Fees Discussion

Business Services Manager Jean Lane provided background on the ancillary services and fees. Commission and staff discussed. Revised fee schedule to be brought to next Commission meeting for consideration.

3. Commission Agenda and Reporting Discussion

No changes proposed at this time.

There being no further business, the meeting adjourned at 9:23 AM.

Respectfully submitted:

Julie Kennedy, General Manager



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to approve \$1,638,049.02 of verified claims for February 2023.

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

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### **BACKGROUND:**

See attached check registers:

Computer check register \$1,103,023.02  
Manual check register \$535,026.00

Total \$1,638,049.02

### **RECOMMENDATION:**

Consider a motion to approve \$1,638,049.02 of verified claims for February 2023.



Grand Rapids Public Utilities  
Accounts Payable  
February 2023  
(Meeting Date: 3/8/2023)

Item 3.

NAME	AMOUNT	NAME	AMOUNT
Amaril Uniform	268.44	Northeast Technical Services	8,412.50
Aramark	102.79	NOS	2,800.00
Carquest	27.59	Pitney Bowes	2,274.96
Central McGowan	2,710.62	Rapid Crane & Rigging	2,200.00
City of Grand Rapids	10,044.45	RMB Environmental Lab	251.56
Coles	65.12	Sandstroms	817.68
Ferguson Waterworks	519.37	Stuart Irby	2,100.00
Grainger	191.11	UPS	40.60
Hawkins	6,021.07	Verizon	651.84
Hawkinson Sand & Gravel	188.10	Viking Electric	963.92
Innovative	136.69	Wesco	2,392.80
Johnson, Killen & Seiler	1,948.10		
L&M	162.88	Energy Efficiency Rebate:	
McMaster-Carr	1,696.22	Oslin, Clyde & Sandra	70.00
Metro Sales	1,497.65	Saxton, Steve	35.00
Minnesota Government Finance Officers	70.00		
Minnesota Power	1,054,361.96		
			<hr/>
			1,103,023.02

## February 2023 Check Register

Item 3.

Document Date	Check #	Vendor Name	Document Amount	
2/1/2023		4797 Northeast Service Cooperative	3,895.00	2/28/2023
2/1/2023		4798 Northeast Service Cooperative	55,641.06	2/28/2023
2/6/2023		4799 Invoice Cloud	3,004.05	2/28/2023
2/10/2023		4800 Public Employees Retirement Association	14,971.74	2/10/2023
2/10/2023		4801 MN Department of Revenue	4,072.10	2/10/2023
2/10/2023		4802 Wells Fargo Bank	24,672.85	2/10/2023
2/10/2023		4803 Empower Retirement	7,619.91	2/10/2023
2/13/2023		4804 WEX Health	985.65	2/28/2023
2/17/2023		4805 MN Department of Revenue	69,131.00	2/28/2023
2/14/2023		4806 WEX Health	119.00	2/28/2023
2/15/2023		4807 WEX Health	56.03	2/28/2023
2/22/2023		4808 WEX Health	93.50	2/28/2023
2/9/2023		4809 Wells Fargo Pcard	3,010.22	2/28/2023
3/2/2023		4810 WEX Health	80.60	2/28/2023
2/28/2023		4811 WEX Health	985.65	2/28/2023
2/24/2023		481081205 Public Employees Retirement Association	15,139.87	2/24/2023
2/24/2023		481081206 MN Department of Revenue	4,063.46	2/24/2023
2/24/2023		481081207 Wells Fargo Bank	24,634.35	2/24/2023
2/24/2023		481081208 Empower Retirement	7,751.39	2/24/2023
2/2/2023		81072 Xerox Corporation	113.83	2/2/2023
2/2/2023		81073 MN Energy Resources Corporation	990.59	2/2/2023
2/2/2023		81074 First Net AT & T Mobility	284.67	2/2/2023
2/2/2023		81075 Verizon Wireless	1,222.93	2/2/2023
2/2/2023		81076 Mattson Steve	41.88	2/2/2023
2/2/2023		81077 UNUM Life Insurance Company of America	3,242.06	2/2/2023
2/2/2023		81078 Further	2.75	2/2/2023
2/9/2023		81079 MN Department of Natural Resource	4,373.86	2/9/2023
2/9/2023		81080 RCB Collections Incorporated	39.06	2/9/2023
2/9/2023		81081 Radtke James	5,846.76	2/9/2023
2/10/2023		81121 MN Child Support Payment Center	391.32	2/10/2023
2/10/2023		81122 NCPERS Group Life Insurance	80.00	2/10/2023
2/13/2023		81123 Customer Refunds - E. Halverson	81.49	2/28/2023
2/13/2023		81124 Customer Refunds - A. Wass	106.85	2/28/2023
2/13/2023		81125 Customer Refunds - P. Altenhofen	22.66	2/28/2023
2/13/2023		81126 Customer Refunds - MN Dept	173.39	2/28/2023
2/13/2023		81127 City of LaPrairie	13,599.70	2/28/2023
2/16/2023		81128 Waste Management of WI MN	921.88	2/16/2023
2/16/2023		81129 MN Department of Health	32.00	2/16/2023
2/16/2023		81130 Government Finance Officers Association	160.00	2/16/2023
2/16/2023		81131 MN Energy Resources Corporation	1,838.07	2/16/2023
2/16/2023		81132 US Bank Equipment Finance	315.73	2/16/2023
2/17/2023		81133 US Bank Corporate Trust	500.00	2/17/2023
2/22/2023		81189 Customer Refunds - Dagenais	171.65	2/28/2023
2/22/2023		81190 Customer Refunds -J. Parrot	155.60	2/28/2023
2/22/2023		81191 Customer Refunds - Peterson/Bales	133.36	2/28/2023

2/22/2023	81192 Customer Refunds - J. Johnson	126.90	2/28/2023
2/22/2023	81193 Customer Refunds - Johnson/Greider	117.76	2/28/2023
2/22/2023	81194 Customer Refunds - Rasmusson	106.35	2/28/2023
2/22/2023	81195 Customer Refunds - Pilkenton	87.63	2/28/2023
2/22/2023	81196 Customer Refunds - Eilertson/Johann	86.17	2/28/2023
2/22/2023	81197 Customer Refunds - Tri State	31.26	2/28/2023
2/22/2023	81198 Customer Refunds - G. Fortune	7.25	2/28/2023
2/22/2023	81199 Customer Refunds - T. Johansen	124.54	2/28/2023
2/24/2023	81200 Blandin Paper Company	46,912.50	2/24/2023
2/24/2023	81201 Lake Country Power	63,062.58	2/24/2023
2/24/2023	81202 UNUM Life Insurance Company of America	3,194.55	2/24/2023
2/24/2023	81203 MN Child Support Payment Center	391.32	2/24/2023
2/24/2023	81204 MN Council 65	1,806.00	2/24/2023
2/28/2023	81205 City of Grand Rapids	214.50	2/28/2023
2/28/2023	81206 City of Grand Rapids	71,653.84	2/28/2023
81207-81219	Checks in March 2023		
2/28/2023	81220 City of Grand Rapids	72,333.33	2/28/2023

Checks Previously Approved \*\*

0.00

Manual Checks/EFT to be approved

535,026.00

**Total Manual Checks**

535,026.00

Item 3.



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

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**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for January 2023

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

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### **BACKGROUND:**

Please see attached reports:

GRPUC Cash Receipts and Disbursements for the Month of January 2023 and Verification of City Treasurer's Balance  
GRPUC Investment Activity  
Graphics – December Historical Investment Balances and Monthly Investment Balances 2003-2023

### **RECOMMENDATION:**

Consider a motion to approve the City Treasurer's Report and the Investment Activity Report for January 2023.

**CITY OF GRAND RAPIDS  
PUBLIC UTILITIES COMMISSION  
CASH RECEIPTS AND DISBURSEMENTS FOR THE MONTH OF JANUARY 2023**

TREASURER'S BALANCE DECEMBER 31, 2022		\$ 5,961,451.59
Deposits	2,918,906.24	
Redeposits-Checks	-	
Redeposits-ACH	-	
Bank Adjustments Deposit 11/29	<u>(931.47)</u>	
		2,917,974.77
Less Disbursements	(3,768,230.27)	
NSF Checks	(50.00)	
ACH Returns	(3,391.47)	
Bank Adjustments	<u></u>	<u>(3,771,671.74)</u>
TREASURER'S BALANCE JANUARY 31, 2023		<u><u>\$ 5,107,754.62</u></u>

VERIFICATION OF TREASURER'S BALANCE

WELLS FARGO BANK BALANCE JANUARY 31, 2023	\$ 5,314,299.10
Add: Deposits in Transit	7,046.25
Less: Outstanding Checks	<u>(213,590.73)</u>
TREASURER'S BALANCE JANUARY 31, 2023	<u><u>\$ 5,107,754.62</u></u>

**Grand Rapids Public Utilities Commission  
Investment Activity  
January 2023**

**Beginning Balance Cash and Investments** \$ 8,236,983.50

**Redeemed:**

None -

**Invested:**

None -

Change in checking account balance (853,696.97)

**Total Cash and Investments** \$ 7,383,286.53

**Less: Restricted and Designated Funds**

**Restricted Funds:**

Customer Deposits	390,899.26
Customer Deposits - Antenna Fees	44,296.74
Electric Capital Replacement Fund	967,339.00
Water Capital Replacement Fund	873,351.00
Sewer Capital Replacement Fund	526,932.00

**Designated Funds:**

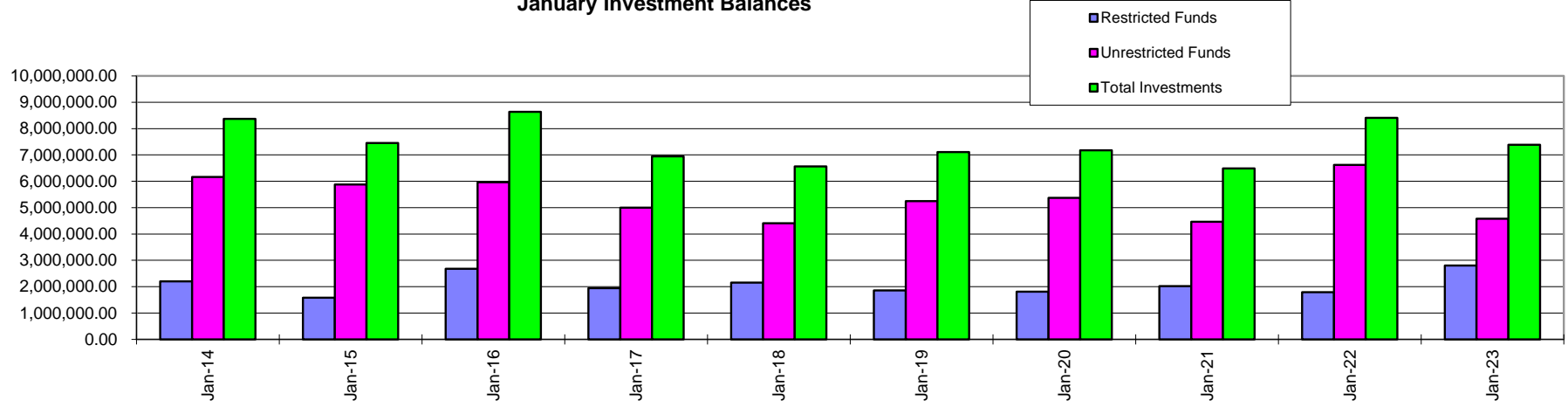
Disaster Recovery Fund	<u>1,500,000.00</u>
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**Total Restricted and Designated Funds** \$ 4,302,818.00

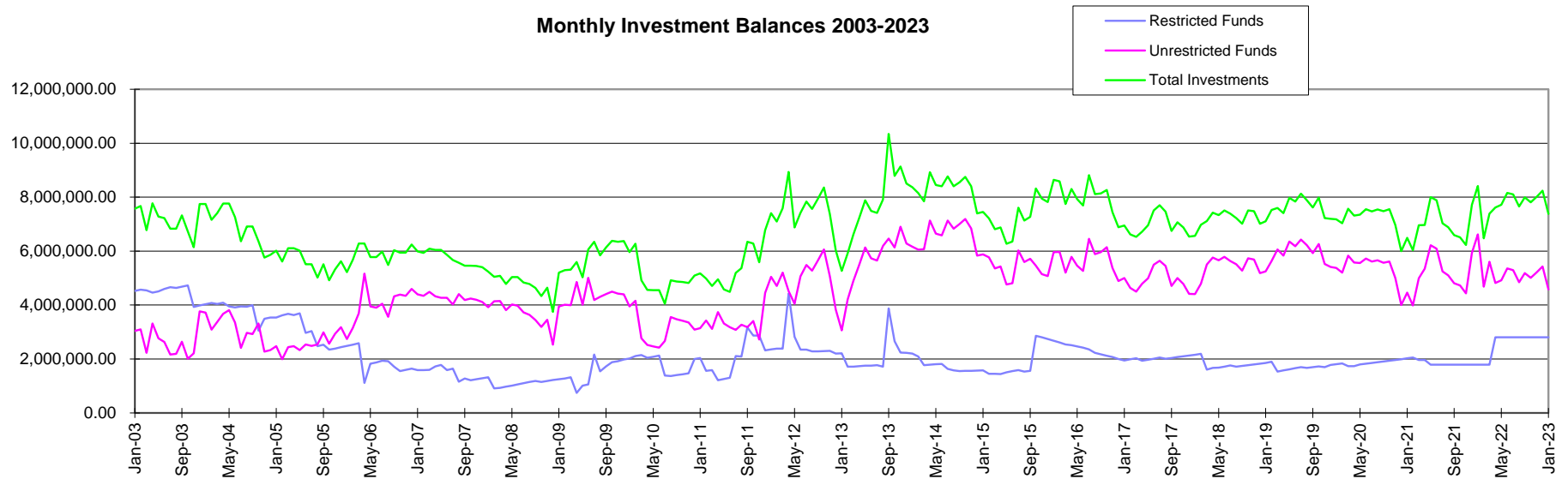
**Net Cash and Investments** \$ 3,080,468.53

	Jan-14	Jan-15	Jan-16	Jan-17	Jan-18	Jan-19	Jan-20	Jan-21	Jan-22	Jan-23
Restricted Funds	2,203,909.12	1,578,604.33	2,677,566.63	1,949,301.82	2,156,559.88	1,858,047.61	1,809,247.10	2,023,241.42	1,788,487.11	2,802,818.00
Unrestricted Funds	6,165,291.73	5,875,427.31	5,963,705.95	5,000,075.63	4,410,660.82	5,250,768.78	5,371,775.92	4,465,116.71	6,620,729.46	4,580,468.53
Total Investments	8,369,200.85	7,454,031.64	8,641,272.58	6,949,377.45	6,567,220.70	7,108,816.39	7,181,023.02	6,488,358.13	8,409,216.57	7,383,286.53
Minimum cash reserve	4,542,427.00	4,542,427.00	4,828,355.00	4,707,627.00	4,719,921.00	4,887,919.00	4,901,155.00	4,901,155.00	4,610,534.00	\$ 5,140,707

January Investment Balances



Monthly Investment Balances 2003-2023





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

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**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Egan Company for the slab heat controller for the CSC building for \$5,069.

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

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### **BACKGROUND:**

This procurement is for an approved combined service center expense with a budget of \$15,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 Egan Company for the slab heat controller for the CSC building for \$5,069.





## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to approve the procurement contract with Duluth Coating Solutions Inc. for coating floors in the CSC building for \$38,098 and authorize the General Manager to sign the contract.

**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. \$0 has been spent to date. The original budget was determined by an estimate for replacement of some type of industrial flooring. During the vendor evaluations, it was determined that an epoxy coating of the concrete floor is less expensive and also better meets the needs of staff, including maintenance.

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 Duluth Coating Solutions Inc. for coating floors in the CSC building for \$38,098 and authorize the General Manager to sign the contract.

# Capital Plan

2023 *thru* 2027

Item 6.

## 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

<b>Description</b>	<b>Total Project Cost: \$125,000</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>

## 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 Duluth Coating Solutions, Inc., located at 4785 South Shore Drive, Duluth, MN 55811 (“**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 contractors for replacing the flooring at the service center with an epoxy coated flooring. (“**Solicitation**”);

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

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

Accordingly, the Parties agree as follows:

### Contract

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#### 1. Term of Contract

1.1 Effective date. The effective date of this Contract is February 6<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 July 1<sup>st</sup> 2023, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional one year, in increments as determined by GRPUC, through a duly executed amendment.

#### 2. Contractor’s Duties

2.1 The Contractor shall:

Provide labor, materials and equipment for replacing the flooring at the Service Center building for the Grand Rapids Public Utilities Commission and installing an epoxy coated Tnemec 224 DecoFlake floor system. Approximately 3,236 Square Feet.

(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 For a Contract with Goods: 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 For a Contract with Goods: Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of Encumbrances, and (B) the

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

#### 4. Time

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

#### 5. Consideration and Payment

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

5.1.1 Compensation. The Contractor will be paid Thirty Eight Thousand and Ninety Eight Dollars (\$38,098.00) in accordance with **Exhibit D**.

Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Thirty Eight Thousand and Ninety Eight Dollars (\$38,098.00).

5.2 Payment.

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

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

#### 6. Authorized Representative

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

Contractor's Authorized Representative is Aaron Strom at the following business address: 4785 South Shore Drive, Duluth, MN 55811, and the following telephone number: 218.729.4585, 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]**

**Duluth Coating Solutions, Inc.**

By: *Aaron Strom*

Print Name: Aaron Strom

Title: Duluth Coating, Solutions, Inc.

Date: 2/7/23

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

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

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

### 2. Termination.

- 2.1 Termination for Convenience. GRPUC may cancel this Contract at any time, with or without cause, upon thirty (30) days’ written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for Services satisfactorily performed and Goods satisfactorily produced and delivered.
- 2.2 Termination for Breach. GRPUC may terminate this Contract, with cause, upon thirty (30) days’ written notice to Contractor of the alleged breach and opportunity to cure. If after thirty (30) days, the alleged breach has not been remedied, GRPUC may immediately terminate the Contract.
- 2.3 Termination by Mutual Agreement. The Parties may terminate this Contract at any time by mutual written agreement.
- 2.4 Effect of Termination. Upon receipt of any notice of termination Contractor shall immediately stop performance of the Services and stop production and delivery of the Goods to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination.
- 2.5 Return of Information. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any Confidential Information or work product information or make such other disposition thereof as GRPUC may direct in writing.

### 3. Force Majeure.

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



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

#### 4. Confidentiality.

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

#### 5. Indemnification.

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

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

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

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

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

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

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

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

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

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

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

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

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

## 8. Intellectual Property Rights.

8.1 Definitions. For the purpose of this Section, the following words and phrases have the assigned definitions:

8.1.1 **"Documents"** are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract.

8.1.2 **"Pre-Existing Intellectual Property"** means intellectual property developed prior to or outside the scope of this Contract, and any derivatives of that intellectual property.

8.1.3 **"Works"** means all inventions, improvements, discoveries (whether or not patentable), data, databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, maps, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. **"Works"** includes Documents.

8.2 Ownership. GRPUC owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this Contract. The Documents shall be the exclusive property of GRPUC and all such Documents must be immediately returned to GRPUC by the Contractor upon completion or cancellation of this Contract. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the Works and the Documents to GRPUC. The Contractor must, at the request of GRPUC, execute all papers and perform all other acts necessary to transfer or record GRPUC's ownership interest in the Works and Documents.

8.3 Pre-existing Intellectual Property. Each Party shall retain ownership of its respective Pre-Existing Intellectual Property. The Contractor grants GRPUC a perpetual, irrevocable, non-exclusive, royalty free license for Contractor's Pre-Existing Intellectual Property that are incorporated in the Goods or Services that are purchased through the Contract.

8.4 Obligations.

8.4.1 Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively

reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give GRPUC's Authorized Representative written notice thereof, and must promptly furnish GRPUC's Authorized Representative with complete information and/or disclosure thereon.

- 8.4.2 Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Contractor represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities.
- 8.4.3 Indemnification. Notwithstanding any other indemnification obligations addressed within this Contract, the Contractor will indemnify, defend, and hold harmless GRPUC, at the Contractor's expense, from any action or claim brought against GRPUC to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or GRPUC's opinion is likely to arise, the Contractor must, at GRPUC's discretion, either procure for GRPUC the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of GRPUC will be in addition to and not exclusive of other remedies provided by law.]

## **9. Copyright.**

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

## **10. GRPUC Audits.**

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

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

11.1 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.

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

## **12. 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.

## **13. 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.

## **14. General / Miscellaneous.**

14.1 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.

14.2 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.

14.3 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.

14.4 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.

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

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

Contractor  
Address: 4785 South Shore Drive  
Duluth, MN 55811  
Attn: Aaron Strom  
Email: aaron@duluthcoating.com

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

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

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

14.9 Binding Effect; Assignment. This Contract shall be binding on the Parties and on their respective heirs, devisees, representatives, successors, and assigns. Contractor shall not assign, sublet, or subcontract the Goods or Services or any portion thereof without the prior written

consent of GRPUC. Such consent shall not relieve Contractor of its obligations or liabilities under the Contract.

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

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

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

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

## **Exhibit B: Insurance Requirements**

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

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

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

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

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

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



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

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

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

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

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

\$1,500,000 – per occurrence

\$1,500,000– annual aggregate

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

The following coverages shall be included:

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

**4.2 Commercial Automobile Liability Insurance.** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this Contract, and in case any work is subcontracted the Contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows: GRPUC does not allow limits lower than \$1.5 M. Contractor can use umbrella coverage to get to the minimum limit amount of \$1.5M

\$1,500,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

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

Evidence of Subcontractor insurance shall be filed with the Contractor.

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

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

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

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

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

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

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

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

- 4.6 Privacy Liability Insurance (or equivalent).** The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The Contractor shall maintain insurance to cover claims which may arise from failure of the Contractor to ensure the security of not public data stored on GRPUC's documents, including but not limited to paper, microfilms, microfiche, magnetic computer tapes, cassette tapes, photographic negatives, photos, hard disks, floppy disks, and carbon sheets, while in the Contractor's care, custody, and control. Insurance minimum limits are as follows:

\$2,000,000 - Per Occurrence  
\$2,000,000 - Annual Aggregate

The following coverage shall be included: GRPUC named as an Additional Insured unless the coverage is written under a Professional Liability policy.

- 4.7 Property of Others Insurance (or equivalent).** The Contractor shall maintain a property insurance policy covering "All Risk" of direct physical loss or damage, or equivalent, including the perils of theft, flood, transit, earthquake, and pollution clean-up expense for property owned by GRPUC that is in the Contractor's care, custody, and control. Any deductible shall be the sole responsibility of the Contractor. Insurance **minimum** limits are as follows: The Contractor is solely responsible for the coverage equal to that of the actual cash value of GRPUC-owned property in the Contractor's care, custody, and control at any given point in time.

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

To provide the removal and installation of a new epoxy flooring for the Grand Rapids Public Utilities Commission service center according to Project proposal 23-0131-2.

**Exhibit D: Price and Payment Schedule**

Contractor shall be paid Thirty Eight Thousand and Ninety Eight dollars (\$38,098.00) within 30 days from receipt of invoice after work has been completed.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

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**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to approve the procurement contract with Schwing Bioset for one screw conveyor section for the sludge screw conveyor for \$36,142.15 and authorize the General Manager to sign the contract.

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

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### **BACKGROUND:**

This procurement is for an approved Wastewater Treatment capital purchase with a budget of \$50,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed.

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

### **RECOMMENDATION:**

Consider a motion to approve the procurement contract with Schwing Bioset for one screw conveyor section for the sludge screw conveyor for \$36,142.15 and authorize the General Manager to sign the contract.

# Capital Plan

2023 *thru* 2027

Item 7.

## Grand Rapids Public Utilities Commission

**Department** 4c-WWT Primary Plant

**Contact** Steve Mattson

**Type** Unassigned

**Useful Life** 10

**Category** WW System

**Priority** 02 - Significant Need

**Status** Active

**Total Project Cost:** \$188,535

**Project #** WWPP2103

**Project Name** Sludge Screw Conveyor - Screw Replacement

### Description

There are five sections of screw for the custom sludge scw conveyor. In order to maintain runnability, the second and third screw should be replaced.

### Justification

There are five sections of screw for the custom sludge scw conveyor. In order to maintain runnability, the second and third screw should be replaced. The first section was replaced in 2020 which significantly improved the operation of the conveyor and reduced maintenance downtime.

Prior	Expenditures	2023	2024	2025	2026	2027	Total
88,535	Purchases	45,000	45,000				90,000
	Labor	5,000	5,000				10,000
<b>Total</b>	<b>Total</b>	<b>50,000</b>	<b>50,000</b>				<b>100,000</b>

Prior	Funding Sources	2023	2024	2025	2026	2027	Total
88,535	Customer Contributions-UPM	50,000	50,000				100,000
<b>Total</b>	<b>Total</b>	<b>50,000</b>	<b>50,000</b>				<b>100,000</b>

### Budget Impact/Other

Prior	Budget Items	2023	2024	2025	2026	2027	Total
88,535	Capital Projects	50,000	50,000				100,000
<b>Total</b>	<b>Total</b>	<b>50,000</b>	<b>50,000</b>				<b>100,000</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 Schwing Bioiset, located at 350 SMC Drive Somerset, WI 54025 (“**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 contractors for Line 40 from Quote NO: 60716981. 39314705 WMT-Screw 20”x 11’-7” RH 304SST (“**Solicitation**”);

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

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

Accordingly, the Parties agree as follows:

### Contract

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#### 1. Term of Contract

1.1 Effective date. The effective date of this Contract is February 28<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 November 1<sup>st</sup> 2023, or until all of Contractor’s obligations have been satisfactorily fulfilled, whichever occurs first. The contract may be extended for up to an additional year, in increments as determined by GRPUC, through a duly executed amendment.

#### 2. Contractor’s Duties

2.1 The Contractor shall:

Provide a Screw Conveyor section line 40 on quote no: 60716981 20” 11’-7” RH

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

2.2 GRPUC may make changes to the general scope of Goods and Services (including but not limited to, suspension of performance, changes in time of performance, schedule, quantities, or specifications) by written notice, or by oral notice subsequently confirmed



by GRPUC in writing within ten (10) days thereafter, to Contractor. If such changes affect the cost of or the time required to provide the Goods and Services, an equitable adjustment in the schedule and compensation under this Contract shall be made. Contractor shall proceed with providing the Goods and Services as so changed, notwithstanding any dispute regarding such equitable adjustment. Any claim of such adjustment must be submitted to GRPUC in writing within thirty (30) days from the date the change is ordered, and Contractor shall not be entitled to any adjustment unless such written claim is so submitted.

- 2.3 GRPUC may from time to time, require additional Services or Goods from Contractor. Such additional Services or Goods, including the amount of compensation for such additional Services or Goods, mutually agreed upon by and between GRPUC and Contractor, shall be effective when incorporated by written amendment to this Contract. Additional Services or Goods shall not begin until the amendment is executed. Thereafter, such additional Services or Goods shall be subject to the terms of this Contract.
- 2.4 Contractor agrees that all Goods and Services shall be provided in accordance with all applicable laws, rules, regulations, ordinances, codes, and orders of all federal, state, and local governmental authorities, agencies, departments, or bureaus having jurisdiction and which affect the Goods or Services hereunder (“**Legal Requirements**”) without extra charge or expense. Contractor will be responsible for a violation of any such Legal Requirements arising out of the provision of Goods or Services by Contractor and will indemnify, defend, and hold harmless GRPUC from and against any fine or expense, including reasonable attorneys’ fees and disbursements, resulting to it by reason of any such violation by Contractor.
- 2.5 The Goods and Services will be provided in a manner that is consistent with the level of care and skill exercised by members of Contractor’s profession currently working under similar conditions. All Goods and Services not conforming to this standard will be considered defective and Contractor shall, at no cost to GRPUC, promptly and satisfactorily correct all such defective Goods and Services. All Services shall be performed and all Goods shall be produced and delivered to the satisfaction of GRPUC, and in accordance with the Legal Requirements. Payment shall be withheld for Goods or Services found by GRPUC to be unsatisfactory or in violation of the Legal Requirements.
- 2.6 Contractor shall ensure that all persons who perform the Services or produce or deliver the Goods shall be professionally competent and properly qualified. If so requested by GRPUC, Contractor shall remove any person GRPUC deems incompetent, careless, or otherwise objectionable. At all times Contractor will be responsible for the acts, omissions, work, materials, and equipment of its employees, subcontractors, and agents and any other person, directly or indirectly, employed by any of them.
- 2.7 Contractor shall cooperate fully with GRPUC, other GRPUC contractors, municipalities, local government officials, public utility companies, and others as may be directed by GRPUC. This shall include attendance at meetings, discussions, and hearings as may be requested by GRPUC, furnishing data as may be requested from time to time by GRPUC to effect such cooperation, and compliance with all directives issued by GRPUC.

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

### 3. Representations and Warranties

- 3.1 GRPUC is authorized to enter into this Contract.
- 3.2 Contractor warrants that it is duly qualified and shall perform its obligations under this Contract in accordance with the commercially reasonable standards of care, skill, and diligence in Contractor's industry, trade, or profession, and in accordance with the specifications set forth in this Contract, to the satisfaction of GRPUC.
- 3.3 Contractor warrants that it possesses the legal authority to enter into this Contract and that it has taken all actions required by its procedures, by-laws, and applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this Contract, or any part thereof, and to bind Contractor to its terms.
- 3.4 Contractor warrants that at the time GRPUC accepts the Goods: (A) Contractor has good title to the Goods, free and clear of Encumbrances, and (B) the Goods are in good condition and are adequate for the uses to which they are being put, and none of such Goods are in need of maintenance or repairs.

- 3.5 Seller warrants its new equipment against defects in material and workmanship under normal use and service, and which shall not have been subject to misuse, negligence, or accident, for a period of one (1) year that shall commence upon startup or ninety (90) days from delivery, whichever occurs first. Seller will replace or repair free of charge, F.O.B. jobsite, such part or parts thereof as in its sole judgment shall be deemed defective. Due to the specialized nature of Seller material handling equipment, Seller field service technicians shall not be restricted in adjusting or repairing Seller furnished equipment, regardless of collective bargaining agreements entered into by other parties. This warranty shall not apply to any equipment manufactured by us which shall have been loaded or operated beyond its rated capacity as specified by Seller. Damage resulting from improper installations or alterations outside our plant will be considered as misuse and not as a defect. Certain parts of the equipment provided by Seller such as the pumping cylinders, valves, pumping rams, screw flights, sliding frame components, trough liners for screws etc. in contact with material, are subject to normal wear. This normal wear is not covered under this warranty. Seller shall not be liable for consequential damages or injuries of any kind, or for expenses, losses, or delays incidental to any failure. Seller reserves the right to make changes and improvements in its product without incurring any obligation to install any such changes or improvements in its 3 products previously manufactured. All warranty is void if equipment is not serviced by a Schwing Bioset certified technician from delivery through termination of warranty period. In the event of a defect or issue with Schwing Bioset supplied equipment, buyer shall notify Schwing Bioset in writing of said defect and offer Schwing Bioset reasonable opportunity to cure. This warranty is in lieu of any other warranty expressed or implied or any other obligation or liability on the part of Seller, and no other person is authorized to make any representations or warranties beyond those herein expressed. Without limiting the generalities of the foregoing, **THERE IS NO IMPLIED WARRANTY OF MARKETABILITY AND NO IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE**

#### 4. Consideration and Payment

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

4.1.1 Compensation. The Contractor will be paid Thirty Four Thousand One Hundred and Forty Two Dollars and Fifteen Cents (\$34,142.15) in accordance with **Exhibit D**.

4.1.2 Plus a not to exceed price of \$2,000 dollars.

Total obligation. The total obligation and liability of GRPUC under this Contract will not exceed Thirty Six Thousand One Hundred and Forty Two Dollars and Fifteen Cents (\$36,142.15).

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

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

## 5. Authorized Representative

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

Contractor's Authorized Representative is Jay Boughner Aftermarket Support at the following business address: 350 SMC Drive, Somerset, WI 54025, and the following telephone number: 715-504-1433, or his/her successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify GRPUC.

## 6. 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]**

### **Schwing Bioset**

By: Jay Boughner

Print Name: Jay Boughner

Title: Aftermarket Support

Date: 2/28/2023

### **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 thirty (30) days following receipt of an undisputed invoice. Terms requesting payment in less than thirty (30) days will be changed to read “Net 30 days.” Notwithstanding the foregoing, GRPUC may pay the Contractor in advance in its sole discretion.

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

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

### 2. Termination.

- 2.1 Termination for Convenience. GRPUC may cancel this Contract at any time, with or without cause, upon thirty (30) days’ written notice to the Contractor. Upon termination for convenience, the Contractor will be entitled to payment, determined on a pro rata basis, for Services satisfactorily performed and Goods satisfactorily produced and delivered.
- 2.2 Termination for Breach. GRPUC may terminate this Contract, with cause, upon thirty (30) days’ written notice to Contractor of the alleged breach and opportunity to cure. If after thirty (30) days, the alleged breach has not been remedied, GRPUC may immediately terminate the Contract.
- 2.3 Termination by Mutual Agreement. The Parties may terminate this Contract at any time by mutual written agreement.
- 2.4 Effect of Termination. Upon receipt of any notice of termination Contractor shall immediately stop performance of the Services and stop production and delivery of the Goods to the extent specified in such notice. In no event shall GRPUC be liable for any loss of revenue or profit incurred by Contractor as a result of any termination.
- 2.5 Return of Information. Upon termination of this Contract, or earlier upon GRPUC’s request, Contractor shall deliver to GRPUC all items requested by GRPUC containing any Confidential Information or work product information or make such other disposition thereof as GRPUC may direct in writing.

### 3. Force Majeure.

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

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

#### 4. Confidentiality.

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

#### 5. Indemnification.

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

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

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

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

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

**5.3 Indemnification. Seller agrees to indemnify and hold Buyer harmless from the amount of any final judgment entered against Buyer for injury or death to any person (including employees of Buyer and Seller) or damage to tangible property of Buyer and based solely upon: (a) Seller's defective manufacture of equipment sold to Buyer; (b) Seller's violation of any applicable laws, rules or regulations in connection with the manufacture of said equipment, or (c) Seller's gross negligence or intentional misconduct. The duty to indemnify will continue in full force and effect, notwithstanding the expiration or early termination hereof, with respect to any claims based on facts or conditions that occurred prior to expiration or termination.**

## **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. Intellectual Property Rights.

8.1 Definitions. For the purpose of this Section, the following words and phrases have the assigned definitions:

8.1.1 "**Documents**" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract.

8.1.2 "**Pre-Existing Intellectual Property**" means intellectual property developed prior to or outside the scope of this Contract, and any derivatives of that intellectual property.

8.1.3 "**Works**" means all inventions, improvements, discoveries (whether or not patentable), data, databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, maps, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "**Works**" includes Documents.

8.2 Ownership. GRPUC owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the Works and Documents created and paid for under this Contract. The Documents shall be the exclusive property of GRPUC and all such Documents must be immediately returned to GRPUC by the Contractor upon completion or cancellation of this Contract. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the Works and the Documents to GRPUC. The



Contractor must, at the request of GRPUC, execute all papers and perform all other acts necessary to transfer or record GRPUC's ownership interest in the Works and Documents.

8.3 Pre-existing Intellectual Property. Each Party shall retain ownership of its respective Pre-Existing Intellectual Property. The Contractor grants GRPUC a perpetual, irrevocable, non-exclusive, royalty free license for Contractor's Pre-Existing Intellectual Property that are incorporated in the Goods or Services that are purchased through the Contract.

#### 8.4 Obligations.

8.4.1 Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give GRPUC's Authorized Representative written notice thereof, and must promptly furnish GRPUC's Authorized Representative with complete information and/or disclosure thereon.

8.4.2 Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of GRPUC, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the Works and Documents. The Contractor represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities.

8.4.3 Indemnification. Notwithstanding any other indemnification obligations addressed within this Contract, the Contractor will indemnify, defend, and hold harmless GRPUC, at the Contractor's expense, from any action or claim brought against GRPUC to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or GRPUC's opinion is likely to arise, the Contractor must, at GRPUC's discretion, either procure for GRPUC the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or documents as necessary and appropriate to obviate the infringement claim. This remedy of GRPUC will be in addition to and not exclusive of other remedies provided by law.

### 9. Copyright.

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

## **10. GRPUC Audits.**

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

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

11.1 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.

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

## **12. 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.

## **13. 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.

## **14. General / Miscellaneous.**

14.1 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.

14.2 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.

14.3 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.

14.4 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.

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

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

Schwing Bioset  
Address: 350 SMC Drive  
Somerset, WI 54025  
Attn: Jay Boughner  
Email:  
jayb@customconveyorcorp.com

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

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

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

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

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

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

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

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

1.

## **Exhibit B: Insurance Requirements**

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

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

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

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

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

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

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

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

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

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

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

\$1,500,000 – per occurrence

\$1,500,000– annual aggregate

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

The following coverages shall be included:

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

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

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

Evidence of Subcontractor insurance shall be filed with the Contractor.

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

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

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

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

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

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

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

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

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

Provide one screw conveyor section from Quote No: 60716981 Line 40 39314705 WMT-Screw  
20"x11'-7" RH 304SST GRMN



**Exhibit D: Price and Payment Schedule**

The Contractor will be paid Thirty Four Thousand One Hundred and Forty Two Dollars and Fifteen Cents (\$34,142.15) for one screw conveyor section 39314705. Plus freight charges not to exceed Two Thousand Dollars (\$2,000).

The Total obligation and liability of GRPUC under this Contract will not exceed Thirty Six Thousand One Hundred and Forty Two dollars and Fifteen Cents (\$36,142.15).

Total: \$36,142.15

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

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



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Electric Pump for a pump impeller for the super oxygen pump for \$8,841.

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

---

### **BACKGROUND:**

This procurement is for an approved Wastewater Treatment operational expense budget with a budget of \$22,680. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 Electric Pump for a pump impeller for the super oxygen pump for \$8,841.



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Electric Pump for a pump rebuild kit for the super oxygen pump for \$8,324.

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

---

### **BACKGROUND:**

This procurement is for an approved Wastewater Treatment operational expense budget with a budget of \$22,680. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 Electric Pump for a pump rebuild kit for the super oxygen pump for \$8,324.



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

---

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Quality Flow Systems for lift station 8 control panel for \$20,100.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital budget with a budget of \$35,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 lift station 8 control panel for \$20,100.

# Capital Plan

2023 thru 2027

Item 10.

## 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: \$35,000

Project # WWCO2601

Project Name Lift Station 8 Controls Update

### Description

After a thorough asset management review was conducted of the entire collection system a replacement schedule was created to ensure that we proactively replaced lift stations throughout the collection system that are reaching the end of their useful life.

### Justification

The controls for this lift station need to be updated due to outdated components.

Expenditures	2023	2024	2025	2026	2027	Total
Purchases	35,000					35,000
<b>Total</b>	<b>35,000</b>					<b>35,000</b>

Prior

35,000

Total

### Budget Impact/Other

Prior

30,400

Total



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Quality Flow Systems for pumps for lift station 8 for \$17,230.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital budget with a budget of \$35,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 pumps for lift station 8 for \$17,230.

# 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 Equipment

Priority 01 - Required

Status Active

Total Project Cost: \$291,323

Project # WWCO2005

Project Name Lift Station Pumps

### Description

After a thorough asset management review was conducted of the entire collection system a replacement schedule was created to ensure that we proactively replaced pumps throughout the collection system are reaching the end of their useful life.

### Justification

In order to maintain the integrity of the collection system, the retirement of aged pumps are necessary. From the asset review a strategic plan was put in place to replace 1-2 worn out pumps per year with a phased approach.

Prior	Expenditures	2023	2024	2025	2026	2027	Total
103,323	Purchases	35,000	35,000	38,000	40,000	40,000	188,000
Total	Total	35,000	35,000	38,000	40,000	40,000	188,000

Prior	Funding Sources	2023	2024	2025	2026	2027	Total
103,323	Rplcmt Fund-WWC Infrastructure	35,000	35,000	38,000	40,000	40,000	188,000
Total	Total	35,000	35,000	38,000	40,000	40,000	188,000

### Budget Impact/Other

Prior	Budget Items	2023	2024	2025	2026	2027	Total
103,323	Capital Projects	27,000					27,000
Total	Total	27,000					27,000



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Quality Flow Systems for lift station 9 control panel for \$19,100.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital budget with a budget of \$35,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 lift station 9 control panel for \$19,100.



# Capital Plan

2023 thru 2027

Item 12.

## 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: \$35,000

Project # WWCO2304

Project Name Lift Station 9 Controls Update

### Description

After a thorough asset management review was conducted of the entire collection system a replacement schedule was created to ensure that we proactively replaced lift stations throughout the collection system that are reaching the end of their useful life.

### Justification

The controls for this lift station need to be updated due to outdated components.

Expenditures	2023	2024	2025	2026	2027	Total
Purchases	35,000					35,000
<b>Total</b>	<b>35,000</b>					<b>35,000</b>

Prior

35,000

Total

### Budget Impact/Other

Prior

30,400

Total



## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

---

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to ratify the procurement contract with Quality Flow Systems for pumps for lift station 9 for \$17,230.

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

---

### **BACKGROUND:**

This procurement is for an approved Water Wastewater capital budget with a budget of \$35,000. \$0 has been spent to date.

The GRPUC Procurement Policy was followed and the procurement contract is on file.

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 pumps for lift station 9 for \$17,230.

# Capital Plan

2023 thru 2027

Item 13.

## Grand Rapids Public Utilities Commission

Department 3-Wastewater Collection

Contact Steve Mattson

Project # **WWCO2005**  
Project Name **Lift Station Pumps**

Type Unassigned

Useful Life 20

Category Equipment

Priority 01 - Required

Status Active

Total Project Cost: \$291,323

### Description

After a thorough asset management review was conducted of the entire collection system a replacement schedule was created to ensure that we proactively replaced pumps throughout the collection system are reaching the end of their useful life.

### Justification

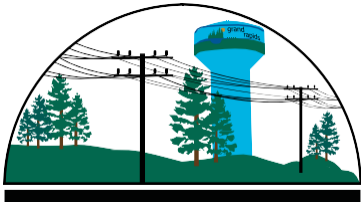
In order to maintain the integrity of the collection system, the retirement of aged pumps are necessary. From the asset review a strategic plan was put in place to replace 1-2 worn out pumps per year with a phased approach.

Prior	Expenditures	2023	2024	2025	2026	2027	Total
103,323	Purchases	35,000	35,000	38,000	40,000	40,000	188,000
<b>Total</b>	<b>Total</b>	<b>35,000</b>	<b>35,000</b>	<b>38,000</b>	<b>40,000</b>	<b>40,000</b>	<b>188,000</b>

Prior	Funding Sources	2023	2024	2025	2026	2027	Total
103,323	Rplcmt Fund-WWC Infrastructure	35,000	35,000	38,000	40,000	40,000	188,000
<b>Total</b>	<b>Total</b>	<b>35,000</b>	<b>35,000</b>	<b>38,000</b>	<b>40,000</b>	<b>40,000</b>	<b>188,000</b>

### Budget Impact/Other

Prior	Budget Items	2023	2024	2025	2026	2027	Total
103,323	Capital Projects	27,000					27,000
<b>Total</b>	<b>Total</b>	<b>27,000</b>					<b>27,000</b>



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## SAFETY REPORT March 2023 Commission Meeting

### Safety Topic Last Month

Brad Levasseur, MMUA Safety Coordinator, conducted hot sticks and grounds inspections with our electrical crew and completed a mock OSHA inspection of the facilities in February 2023.

### Safety Topic This Month

Safety Coordinator, Brad Levasseur, will be conducting CPR, First Aid, and AED training with all staff in March 2023.

### Accidents Reported last Month by Department

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

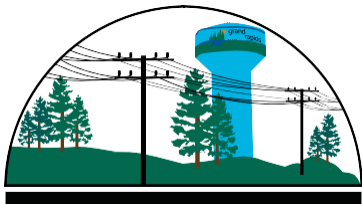
### Cumulative Accidents for 2023

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

Total FROI      1

### Recordable Accident 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 March 2023 Commission Meeting

### **Staffing**

- Kyle Potter, WWTP Operator, submitted his resignation effective February 20, 2023. A posting for the WWTP Operator position runs through March 10, 2023 and is on our website [here](#).
- Carrie Kruger, Administrative/HR Assistant ended employment with GRPU on February 28, 2023.

### **Community Involvement**

- MMUA Tom Bovitz Memorial Scholarship – applications due to GRPU April 10, 2023 (see ISD 318 [website](#) under Grand Rapids Public Utilities).
- GRPU staff participated in the MCI tabletop safety exercise with area emergency services personnel.
- GRPU donated use of our generator to the Northwoods Pond Hockey Tournament on February 11, 2023.
- Participated in the MPCA-led Gold Leaf Exchange meetings on resiliency, funding for climate action, climate action planning, and energy action planning on February 22, 2023.

### **Governance**

- Planning the details for a Commission strategic planning session later this year.

### **Legislative**

- Met with Senators Klobuchar and Smith, and Representative Stauber in Washington, DC to discuss legislation particularly important to municipal utilities. The attached brochure summarizes some of the federal policies discussed (see attached handout).

A photograph of a large, multi-story industrial building made of brick. Several tall, dark smokestacks are visible against a clear blue sky. The building has many windows, some of which are covered with glass blocks. A yellow banner is overlaid on the right side of the image, containing the title text.

# THE POWER OF HOMETOWN UTILITIES

**Federal Issues  
2023 APPA  
Legislative Rally**



The Minnesota Municipal Utilities Association (MMUA) is a nonprofit organization representing the interests of the state's hometown utilities. There are 124 municipal electric and 33 municipal gas utilities in Minnesota. MMUA also has a number of Minnesota municipal water utilities as members, and several North and South Dakota municipal electric utilities are associate members. MMUA was formed in 1931 and provides a wide variety of services to the utilities in the region.

Item 15.

Representing locally-owned and operated organizations, hometown utility policymakers and staff not only have a career interest in their community's success, they have a personal stake in the city in which they have chosen to raise their families and build lifelong relationships.

Because of this, municipal utility leaders focus only on the well-being of the community. It's true the utility has to maintain solvency, but there is no profit motive. In hometown utility communities, focus on maintaining a high quality of life isn't a corporate slogan; it's a promise to friends and neighbors.



### **How much do you know about Minnesota's municipal utilities? Here are some facts.**

- Open, accessible governance by its citizen owners is one reason municipals are also known as "hometown" or "public power" utilities.
- Oversight occurs largely through the local utilities commission or city council.
- Municipal electric utilities serve more than 391,000 customers in 124 Minnesota communities.
- Over 70 percent of Minnesota's municipal electric utilities have operated for 100 years or more.
- Duluth is the largest of Minnesota's 33 municipal natural gas systems, with an estimated 30,000 customers.
- Of the 87 county seat cities in Minnesota, 50 operate municipal electric and/or natural gas utilities.
- Most of the municipal electric power comes from power agencies, which are controlled by groups of municipal utilities themselves.
- There are approximately 50 municipal power plants in Minnesota. They are generally used in emergency situations.

# 2023 Federal Legislative Priorities

## FEDERAL SUPPORT FOR CLEAN ENERGY TRANSITION

Municipal utilities in Minnesota are dedicated to providing reliable, affordable, and sustainable services to their customers. Recent carbon-free mandates and renewable standards placed on all Minnesota electric utilities by the State legislature heighten the importance of maintaining and strengthening any and all assistance available at the federal level. Policy priorities at the federal level include limiting additional mandates, sustaining funding for infrastructure updates and the energy transition, and streamlining administrative procedures.

In addition, new rules and regulations that help implement key federal legislation, including the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA), need to be simple, clear, and flexible, allowing all Minnesota communities—especially smaller towns—to benefit. Most importantly, federal guidance should never hinder a municipal utility's ability to provide reliable and affordable electric service to our member communities.



## COMBINING OLD WITH NEW FOR CLEAN, RELIABLE ENERGY

In 2021, the Hutchinson Utilities Commission (HUC) dedicated its second solar energy plant within the last seven years. This plant combines with the previous solar plant, opened in 2015, to supply over 1,100 kilowatts of electricity to the city.

HUC is now able to supply customers with 100% renewable energy. Hutchinson can still use local generators in addition to these solar plants to ensure electric reliability during outage times. HUC's legacy generation capability enables the utility to hedge against high market prices and maintain power for the citizens of Hutchinson when required.



# 2023 Federal Legislative Priorities

## PRESERVE AND PROTECT ENERGY INFRASTRUCTURE AND INVESTMENTS

MMUA and its members support the Investing in Infrastructure and Jobs Act (IIJA) and the Inflation Reduction Act (IRA). These two pieces of federal legislation will benefit grid resiliency and reliability, clean energy technologies, and electric vehicle infrastructure. When it passed the IIJA, Congress took critical steps when it authorized various new federal infrastructure programs. Under the IRA, Congress extended long-standing energy tax credits and created new direct payment credits for municipal electric utilities, rural co-ops, and other not-for-profit entities. The IRA authorizes these tax credits as refundable and transferable, a first for public power systems. However, it only protected public bonds from sequestration for two years and it failed to reauthorize the advanced refunding of bonds.

The grants authorized in the IRA and the IIJA will be extremely beneficial towards projects that seek to increase grid reliability and resiliency, upgrade technology for cleaner and more efficient operations, and expand infrastructure investments for electric vehicle (EV) charging stations and other facilities. However, the advantages offered by the IIJA and IRA are lessened if treated as taxable, or if funding is not secure due to Congressional threats of rescission or sequestration.

### MMUA asks Congress to consider:

- New federal rules and regulations for both the IIJA and IRA implementation should be simple, clear, and flexible.
- Benefits offered under the IIJA and IRA should be tax exempt.
- Congress should oppose attempts to repeal or rescind these new federal programs and resist attempts to impose sequestration provisions.
- The supply chain crisis hinders investment and economic development; Congress needs to help solve the shortage of distribution transformers and other critical industry materials. Further actions under the Defense Production Act aimed clearly at the increased production of transformers should be encouraged.
- MMUA and its members support reasonable permitting reform legislation, including streamlining the federal permitting process for all types of utilities: generation, transmission, and pipeline facilities.
- Workforce recruitment and retention assistance and incentives would be welcomed.
- Cybersecurity assistance in the form of guidance, best practices, and funding would be helpful, but excessive reporting requirements and other mandates would hinder municipal utilities' operations.
- Similar assistance regarding the physical security of utility infrastructure would also be helpful.
- We support a pricing mechanism that would protect utilities and their customers against sudden spikes in natural gas prices such as were seen during the 2021 polar vortex in Minnesota and throughout the Midwest.



# 2023 Federal Legislative Priorities

## PUBLIC FINANCE

Municipal bonds continue to be the most effective financial tool for public power communities and local entities everywhere—bonds build three-quarters of all public infrastructure in the country.

Congress took a critical step towards modernizing public financing when it authorized various new energy-related tax credits for municipal electric utilities in the IRA, but more action is needed, including reinstating the ability to issue advance refunding bonds and expanding the power of small local banks to issue bonds in excess of \$10 million while retaining small issuer status. In addition, sequestration continues to restrict full use of our public bonds—Congress needs to repeal such provisions.



### MMUA asks Congress to consider:

- Complete the modernization of public finance tools by restoring the ability to use tax-exempt advanced refunding bonds. This is a critical financial tool for all state and local entities, including municipal utilities. Advance refunding can only occur once a year, and only when market conditions allow, but it can save communities millions of dollars. Support bipartisan legislation.
- The small issuer exception is outdated. Congress should increase the value of bonds a bank may issue and remain a small provider from \$10 million to \$30 million.
- Sequestration needs to end. Public power communities continue to be burdened by sequestration of public bonds.

# 2023 Federal Legislative Priorities

## POLE ATTACHMENTS

In 2018, the FCC issued final comments and orders that took effect in January 2019, which reversed the long-held interpretation of the Federal Communications Act that municipal utilities were exempt from FCC oversight. This new rule was upheld by the Ninth Circuit Court of Appeals. As a result, local control over the use of rights-of-way and infrastructure became subject to challenge by telecommunication companies who view local regulations as a barrier to full implementation of 5G technology.

Utility poles are not designed to accommodate additional structures such as small-cell antennae. Their co-location on utility poles can impose safety risks to line workers, and the extra weight may void warranties. Local utilities are then responsible and liable for equipment that is not even theirs.



### **MMUA asks Congress to consider:**

- Restore local control, including what permit fees may be charged by a local unit of government for use of their rights-of-way and infrastructure by telecommunication companies.
- Public power utilities and rural electric cooperatives are not obstacles or barriers to entry to 5G or other telecommunications development. Treatment of pole attachment fees and services has been successfully negotiated between utilities and the telecom industry for decades.

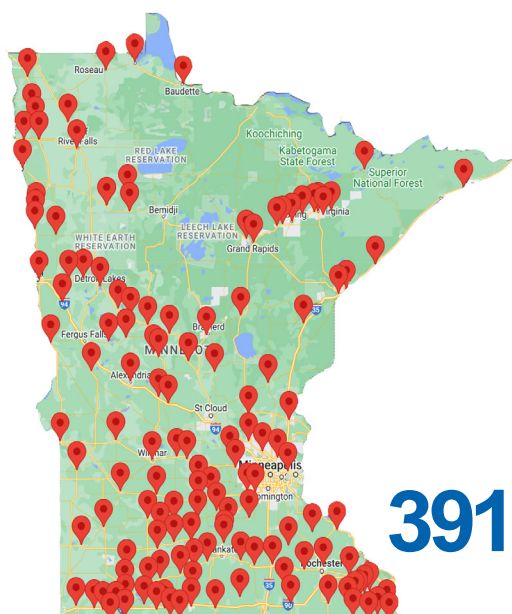




# 2023 State Legislative Priorities

The Minnesota Municipal Utilities Association (MMUA) Board of Directors, representing the interests of all its members, has identified a list of priorities for the 2023 Minnesota Legislative Session. Following is a summary of those priorities.

Issue	Summary
<b>Nuclear moratorium</b>	MMUA supports exploring all sources for producing clean and renewable energy. In order to allow for meaningful dialogue on expanding carbon-free resources, MMUA believes that the 1994 legislative moratorium on the siting of new nuclear reactors should be repealed.
<b>Electric vehicle (EV) charging</b>	A popular means of providing EV charging stations is for a third party to contract with a commercial entity to offer customers a place to charge their EV while doing business. MMUA supports legislation clarifying that power supplied to such stations must come from the permitted utility and not through a third party.
<b>Pay equity exemptions</b>	Minnesota's pay equity law has made it difficult for some utilities to recruit and retain line workers, and it has suppressed salaries in some communities. MMUA supports exempting certain positions, such as line workers, from the pay equity review process or reviewing unique requirements of such positions and increasing the point value accordingly.
<b>Critical Infrastructure Protection (CIP) rules for data centers</b>	Several municipal utilities in Minnesota are home to large data centers featuring computers and cooling systems that need to run constantly, which dramatically increasing the utility's electrical load. These centers are usually designed to be highly as efficient as possible, making it difficult to find the increased savings offset required by current CIP standards. MMUA supports exempting these uses from CIP requirements by modifying Minnesota Statutes Section 216B.2403.
<b>Repeal local government salary cap</b>	Minnesota caps the total compensation of local government employees. This cap has made it difficult for some utilities to retain experienced employees, who often leave for more lucrative posts in the private sector. MMUA supports repealing the local government salary cap.
<b>Excess generation compensation</b>	An increasing number of Minnesotans are using distributed energy resources (DER) like rooftop solar panels to generate a portion of their electrical load. Current law gives customers the right to request payment for excess generation by check, which can be very costly to the utility. MMUA supports allowing utilities to grant DER customers excess generation refunds using the most cost-effective means available including bill credits and vouchers.
<b>CIP rules for gas utilities</b>	An oversight in drafting the Energy Conservation and Optimization (ECO) Act of 2021 resulted in municipal gas utilities having a higher CIP goal (1.5 percent) than investor-owned utilities (1.0 percent). MMUA supports lowering the CIP goal for municipal gas utilities to 1.0 percent.



**33** municipal gas utilities are MMUA members.

**124** municipal electric utilities serve Minnesotans.

**183** municipal water utilities are MMUA members.

**391,000** customers served by municipal electric utilities.

**50** of the 87 county seats in Minnesota operate an electric or gas utility.

**57** customers served by the smallest municipal utility, Whalan.

**1,264** customers is the median amount for a MN municipal utility.

**57,000** customers served by the largest municipal utility, Rochester.

## Connect with the MMUA Government Relations Team

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## GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

**AGENDA DATE:** March 8, 2023

**AGENDA ITEM:** Consider a motion to adopt Resolution 03-08-23-02 approving the 2023 Primary Services and Rates for Increased Transformation and Irrigation Water Services and Resolution 03-08-23-03 approving the 2023 Ancillary Services and Fees.

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

### BACKGROUND:

The Grand Rapids Public Utilities Commission met on February 22, 2023 and discussed the ancillary services and draft rates.

Key discussion points from the meeting were:

- Definition of primary services and secondary ancillary services.
- Fees for ancillary services should cover the direct and indirect cost of providing the service.
- If the fee is a credit to encourage a certain outcome which furthers the GRPU mission the price should be determined based on the dollar value to encourage a predetermined outcome.
- Ancillary services and fees should be reviewed on an annual basis in conjunction with primary services and rates.
- Deletion of electric and water meter testing services and fee.
- Added electric temporary use meter service and fee.
- No reconnection of meters after regular work hours due to non-payment disconnection for safety reasons.
- Increase from \$950 to \$1,000 credit for current and new customer request from overhead to underground electric service and remove dollar value from electric operations policy.
- Add irrigation water services and transformation increase services and rates not presented at December 14, 2022 Commission meeting as primary rates.
- Add new water hydrant temporary use service and fee.
- Add new water frozen meter service and fee.

- Delete two rates for septage and holding tank disposal and replace with one rate for liquid hauled waste disposal.
- Delete language related to proportionate costs to permit holders and add language to the application.
- Delete non-sufficient funds check return as there is language included in the approved customer service policy.
- Delete fees for photocopies as fees are identified in MN law.
- New language authorizing general manager to approve a fee for service not identified as a primary or secondary ancillary service and is unusual and extraordinary within parameters of once per year the service is requested from five or less requestees. If more than once per year from greater than five requestees then the fee should be presented and approved by the GRPUC.
- New language authorizing the general manager to reduce an ancillary fee down to zero one time per customer for an unusual or extraordinary circumstance if the fee is \$500 or less and if there are more than five customers with same or similar circumstance the general manager reduction action would need to be ratified by the GRPUC at the next meeting.

#### **RECOMMENDATION:**

Consider a motion to adopt Resolution 03-08-23-02 approving the 2023 Primary Services and Rates for Increased Transformation and Irrigation Water Services and Resolution 03-08-23-03 approving the 2023 Ancillary Services and Fees.

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION****RESOLUTION NO. 03-08-23-02****APPROVE THE 2023 PRIMARY SERVICES AND RATES FOR INCREASED TRANSFORMATION AND IRRIGATION WATER SERVICE**

WHEREAS, the Grand Rapids Public Utilities (GRPU) per the adopted Budget and Financial Planning Policy 3.3.001 will review and approve a financial plan and budget that supports the strategic plan and provides credible projections of expenses and revenues, and

WHEREAS, per policy 3.3.001 each enterprise fund service activities will be self-supporting to the greatest extent possible for user charges/fees; and

WHEREAS, per policy 3.3.001 the financial and budget plan should include revenue requirements with proposed planned rate adjustments based on each utility cost of service/rate study; and

WHEREAS, the draft 2023 ancillary services and fees and previously unnoticed primary services and rates were presented at the February 22, 2023 Commission meeting, and

WHEREAS, primary services are defined as providing electric, water, wastewater collection and treatment to customers which the price for these primary services are included in a rate study or negotiated directly with the customer and this rate is charged regularly for a certain service, and

WHEREAS, the primary services and fees for electric increased transformation service and irrigation water services were presented as part of the 2022 electric and water cost of service rate studies and discussion, and

WHEREAS, the rates for electric increased transformation service and irrigation water service, were not presented in the 2023 rates adopted December 14, 2022,

NOW, THEREFORE BE IT RESOLVED THAT the Grand Rapids Public Utilities Commission has reviewed and approves the 2023 GRPU Primary Services and Fees for electric increased transformation and irrigation water services as presented.

Adopted this 8th day of March, 2023.



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President

Witness:

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Commissioner

**GRAND RAPIDS PUBLIC UTILITIES COMMISSION****RESOLUTION NO. 03-08-23-03****APPROVE THE 2023 ANCILLARY SERVICES AND FEES**

WHEREAS, the Grand Rapids Public Utilities (GRPU) per the adopted Budget and Financial Planning Policy 3.3.001 will review and approve a financial plan and budget that supports the strategic plan and provides credible projections of expenses and revenues, and

WHEREAS, per policy 3.3.001 each enterprise fund service activities will be self-supporting to the greatest extent possible for user charges/fees; and

WHEREAS, per policy 3.3.001 the financial and budget plan should include revenue requirements with proposed planned rate adjustments based on each utility cost of service/rate study; and

WHEREAS, the draft 2023 ancillary services and fees were presented at the February 22, 2023 Commission meeting, and

WHEREAS, primary services are defined as providing electric, water, wastewater collection and treatment to customers which the price for these primary services are included in a rate study or negotiated directly with the customer and this rate is charged regularly for a certain service, and

WHEREAS, other services offered by GRPU for electric, water, wastewater collection and treatment are defined as secondary services and considered ancillary and a fee is charged each time the service is performed, and

WHEREAS, fees for an ancillary service should cover the direct and indirect costs of providing the service, and

WHEREAS, if the ancillary service is to encourage a certain outcome which furthers the mission of the GRPU then the ancillary fee should be determined based on the dollar value to encourage that predetermined outcome and be in the form of a credit, and

WHEREAS, providing ancillary reconnection services of meters disconnect due to non-payment after regular hours will not be provided due to safety issues, and

WHEREAS, ancillary services and fees should be reviewed on an annual basis in conjunction with GRPU primary services and rates.

NOW, THEREFORE BE IT RESOLVED THAT the Grand Rapids Public Utilities Commission (GRPUC) has reviewed and approves the 2023 GRPU Ancillary Services and Fees as presented, and

BE IT FURTHER RESOLVED THAT GRPUC removes water and electric meter testing services and fees, removes the credit amount from the electric operations policy for the customer requested conversion from overhead to underground, remove the separate fees for septage and holding tank disposal, remove language related to proportionate costs to permit holders, remove the separately identified non-sufficient funds check return fee, and remove the photocopy fee, and

BE IT FURTHER RESOLVED THAT GRPUC authorizes the general manager to approve a fee for an unusual and extraordinary service not listed as a primary or secondary ancillary service and if this service is provided more than once per year to more than five requestees then the fee should be presented and approved by the GRPUC, and

BE IT FURTHER RESOLVED THAT GRPUC authorizes the general manager to reduce an approved secondary ancillary fee down to zero one time per customer for an unusual or extraordinary circumstance if the ancillary fee is \$500 or less, provided if there are more than five customers with same or similar circumstance then the general manager action to reduce an approved secondary ancillary fee will need be ratified by the GRPU Commission at the next meeting.

Adopted this 8th day of March, 2023.

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President

Witness:

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Commissioner



**2023 ELECTRIC INCREASED TRANSFORMATION RATE SCHEDULE**

Adopted: 03/08/2023  
Effective/Billed After: 04/01/2023

For residential customers requiring larger than normal capacity

	Customer Charge (per month)
In addition to regular monthly service charge	\$ 2.87/kVa

## GRAND RAPIDS PUBLIC UTILITIES COMMISSION

## IRRIGATION WATER SERVICE RATE SCHEDULE

Adopted: 03-08-2023

Effective/Billed After: 04-01-2023

Applicable within the corporate limits of the City of Grand Rapids:

**Customer Charges**

Charges calculated are per month

<u>Meter Size</u>	<u>Rate</u>
5/8"-3/4"	\$9.90
1"	\$13.80
1 ¼"	\$15.85
1 ½"	\$17.76
2"	\$28.70
3"	\$108.70
4"	\$138.27
6"	\$207.48

**Commodity Charges**

Charges calculated are per 1000 gallons per month

Irrigation - Residential & Commercial

All gallons	\$6.22
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# GRAND RAPIDS PUBLIC UTILITIES

## ANCILLARY SERVICES AND FEES

### ELECTRIC

Electric shut off and restoration - Non-payment	
At the meter	\$100.00
At the transformer	\$200.00
Electric shut off – permanent – meter removed	\$60.00
Electric shut off and restoration - Seasonal	
Seasonal disconnects – meter removed	\$60.00
Seasonal reconnect – meter reinstalled	\$60.00
Seasonal disconnects – meter remains	No Charge
Monthly service charges continue	
Seasonal reconnect – meter remains	No Charge
Emergencies	No Charge
Electric Repairs with required 24 hour notice	No Charge
(during regular working hours)	
Electric Temporary Use Meter	\$485.00 Minimum
(Five hours at billable rate rounded to nearest \$5.00 = minimum fee)	
(If greater than five hours then number of billable hours rounded to \$5)	
Overhead to new underground service – credit	(\$1,000)
New or current customers requesting underground services or	
Requesting to change from overhead to new underground services	
Customer pays for all expenses greater than credit amount	
Electric Service Extensions	See Electric Operating Policy

**WATER**

Water shut off and restoration - Non-payment (shut off at standpipe)	\$100.00
Water shut off and restoration	
Disconnect & remove meter (waived for emergencies)	\$200.00
Seasonal disconnects > 1 per year	\$100.00
Seasonal reconnects > 1 per year	\$100.00
Seasonal (one disconnect & reconnect per year)	No Charge
Monthly service charge continues	
Emergencies	No Charge
Plumbing Repairs with required 24 hour notice (during regular working hours)	No Charge
Water Hydrant Use Agreement	\$150.00
PLUS current water use rate	
For non-fire related water use from fire hydrant (Agreement required prior to use)	
Water Temporary Use	\$150.00
PLUS current water use rate	
For a limited amount of time – used for new construction (Garden hose hookup 1” meter only – six months)	
Water line thawing and frozen meter	
Curb stop to house – regular business hours	\$200.00
(\$200 first hour plus \$50/hour each hour after 1 <sup>st</sup> hour)	
Main to curb stop	No Charge
Frozen meter replacement	\$500.00
(Customer noncompliance with policy)	
(For 1” meters and below. Above 1” meter contact CSR Lead for fee)	
Water or Sewer Service Extensions	See Water & Sewer Operating Policy

## **WASTEWATER**

Liquid hauled waste disposal	
Application and permit fee	\$50.00
Additional cards/replacement cards	\$25.00
Volume charge per 1,000 gallons	\$27.00
Sanitary Sewer - plugged – investigation	No Charge
Plugged – external use of jetter by a government entity	\$185.00/hour

Water or Sewer Service Extensions

See Water & Sewer Operating Policy

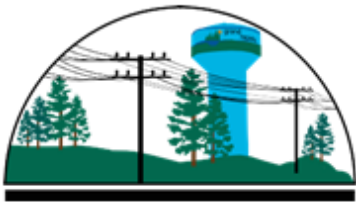
## **ADMINISTRATION**

The general manager has the authority to approve a fee for an unusual and extraordinary service not listed as a primary or secondary ancillary service of the GRPU. The fee should cover all direct and indirect costs of providing this service. If this unusual and extraordinary service is provided more than once per year to more than five customers or requestees then the fee should be presented and approved by the GRPU Commission.

The general manager has the authority to reduce an approved secondary ancillary fee down to zero one time per customer for an unusual or extraordinary circumstance if the ancillary fee is \$500 or less. If there are more than five customers with same or similar circumstance then the general manager action to reduce an approved secondary ancillary fee will need to be ratified by the GRPU Commission at the next commission meeting.

Non-payment reconnections will only be performed during regular business hours per GRPU Commission.





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PUBLIC UTILITIES

*Service is Our Nature*

Item 17.

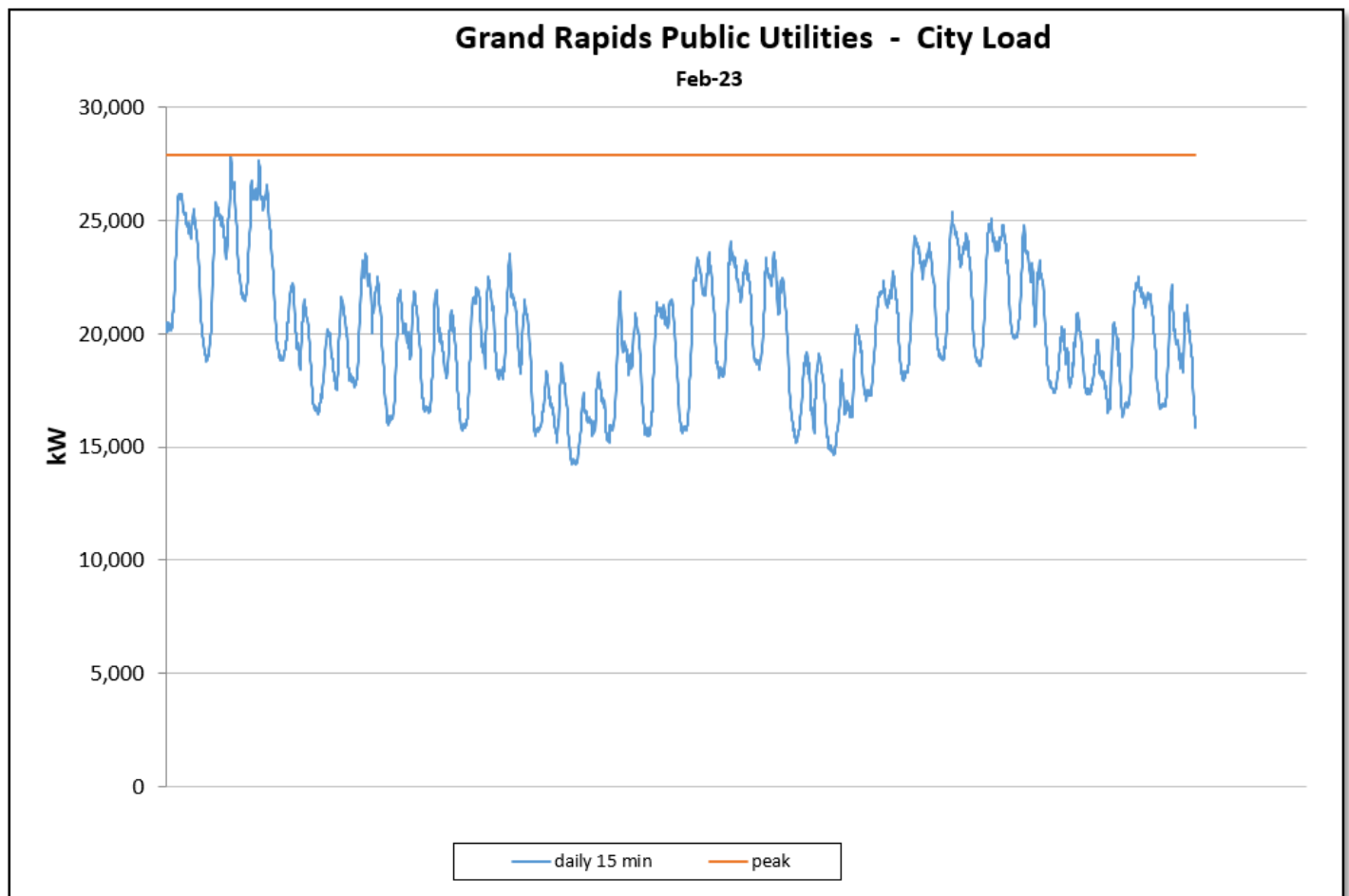
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## ELECTRIC DEPARTMENT MONTHLY REPORT March 2023 Commission Meeting

### Reliability Report Last Month

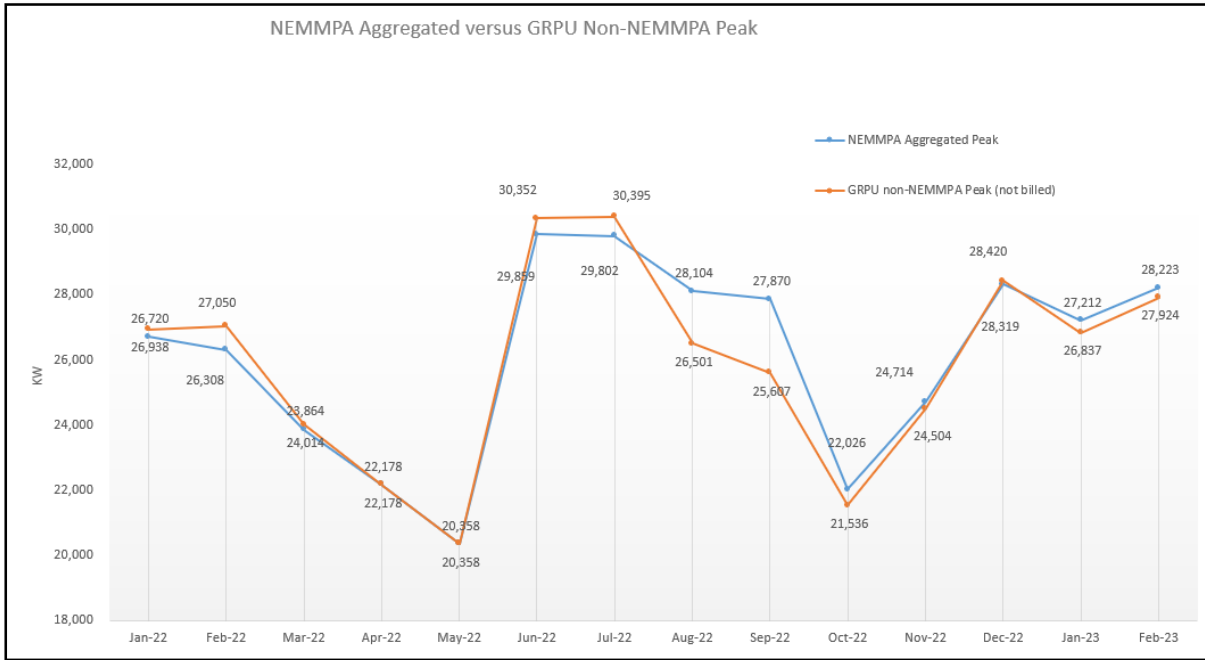
We are working on creating the reports from our new OMS software that will be presented in future months.

### Electric Load Graph Last Month



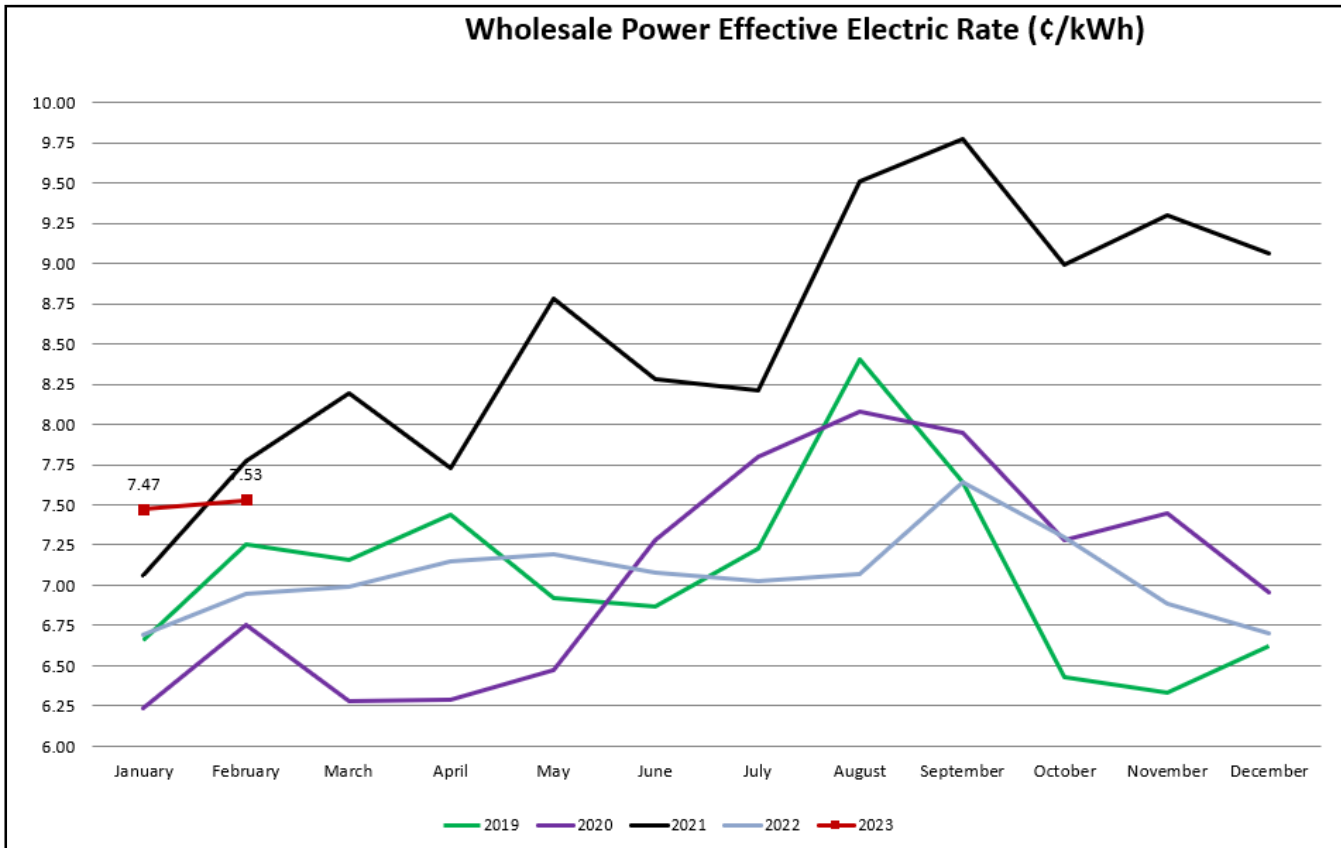
### **NEMMPA vs. non-NEMMPA Peak Last Month**

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.

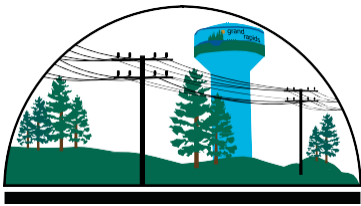


## **Capital and Operations Project Summary**

<b>Agency</b>					<b>Amount</b>	<b>Percent</b>
<b>Lead</b>	<b>Dept</b>	<b>Proj Desc</b>	<b>Proj #</b>	<b>Budget</b>	<b>Spent</b>	<b>Complete</b>
GRPU	ELEC	Distribution System Transformers	ELEC2306	\$150,000	\$0	0%
GRPU	ELEC	Crystal Springs Conversion	ELEC2135	\$146,000	\$0	0%
GRPU	ELEC	Reliability Upgrades	ELEC2314	\$100,000	\$0	0%
GRPU	ELEC	Tree Trimming	EOPS	\$100,000	\$0	0%
GRPU	ELEC	Backyard Machine	ELEC2318	\$90,000	\$0	0%
GRPU	ELEC	OH Replacements	ELEC2304	\$60,000	\$0	0%
GRPU	ELEC	Power Pole Replacement	ELEC2311	\$50,000	\$0	0%
GRPU	ELEC	Distribution System Services	ELEC2301	\$40,000	\$0	0%
GRPU	ELEC	SW 1st Avenue Conversion	ELEC2317	\$30,000	\$0	0%
GRPU	ELEC	UG Replacements	ELEC2305	\$30,000	\$0	0%
GRPU	ELEC	Maple Street Conversion	ELEC2316	\$29,000	\$0	0%
GRPU	ELEC	AMI Meters	ELEC2307	\$25,000	\$0	0%
GRPU	ELEC	Security Lighting	ELEC2303	\$13,996	\$0	0%
GRPU	ELEC	Duel Fuel Services	ELEC2302	\$2,560	\$0	0%
City	ELEC	21st St & Forest Hills Dr	EOPS			
Developer	ELEC	Ainsworth Site Transformer	EOPS		\$0	0%
GRPU	ELEC	CSC Generator	EOPS			
GRPU	ELEC	East Sub Rewire	EOPS		\$0	0%
City	ELEC	Forest Lake School Site Housing	EOPS			
Developer	ELEC	Newman Campground - LaPrairie	EOPS			
City	ELEC	Sylvan Bay Area Reconstruction	EOPS			

### **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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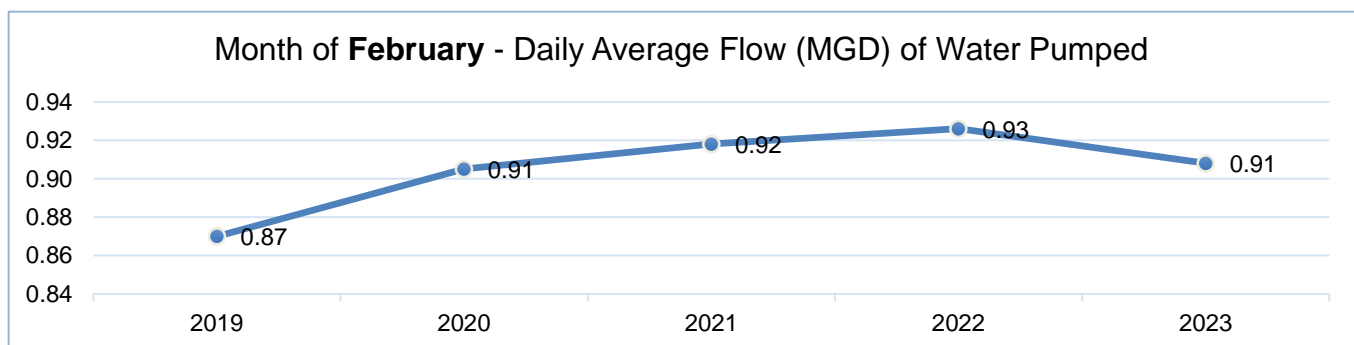
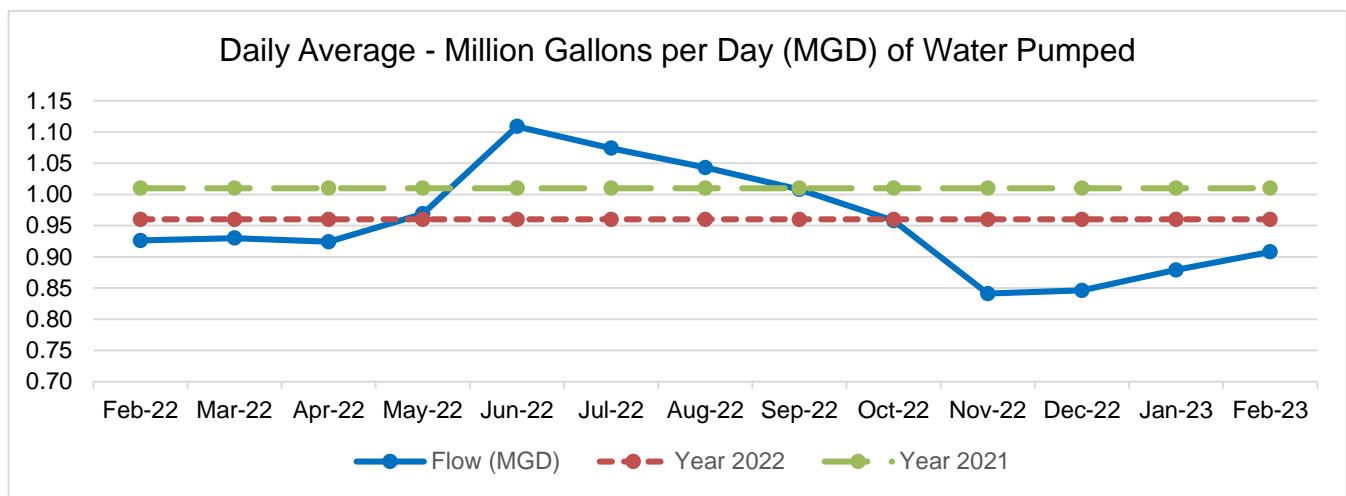
Item 18.

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## WATER UTILITY MONTHLY REPORT March 2023 Commission Meeting

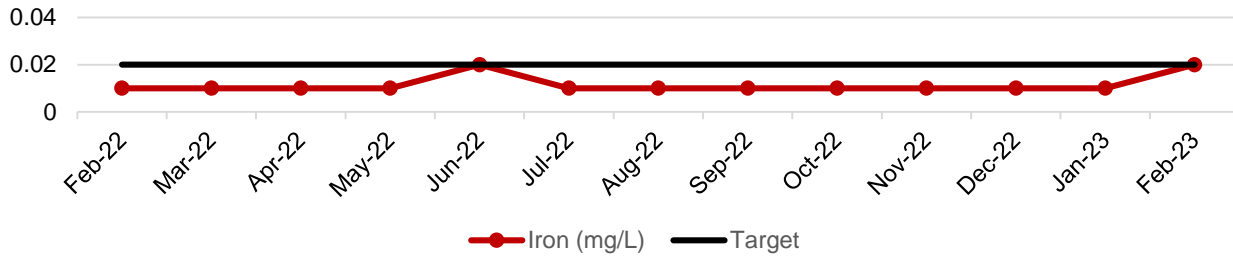
### Water Operations

The water plant pumped an average of 0.91 million gallons of water per day (MGD) with a peak of 1.02 million gallons during last month which is typical for this time of the year.

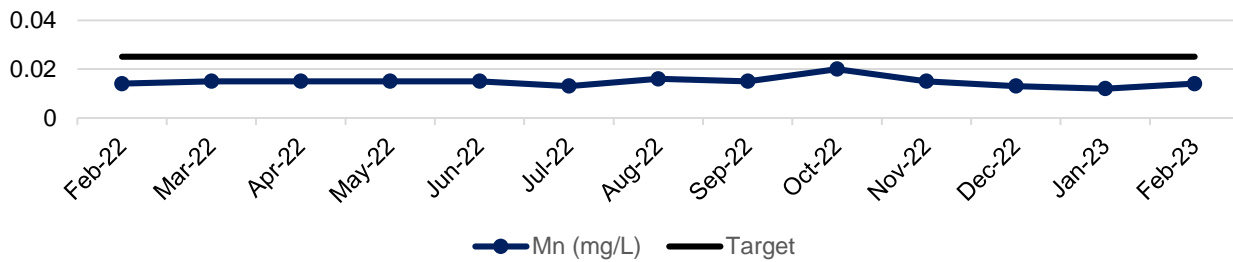


All water quality analysis was normal for the month as seen in the graphs below.

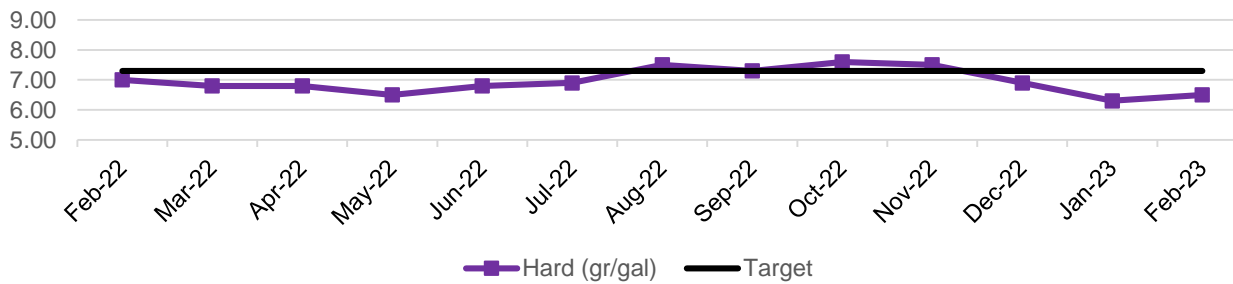
Daily Average Iron (mg/L)



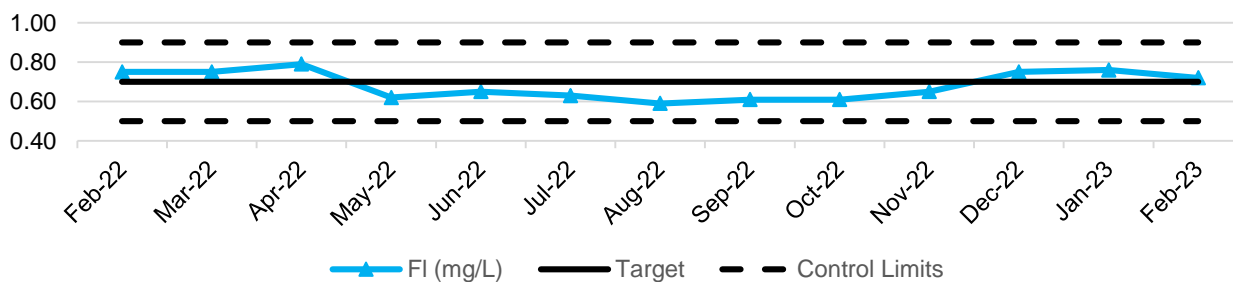
Daily Average Manganese (mg/L)



Daily Average Hardness (gr/gal)



Daily Average Fluoride (mg/L)

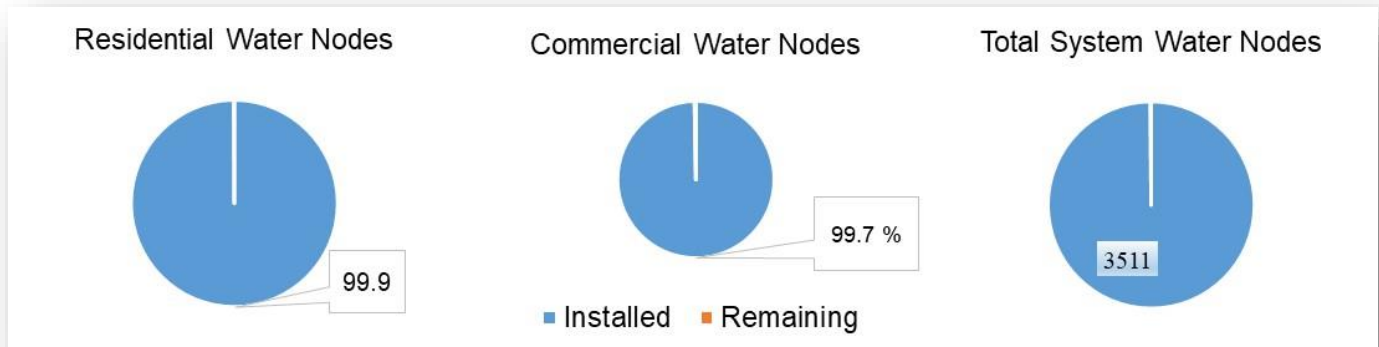


## AMI Water Install Last Month

Item 18.

3

We installed 1 commercial water node. We currently have 3512 (99%) active water nodes installed in the system. We still have 1 residential and part of one commercial install left to complete the project.



## Capital and Operations Project Summary

### COMMISSION REPORT CONTENTS

Agency Lead	Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Completed	Status	Noted Issues / Highlights
GRPU	WATER	Water Plant Renovations	WATR2213	\$4,943,400	\$0	0%	Not Started	
City	WATER	Sylvan Overlays	WATR2306	\$1,202,000	\$20,000	0%	In Progress	
GRPU	WATER	Category 1 - Piping Repairs	WATR2312	\$350,000	\$0	0%	Not Started	
GRPU	WATER	South Tower Coating Repairs	WATR2310	\$150,000	\$0	0%	Not Started	
GRPU	WATER	Curb Stop Replacements	WATR2305	\$100,000	\$0	0%	Not Started	
City	WATER	Paradise Park	WATR2313	\$85,000	\$0	0%	Not Started	
City	WATER	River Road Roundabout	WATR2311	\$82,455	\$0	0%	Not Started	
GRPU	WATER	High Service Pump Controls	WATR2005	\$60,000	\$0	0%	Not Started	
GRPU	WATER	Well 2 Rehabilitation	WATR2004	\$55,000	\$0	0%	Not Started	
GRPU	WATER	WTP Security	WATR2108	\$43,000	\$0	0%	Not Started	
GRPU	WATER	Mid-Tower Coating Repairs	WATR2107	\$38,000	\$0	0%	Not Started	
GRPU	WATER	Fire Hydrant Repairs	WATR2209	\$35,000	\$0	0%	Not Started	
GRPU	WATER	Radio Communication Upgrades	WATR2308	\$30,000	\$0	0%	Not Started	
GRPU	WATER	Booster Station Panel View	WATR2302	\$30,000	\$0	0%	Not Started	
GRPU	WATER	WTP Turbidity Meters	WATR2207	\$30,000	\$26,238	15%	In Progress	
GRPU	WATER	WTP Flow Meters	WATR2204	\$30,000	\$22,030	15%	In Progress	
GRPU	WATER	WTP Main Valve	WATR2212	\$22,500	\$0	0%	Not Started	
GRPU	WATER	WTP Valve Updates	WATR2304	\$20,000	\$0	0%	Not Started	
GRPU	WATER	WTP Sewage Ejector System	WATR2206	\$20,000	\$0	0%	Not Started	
GRPU	WATER	Replace Fiber (SH to City Hall)	WATR2309	\$15,000	\$0	0%	Not Started	
GRPU	WATER	WTP Communication with Wells	WATR2211	\$15,000	\$0	0%	Not Started	
GRPU	WATER	WTP Aerator Media	WATR2208	\$12,000	\$0	0%	Not Started	
GRPU	WATER	WTP Sludge Pump	WATR2205	\$11,000	\$0	0%	Not Started	
GRPU	WATER	Hydrant Meters	WATR2203	\$8,700	\$0	0%	Not Started	
GRPU	WATER	WTP Backwash Valve	WATR2307	\$5,000	\$0	0%	Not Started	

### Status Definitions

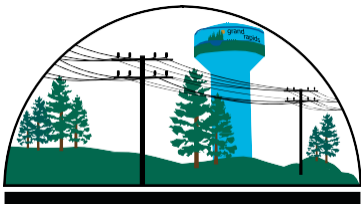
Not Started - no human or financial resources utilized

In Progress - time or money spent on the project

In Service - operational but final close out needed

Completed - done and closed out

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GRAND RAPIDS  
PUBLIC UTILITIES

*Service is Our Nature*

Item 19.

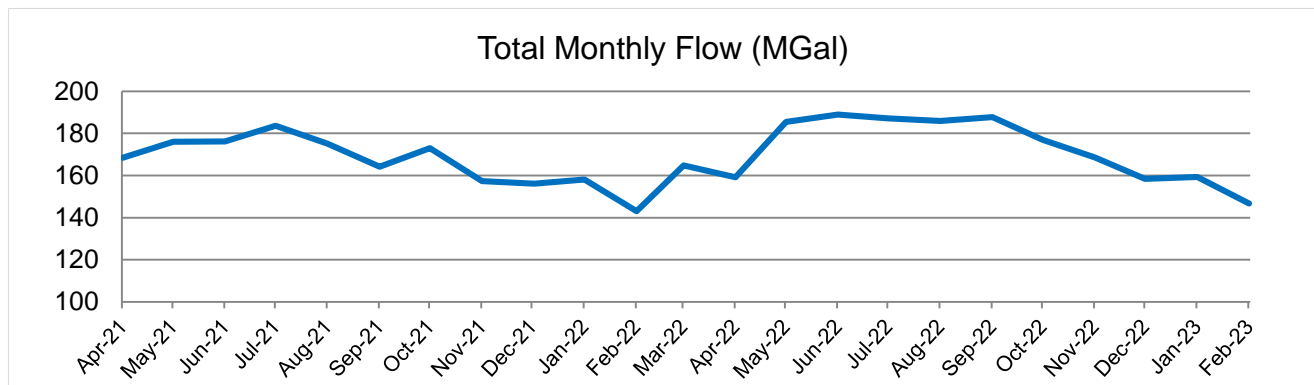
500 SE Fourth Street • Grand Rapids, Minnesota 55744

## WASTEWATER UTILITY MONTHLY REPORT March 2023 Commission Meeting

### Wastewater Operations

The Wastewater Treatment Plant (WWTP) met all National Pollutant Discharge Elimination System (NPDES) permit requirements last month. We treated 147 million gallons of water removing 99.7% of the Total Suspended Solids (TSS) and 99.6% Biochemical Oxygen Demand (cBOD).

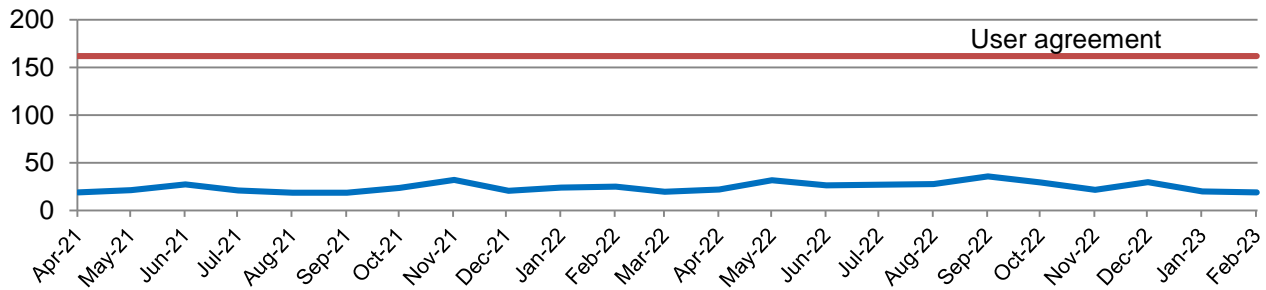
First round of PFAS sampling will be on Friday March 10<sup>th</sup> with the aid of Pace Labs



	Design Limits (monthly AVG)	Actual Results
<u>Primary Plant</u>		
Flow (MGD)	13.25	4.0
TSS (Tons/day)	162	18.9
TSS Peak (Tons/Day)	284	30.5



### Primary Plant TSS (Tons/day)



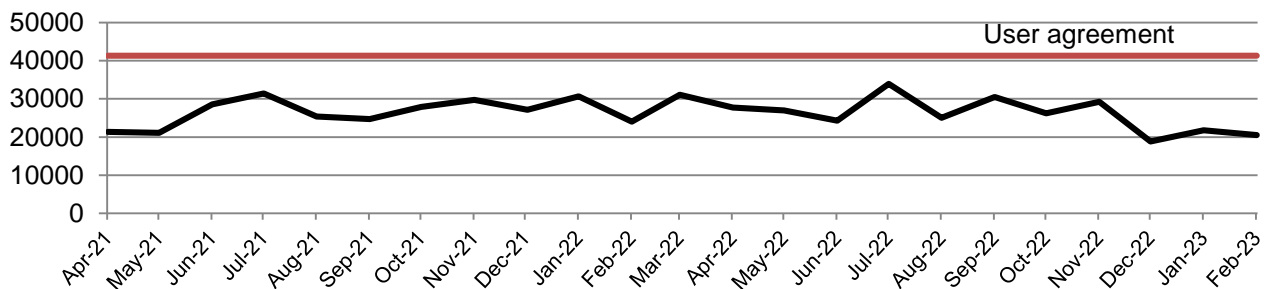
Design Limits  
(monthly AVG)

Actual Results

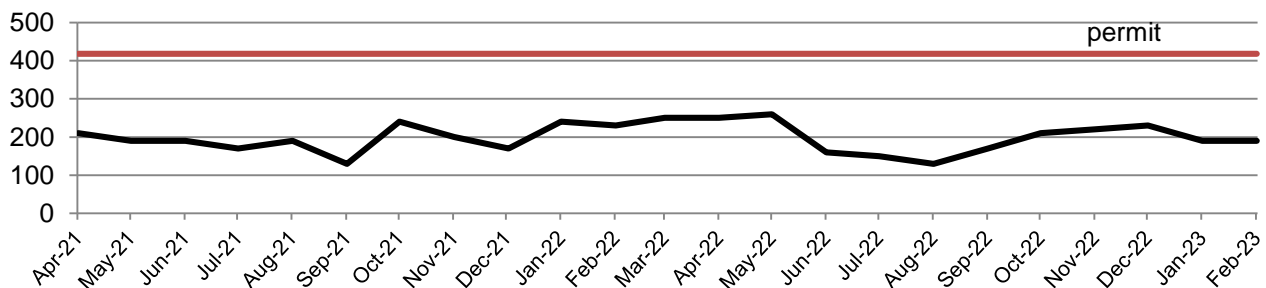
#### Secondary Plant

Flow (MGD)	15.25	5.2
cBOD (lbs/Day)	41,300	23,279
Peak cBOD (lbs/Day)	57,350	35,293
Zinc-weekly (ug/L)	418	190
% GRPUC		27.7%

### Industrial cBOD to Secondary Plant (Lbs/day)



### Zinc-weekly (ug/L)

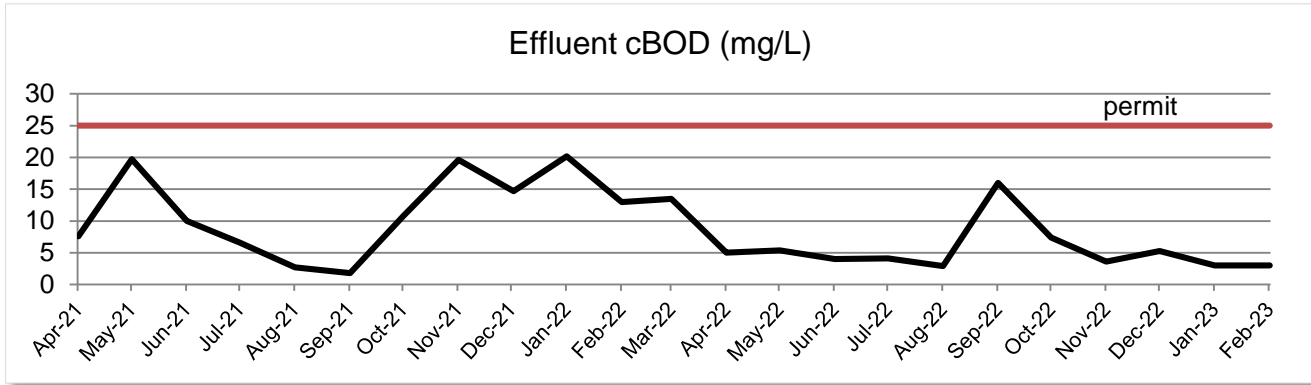
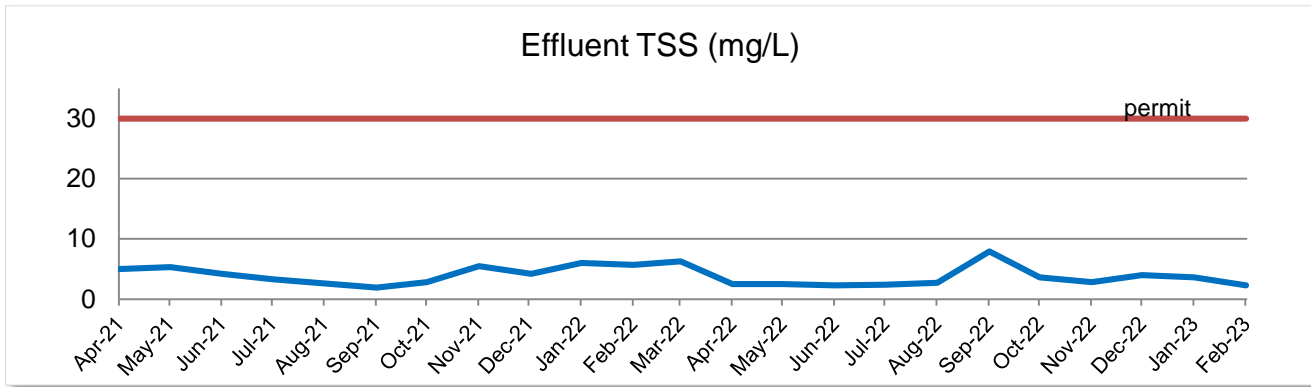


Permit Limits  
(monthly AVG)

Actual Results

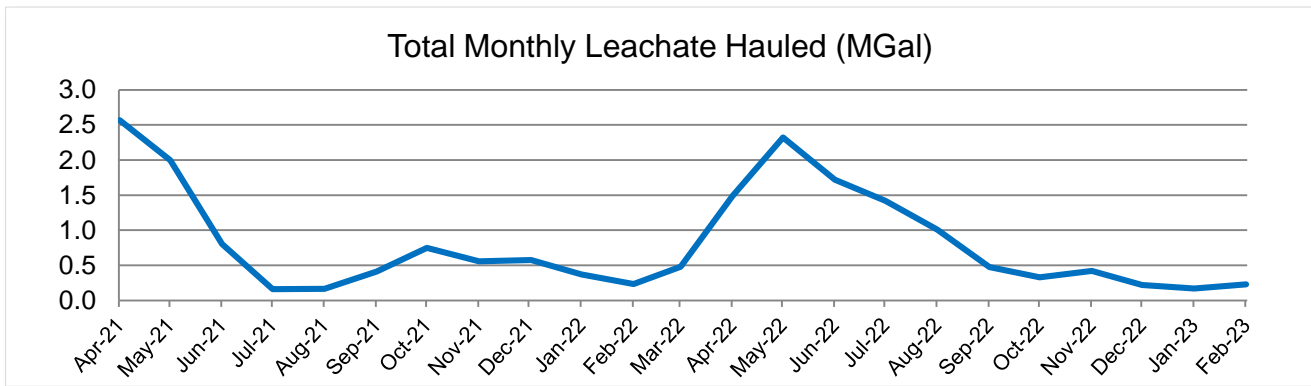
#### Effluent

TSS (mg/L) – monthly average	30	2.3
cBOD (mg/L) – monthly average	25	3.0
Dissolved Oxygen (mg/L)	>1.0	9.4



### **Sludge Landfill Operations**

- 0.23 million gallons of leachate were hauled last month which is typical for the month of January.
- 3,240 cubic yards of sludge solids were hauled to the landfill



# Capital and Operations Project Summary

COMMISSION REPORT CONTENTS									
Agency	Lead	Dept	Proj Desc	Proj #	Budget	Amount Spent	Percent Complete	Status	Noted Issues / Highlights
City		WWC	Sylvan Overlays	WWCO2310	\$1,010,000	\$0	0%	Not Started	
GRPU		WWC	Category 1 - Piping Repairs	WWCO2308	\$350,000	\$0	0%	Not Started	
City		WWC	River Road Roundabout	WWCO2312	\$210,959	\$0	0%	Not Started	
GRPU		WWC	Jetting		\$150,000	\$0	0%	Not Started	
GRPU		WWC	Jetting Camera	WWCO2303	\$60,000	\$55,000	15%	In Progress	
City		WWC	6th Ave NW (4th-5th)	WWCO2302	\$52,000	\$0	0%	Not Started	
GRPU		WWC	Lift Station 2 - Generator and Switch	WWCO2207	\$36,490	\$0	10%	In Progress	
GRPU		WWC	Lift Station Pumps	WWCO2005	\$35,000	\$0	0%	Not Started	
GRPU		WWC	Lift Station 8 Controls Update	WWCO2601	\$35,000	\$0	0%	Not Started	
GRPU		WWC	Lift Station 6 I/I Repairs	WWCO2307	\$35,000	\$0	0%	Not Started	
GRPU		WWC	Lift Station 9 Controls Update	WWCO2304	\$35,000	\$0	0%	Not Started	
GRPU		WWC	Lift Station 3 - Generator and Switch	WWCO2208	\$32,825	\$0	10%	In Progress	
GRPU		WWC	Lift Station 2 Pump	WWCO2305	\$25,000	\$0	0%	Not Started	
GRPU		WWC	Clinic Lift Alarm Agent	WWCO2103	\$20,000	\$8,085	25%	In Progress	
GRPU		WWC	Manhole Replacements	WWCO1805	\$20,000	\$0	0%	Not Started	
GRPU		WWC	Mains and Services	WWCO1804	\$15,000	\$0	0%	Not Started	
GRPU		WWC	Lift Station 2 Flow Meter	WWCO2309	\$8,000	\$0	0%	Not Started	
GRPU		WWT	Septic Hauler Dump Station	WWSP2301	\$350,000	\$0	0%	Not Started	
GRPU		WWT	Landfill Cover Work Ph 1-4, Ket D	WWSD2301	\$250,000	\$0	0%	Not Started	
GRPU		WWT	Secondary Aeration Basin Mixer Repa	WWSP1804	\$175,000	\$0	0%	Not Started	
GRPU		WWT	Rebuild Domestic Screen	WWDO1801	\$150,000	\$0	0%	Not Started	
GRPU		WWT	Replace Fiber ASV to CSC	WWSC2301	\$54,000	\$0	0%	Not Started	
GRPU		WWT	Bleach Tank Replacement	WWSP2302	\$50,000	\$29,730	25%	In Progress	
GRPU		WWT	Sludge Screw Conveyor - Screw	WWPP2103	\$50,000	\$0	0%	Not Started	
GRPU		WWT	Demo of old Primary Plant	WWPP2001	\$50,000	\$0	0%	Not Started	
GRPU		WWT	Trash Compactor	WWDO2302	\$50,000	\$0	0%	Not Started	
GRPU		WWT	Painting Primary Clarifiers	WWPP2003	\$40,000	\$0	0%	Not Started	
GRPU		WWT	Primary Plant Sludge Pumps	WWPP2303	\$28,000	\$0	0%	Not Started	
GRPU		WWT	Primary Sludge Pump VFD	WWPP2301	\$24,000	\$0	0%	Not Started	
GRPU		WWT	Landfill Phase Pumps	WWSD2302	\$18,000	\$0	0%	Not Started	
GRPU		WWT	Forks for Front End Loader	WWPP2202	\$12,000	\$0	0%	Not Started	
GRPU		WWT	Replace Fiber Segment 1	WWSH2302	\$12,000	\$0	0%	Not Started	
GRPU		WWT	VFD Upgrades for Lift Pumps	WWSH2301	\$12,000	\$0	0%	Not Started	
GRPU		WWT	Leachate Phase Pump	WWSD2101	\$8,000	\$0	0%	Not Started	
GRPU		WWT	Screw Press VFD	WWPP2302	\$8,000	\$0	0%	Not Started	
GRPU		WWT	Flow Meter for Domestic Flow	WWDO2301	\$7,000	\$0	0%	Not Started	
GRPU		WWT	WWTP Alarm Agent	WWPP2304	\$6,500	\$6,000	25%	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

**March 8, 2023 Commission Meeting**

**Department Head Presentation**

**Jean Lane – Business Services Department Manager**



# GRPU Business Services - Customer Service

**MN COLD WEATHER RULE** – required communication to customers about their rights and necessary actions

October 1 to April 30

Make and keep a payment plan

Communicate financial difficulties

Available to residential customers only



Shut off notice before disconnection

List of local energy assistance providers

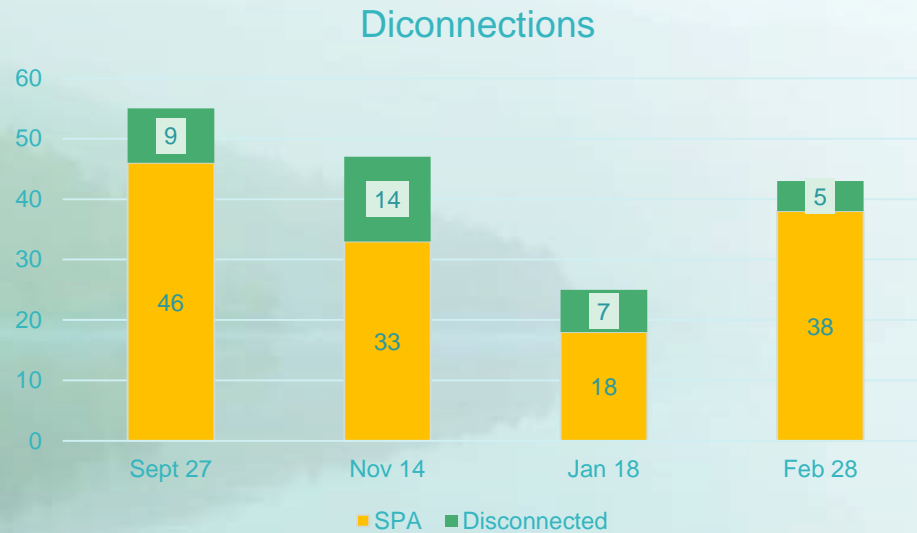
Suggestions to reduce energy bill

Not keep payment plan then disconnect

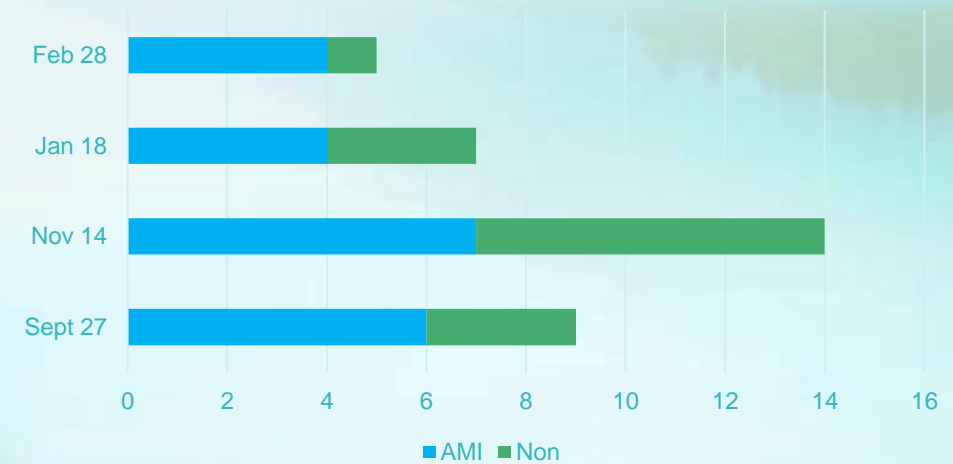
Special rules for landlord/tenant

# GRPU Business Services - Customer Service

Disconnects started September 2022 after two years of no disconnects due to COVID-19



Meter AMI vs Non





# GRPU Business Services – Customer Complaints

Item 20.

Recorded in Outage Management System  
Connected to the customer record



Crew focus reliability to customer  
CSR Lead focus customer satisfaction



Incident

Customer Compliant Form

Manager Incident Form

Submit to Insurance  
Carrier

Adjuster Assigned

Adjuster Reviews Document  
“negligent”

Adjuster Negotiates

GRPU pays deductible amount

# GRPU Business Services – Information Systems

Item 20.

**GIS**

**AMI**

**OMS**

**CITY WORKS**

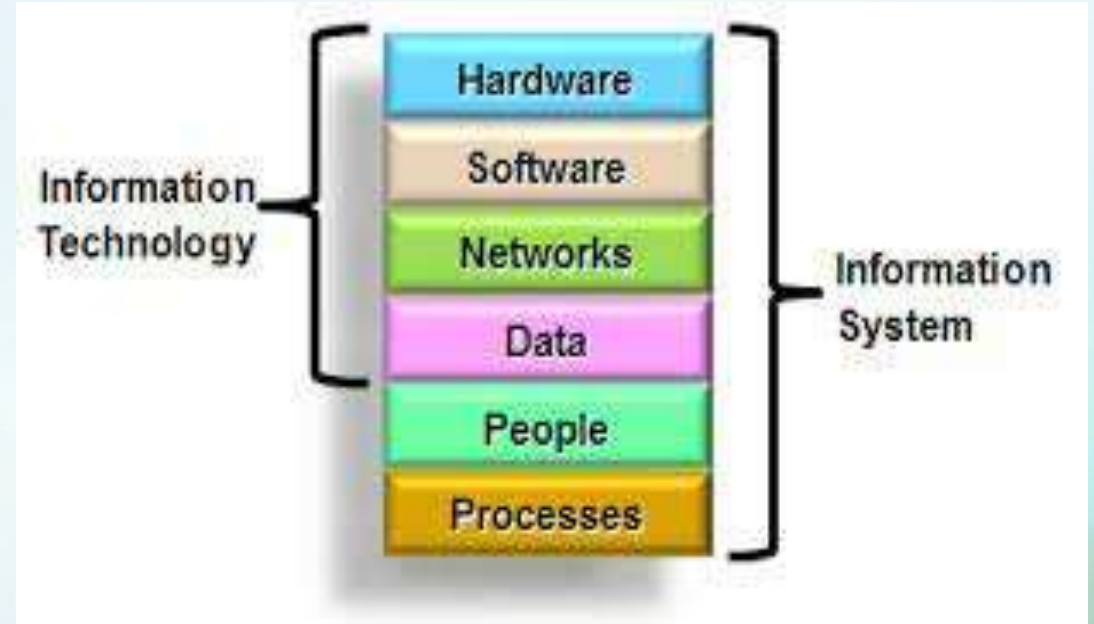
**PROJECTS**

**CUSTOMER UTILITY  
SERVICE**

**FINANCIAL**

**REPORTING**

**COMMUNICATIONS**





# GRPU Business Services - Finance

Item 20.

OUTSTANDING DEBT = 3 Bonds & 1 Note

## MN PFA Note

\$9,719,200 91.8% UPM & 8.2% GRPU \$796,974

WWTRMT Improvements

Matures 8/1/2029 – Interest 2.9%

## GO Utility Revenue Refunded Bonds Series 2021A

\$582,500 70% Electric 15% Water 15% Sewer

Refunded AMI lease purchase debt

Matures 10/15/2025 – Interest 0.23% to 0.63%



## Taxable GO Utility Revenue Refunded Bonds Series 2021C

\$1,195,000 100% UPM

WWTRMT Improvements

Matures 2/1/2029 – Interest 0.45% to 1.25% (true rate 1.1137%)

## GO Utility Revenue Refunded Bonds Series 2021D

\$1,120,000 65% Water 35% Sewer

Water and Sewer Improvements

Matures 2/1/2033 – Interest 3% drops to 2% (true rate 1.3067%)

# Questions / Comments

**March 8, 2023 Commission Meeting**

**Department Head Presentation**

**Jean Lane – Business Services Department Manager**

