

Bagley Public Utilities
Commissioners Meeting
April 16, 2025

Chairman Thomas Lillegaard called to order the regular meeting of the Bagley Public Utilities Commission on April 16, 2025 at 10:00am. All members were present for the meeting including Commissioners Dennis Merschman via zoom and Stuart Lien, managers Bill Masterson and Vicky Fletcher, and Mayor Duane Lewis.

Motion made by Lien to approve the minutes as written for the regular board meeting held March 17, 2025. Motion was seconded by Merschman and carried.

March 2025 expenditures were reviewed. Motion by Lien and second by Merschman to approve the March 2025 expenditures as presented. Motion carried.

The Commission discussed invoices submitted for payment in April. Merschman made the motion to pay April bills as listed. Lien seconded and motion carried.

Manager updates:

- MN Pump Works quoted price of \$1577 to renew maintenance agreement for annual inspection of lift stations, with option for three-year contract. Motion made by Merschman and seconded by Lien to accept quote and renew contract for three years. Motion carried.
- Masterson is working with HDR Engineering, through NMPA project, to perform assessment on BPU electric system. Cost for assessment, estimated at \$8,000, will be covered by NMPA. Once the assessment is complete, BPU can proceed with design phase using either HDR Engineering or Cory Vaughn under Karvako Engineering. Costs to design solutions for electrical system that correct issues, allow city to be fed from either substation, and advance underground conversion are estimated at \$15,000-\$20,000.
- Masterson reported on Hwy #2 streetlights situation. Board discussed option to repair lights not working versus replacing all lights for uniform appearance. Masterson will prepare count and quote for materials for Board.

NMPA/Minnkota have finalized new wholesale power rate with approximately 8% increase to take effect April 1, 2025. Fletcher distributed copies of the new rate and the corresponding information for two prior years, pointing out there are several components that comprise the wholesale charge for electricity. Managers recommend postponing adjustments to BPU retail rates until electric rate study is completed.

Fletcher explained the following cable contract decisions requiring Board approval. Items are listed as consent agenda:

1. FanDuel contract extension to December 31, 2026 with new rate and clause for further deductions with decrease of a Minnesota team coverage.
2. MLB Twins channel new contract through March 31, 2027.
3. Warner Brothers Discovery (WBD) contract renewal through NCTC to May 31, 2028 for CNN, TBS, TNT, TCM, Discovery Channel, TLC, HGTV, and Magnolia.
4. RFD contract renewal through NCTC to March 31, 2028.
5. HBO contract termination effective June 1, 2025.

Motion by Lien and second by Merschman to approve action of all consent agenda items as presented. Motion carried.

After reviewing updated cost of sales for cable channels, Lien moved to increase basic cable rate to \$84 per month effective May 1, 2025. Customers that also have BPU internet will continue to receive \$2 discount on basic cable. LifeLine package will remain \$32 per month. Motion was seconded by Merschman and carried.

Financial reports for February 2025 were reviewed. Commission discussed electrical distribution system covering projects in progress, scheduled for construction soon, and planned for future upgrades.

With no further business to come before the Commission, a motion was made by Merschman and seconded by Lien to adjourn the meeting.

Thomas Lillegaard, Chairman

Attest:

Vicky Fletcher, Business Manager