

Bagley Public Utilities
Commissioners Meeting
October 15, 2025

Chairman Thomas Lillegaard called to order the regular meeting of the Bagley Public Utilities Commission on October 15, 2025, at 10:00 am with Commissioners Dennis Merschman and Stuart Lien present. Also at the meeting were managers Bill Masterson and Vicky Fletcher, Ashley Shongo, and City Clerk Lyle Mathison.

Motion made by Merschman to approve the minutes as written for the regular board meeting held September 15, 2025. Motion was seconded by Lien and carried.

September 2025 expenditures were reviewed. Motion by Lien and second by Merschman to approve the September 2025 listing of payments by check and electronic transfer. Motion carried.

The Commission discussed invoices submitted for payment in October. Lien made the motion to pay all October bills as presented, Merschman seconded, and the motion carried.

Motion by Merschman to approve the consent agenda for items related to the water/sewer project including:

- 1) Reierson Construction Phase 5 Pay App #3 \$478,515.36
- 2) TanksCo Inc Water Tower Project Pay App #3 \$257,094.50
- 3) Regions Bank draw request #19 pending USDA approval \$774,818.36
- 4) Reierson Construction Ph 2/3 Pay App #9 \$55,214.00; and
- 5) MN PFA Grant Funds request #9 \$59,214.00

Motion was seconded by Lien and carried.

Manager updates:

- The water tower project has been completed and everything is operational.
- Well #5 at the waterplant had failed on two different occasions so Integrated Process Solutions came to inspect and found nothing wrong. Their Well also performed their annual inspection and found no issues. Masterson stated they will continue to look into possible issues but ensured that well #4 successfully took over when well #5 failed.
- Legacy Power has agreed to assist with some upcoming overhead electrical projects on Getchell and McDougall Avenues. Masterson stated that he has not yet received a quote for services but due safety concerns for staff, he recommended accepting their assistance to get the projects done in a timely and safe manner.
- Clearwater Polk Electric assisted with setting the new electrical pole at Hillside Lumber following their fire that took place in September 2025.
- A new gas meter had to be ordered for the Bagley Co-Op C-Store/Cenex. The current meter was out of warranty and is approximately \$2400.00
- Sewer ponds have been discharged.

Fletcher stated that she is working on the budget and looking into a possible discrepancy regarding the electrical rate increase recommendations that were provided by Dave Berg Consulting. She stated that she is looking into the difference in net profit compared to previous years.

Fletcher stated that she and City Clerk Mathison had consulted with Paul Ness, HR Consultant, relating to Ashley Shongo's changing job description and title and that he made the following recommendations:

- Based on education and qualifications, Shongo should be appointed as Office Manager, not Business Manager. In addition, the new Office Manager position's FLSA status is nonexempt, which means it would be ineligible to be a salaried position and should be paid hourly.
- Proposed Base Pay Grade: Step 5 at a rate of \$27.37, minimum
- Adopting the Office Manager position would abolish the current Business Manager position
- The City of Bagley and PUC should consult with their attorney to look into putting a formal agreement into place, being the payroll process has shifted to the Deputy Clerk's workload. Shongo would still be able to process payroll, if needed

Fletcher advised that the Commission could make Shongo's final appointment and wage determination at the next meeting.

Motion made by Lien and seconded by Merschman to approve the contract renewal for Hallmark Channel, through NCTC. Motion carried.

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:

Ashley Shongo, Office Specialist