

AGENDA
PUBLIC UTILITIES COMMISSION
December 6, 2023
3:00 P.M.

A. Call to Order

B. Roll Call

C. Approve Consent Agenda

1. Approve Agenda
2. Approve Meeting Minutes
3. Payments Report

D. Budget and Rates—Continued

E. Adjourn

Public Utilities Commission Meeting
Minutes
November 1, 2023

The meeting was called to order by Commissioner Schulte at 3:00 p.m.

Members present: Craig Schulte, Bill Hansen and Charles Hathaway

Absent:

Staff Present: Mike Roth and Patrick Knight

Motion By Hansen to approve the consent agenda seconded by Hathaway, Approved Unanimously

Administrator Roth presented a draft Electric Fund budget for 2024, recommending a 2% rate increase for electric service.

Motion By Hansen to increase 2024 electric rates by 2% seconded by Hathaway, Approved Unanimously

The meeting adjourned at 3:53 p.m.



Payments

Current Period: November 2023

Payments Batch 20231101CHKUBREFUND \$264.28

Refer	86860 ANDERSON, RORY	-	
Cash Payment	G 604-11504 Undistributed Receipts	000000343607	\$264.28
Invoice			
Transaction Date	11/1/2023	MAIN CHECKING G 10100	Total \$264.28

Fund Summary

	10100 MAIN CHECKING GMSB	
604 ELECTRIC		\$264.28
		<u>\$264.28</u>

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$264.28
Total	<u>\$264.28</u>



CITY OF GRAND MARAIS

11/02/23 4:20 PM

Page 1

Payments

Current Period: October 2023

Payments Batch 11-9-23AP				\$21,104.27
Refer	86861 G&G SEPTIC	-		
Cash Payment	E 602-49480-317 Contracted Services			\$1,529.00
Invoice	29984 10/2/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$1,529.00
Refer	86863 AMAZON CAPITAL SERVICES	-		
Cash Payment	E 604-49590-200 Office Supplies (GENER			\$22.10
Invoice	19NL-N79W-9NM 10/26/2023			
Cash Payment	E 604-49590-200 Office Supplies (GENER			\$202.98
Invoice	1YMJ-JGMW-CL 10/26/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$225.08
Refer	86865 STUART C IRBY CO	-		
Cash Payment	E 604-49570-210 Operating Supplies (GE			\$2,292.13
Invoice	S013775883.001 10/17/2023			
Cash Payment	E 604-49570-210 Operating Supplies (GE			\$620.43
Invoice	S013776100-001 10/18/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$2,912.56
Refer	86866 LOCATORS & SUPPLIES, INC	-		
Cash Payment	E 604-49570-210 Operating Supplies (GE			\$263.63
Invoice	0310610-IN 10/19/2023			
Cash Payment	E 604-49570-210 Operating Supplies (GE			\$122.52
Invoice	0310650-IN 10/23/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$386.15
Refer	86867 TWIN PORTS PAPER & SUPPLY IN	-		
Cash Payment	E 602-49480-210 Operating Supplies (GE			\$394.39
Invoice	574600 10/25/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$394.39
Refer	86873 NORTH SHORE WASTE	-		
Cash Payment	E 602-49480-384 Refuse/Garbage Dispos			\$128.70
Invoice	102284 10/31/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$128.70
Refer	86874 AMERICAN SAFETY UTILITY CORP	-		
Cash Payment	E 604-49570-210 Operating Supplies (GE			\$76.94
Invoice	491713 10/23/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$76.94
Refer	86875 PIONEER PRODUCTS	-		
Cash Payment	E 602-49480-218 Operating Supplies- Che			\$3,183.66
Invoice	264021 10/25/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$3,183.66
Refer	86876 TEAM LABORATORY CHEMICAL C	-		
Cash Payment	E 602-49480-218 Operating Supplies- Che			\$3,435.00
Invoice	INV0038455 10/19/2023			
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total \$3,435.00
Refer	86877 GRAND MARAIS AUTO PARTS, INC	-		



CITY OF GRAND MARAIS

11/02/23 4:20 PM

Page 2

Payments

Current Period: October 2023

Cash Payment	E 604-49570-220	Repair/Maint Supply (G	3125		\$149.43
Invoice	849787		10/23/2023		
Cash Payment	E 602-49490-404	Repairs/Maint Machiner	3125		\$85.40
Invoice	849787		10/23/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$234.83
Refer	86879	MMUA	-		
Cash Payment	E 604-49570-308	Safety Assistance Progr			\$393.75
Invoice	62517		10/26/2023		
Cash Payment	E 604-49590-330	Transportation/School			\$2,224.50
Invoice	62590		10/26/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$2,618.25
Refer	86885	A&M CONSTRUCTION	-		
Cash Payment	E 601-49430-317	Contracted Services			\$3,145.00
Invoice	1035		10/27/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$3,145.00
Refer	86886	NORTH CENTRAL LABORATORIES	-		
Cash Payment	E 602-49451-240	Small Tools and Minor E			\$116.41
Invoice	494580		10/23/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$116.41
Refer	86887	MIDWEST FLO CAL LLC	-		
Cash Payment	E 602-49490-317	Contracted Services			\$764.74
Invoice	12520		10/19/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$764.74
Refer	86891	FERGUSON WATERWORKS#2518	-		
Cash Payment	E 602-49451-220	Repair/Maint Supply (G			\$1,004.63
Invoice	0521825		10/20/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$1,004.63
Refer	86899	BUCKS HARDWARE HANK	-		
Cash Payment	E 602-49451-430	Miscellaneous (GENER	1160		\$82.36
Invoice	10429948		10/31/2023		
Cash Payment	E 602-49451-240	Small Tools and Minor E	1160		\$56.57
Invoice	10435601		10/31/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$138.93
Refer	86905	UV SALES LLC	-		
Cash Payment	E 602-49451-220	Repair/Maint Supply (G			\$810.00
Invoice	3117		10/13/2023		
Transaction Date	11/2/2023	MAIN CHECKING G	10100	Total	\$810.00



Payments

Current Period: October 2023

Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$92,324.17
211 LIBRARY		\$2,249.79
215 LIBRARY RESTRICTED FUND		\$1,559.89
601 WATER		\$3,145.00
602 SEWER		\$11,590.86
604 ELECTRIC		\$6,368.41
609 MUNICIPAL LIQUOR FUND		\$33,280.28
		<hr/>
		\$150,518.40

Pre-Written Checks	\$0.00
Checks to be Generated by the Computer	\$21,104.27
Total	<hr/>
	\$21,104.27



CITY OF GRAND MARAIS

11/22/23 1:45 PM

Page 1

Payments

Current Period: November 2023

Payments Batch 11-30-23AP

\$185,945.32

Refer	86953	STUART C IRBY CO	-		
Cash Payment	E 604-49570-210	Operating Supplies (GE			\$140.61
Invoice	S013734119.004	10/31/2023			
Cash Payment	E 604-49570-210	Operating Supplies (GE			\$221.56
Invoice	S013734119.005	11/1/2023			
Cash Payment	E 604-49570-210	Operating Supplies (GE			\$74.38
Invoice	S013772059.004	11/2/2023			
Cash Payment	E 604-49570-210	Operating Supplies (GE			\$7,607.93
Invoice	S013807089.001	11/8/2023			
Cash Payment	E 604-49570-210	Operating Supplies (GE			\$10,599.08
Invoice	S013807089.002	11/8/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$18,643.56
Refer	86954	LOCATORS & SUPPLIES, INC	-		
Cash Payment	E 604-49570-220	Repair/Maint Supply (G			\$134.50
Invoice	0310800-IN	10/30/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$134.50
Refer	86955	BUCKS HARDWARE HANK	-		
Cash Payment	E 604-49570-210	Operating Supplies (GE	2088		\$64.95
Invoice	10435807	10/31/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$64.95
Refer	86956	POLLARDWATER	-		
Cash Payment	E 601-49430-240	Small Tools and Minor E			\$284.25
Invoice	0249394	10/31/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$284.25
Refer	86957	COOK COUNTY HOME CENTER	-		
Cash Payment	E 604-49570-210	Operating Supplies (GE	2088		\$459.39
Invoice	339119	10/31/2023			
Cash Payment	E 602-49451-210	Operating Supplies (GE	1160		\$8.59
Invoice	339107	10/31/2023			
Cash Payment	E 602-49451-220	Repair/Maint Supply (G	1160		\$13.95
Invoice	339107	10/31/2023			
Cash Payment	E 602-49451-240	Small Tools and Minor E	1160		\$59.98
Invoice	339261	10/31/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$541.91
Refer	86960	GOPHER STATE ONE CALL	-		
Cash Payment	E 602-49451-317	Contracted Services			\$79.65
Invoice	3101004	10/31/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$79.65
Refer	86961	WESTERN LAKE SUPERIOR SANIT	-		
Cash Payment	E 602-49451-317	Contracted Services			\$1,260.00
Invoice	093023GRMSEPI	10/31/2023			
Transaction Date	11/14/2023	MAIN CHECKING G	10100	Total	\$1,260.00
Refer	86968	WEX BANK	-	Ck# 006164E 11/20/2023	
Cash Payment	E 604-49570-212	Motor Fuels			\$115.24
Invoice	93160081	11/15/2023			



CITY OF GRAND MARAIS

11/22/23 1:45 PM

Page 2

Payments

Current Period: November 2023

Cash Payment	E 601-49440-212	Motor Fuels				\$32.93
Invoice	93160081		11/15/2023			
Cash Payment	E 602-49490-212	Motor Fuels				\$32.93
Invoice	93160081		11/15/2023			
Cash Payment	E 604-49570-212	Motor Fuels				\$708.41
Invoice	93156137		11/15/2023			
Cash Payment	E 601-49440-212	Motor Fuels				\$109.71
Invoice	93166844		11/15/2023			
Cash Payment	E 602-49490-212	Motor Fuels				\$109.70
Invoice	93166844		11/15/2023			
Transaction Date	11/20/2023	MAIN CHECKING G	10100	Total		\$1,108.92
Refer	86979	QUILL CORPORATION				
Cash Payment	E 604-49590-200	Office Supplies (GENER				\$56.18
Invoice	35451781		11/1/2023			
Cash Payment	E 601-49440-200	Office Supplies (GENER				\$28.08
Invoice	35451781		11/1/2023			
Cash Payment	E 602-49490-200	Office Supplies (GENER				\$28.08
Invoice	35451781		11/1/2023			
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total		\$112.34
Refer	86980	SMMPA				
Cash Payment	E 604-49590-310	Service Agreements				\$485.40
Invoice	INV1140		10/31/2023			
Cash Payment	E 601-49440-310	Service Agreements				\$26.50
Invoice	INV1140		10/31/2023			
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total		\$511.90
Refer	86981	TOSHIBA BUSINESS SOLUTIONS				
Cash Payment	E 601-49440-200	Office Supplies (GENER				\$11.73
Invoice	6145979		11/3/2023			
Cash Payment	E 602-49490-200	Office Supplies (GENER				\$11.74
Invoice	6145979		11/3/2023			
Cash Payment	E 604-49590-200	Office Supplies (GENER				\$23.47
Invoice	6145979		11/3/2023			
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total		\$46.94
Refer	86984	NEON LINK				
Cash Payment	E 604-49590-310	Service Agreements				\$706.49
Invoice	2689		11/6/2023			
Cash Payment	E 601-49440-310	Service Agreements				\$198.70
Invoice	2689		11/6/2023			
Cash Payment	E 602-49490-310	Service Agreements				\$198.70
Invoice	2689		11/6/2023			
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total		\$1,103.89
Refer	86985	PSN				
Cash Payment	E 601-49440-310	Service Agreements				\$140.68
Invoice	285975		11/2/2023			
Cash Payment	E 602-49490-310	Service Agreements				\$140.68
Invoice	285975		11/2/2023			
Cash Payment	E 604-49590-310	Service Agreements				\$500.18
Invoice	285975		11/2/2023			



CITY OF GRAND MARAIS

11/22/23 1:45 PM

Page 3

Payments

Current Period: November 2023

Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$781.54
Refer	86989 G&G SEPTIC	-			
Cash Payment	E 602-49490-317 Contracted Services				\$28,743.50
Invoice	30323 10/31/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$28,743.50
Refer	86990 ARROWHEAD COOPERATIVE	Ck# 006165E 11/22/2023			
Cash Payment	E 604-49551-321 Telephone	2088			\$106.69
Invoice	11/1/2023				
Cash Payment	E 602-49490-321 Telephone	1160			\$128.25
Invoice	11/1/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$234.94
Refer	86994 STEVE S SPORTS AND AUTO	-			
Cash Payment	E 602-49480-404 Repairs/Maint Machiner	1160			\$20.12
Invoice	310509 10/31/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$20.12
Refer	86996 COMO OIL & PROPANE	-			
Cash Payment	E 602-49480-217 Heating Fuel				\$638.85
Invoice	1511536795 11/8/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$638.85
Refer	87000 EDWIN E. THORESON, INC.	-			
Cash Payment	E 602-49451-227 Utility Maint Supplies				\$50.00
Invoice	29717 11/16/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$50.00
Refer	87014 FERGUSON WATERWORKS#2518	-			
Cash Payment	E 602-49480-210 Operating Supplies (GE				\$360.71
Invoice	0521832 10/24/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$360.71
Refer	87015 UTILITY CONSULTANTS, INC	-			
Cash Payment	E 602-49480-300 Professional Srvs (GEN				\$1,104.76
Invoice	117945 10/31/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$1,104.76
Refer	87016 HAWKINS, INC.	-			
Cash Payment	E 601-49420-218 Operating Supplies- Che				\$4,228.79
Invoice	6617886 11/2/2023				
Cash Payment	E 601-49420-218 Operating Supplies- Che				\$10.00
Invoice	6625523 11/15/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$4,238.79
Refer	87017 CORE & MAIN LP	-			
Cash Payment	E 601-49440-210 Operating Supplies (GE				\$1,126.10
Invoice	INV0003889 10/31/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$1,126.10
Refer	87018 A&M CONSTRUCTION	-			
Cash Payment	E 604-49570-210 Operating Supplies (GE				\$902.00
Invoice	1036 11/7/2023				
Transaction Date	11/22/2023	MAIN CHECKING G	10100	Total	\$902.00



CITY OF GRAND MARAIS

11/22/23 1:45 PM

Page 4

Payments

Current Period: November 2023

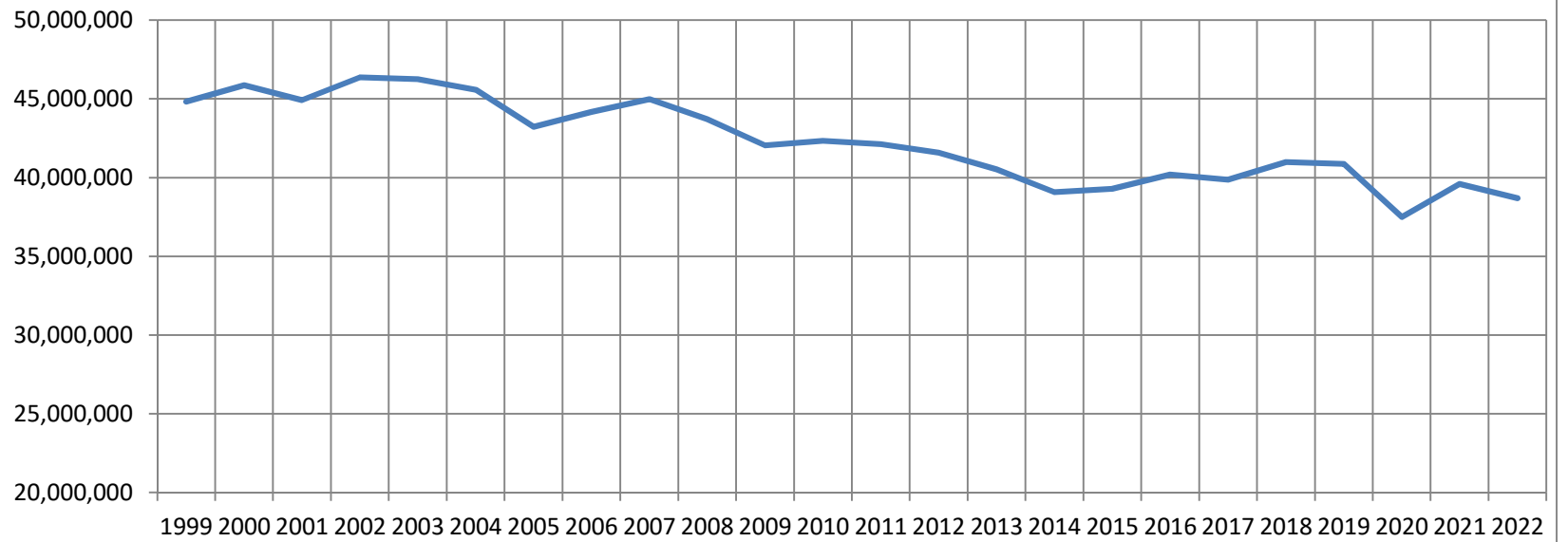
Refer	87020 SMMPA	Ck# 006166E 11/22/2023	
Cash Payment	E 604-49560-388 Purchase Power		\$123,851.20
Invoice	INV1158 10/31/2023		
Transaction Date	11/22/2023	MAIN CHECKING G 10100	Total \$123,851.20

Fund Summary

	10100 MAIN CHECKING GMSB	
101 GENERAL FUND		\$29,164.31
211 LIBRARY		\$1,870.81
215 LIBRARY RESTRICTED FUND		\$1,307.73
430 5TH AVE W IMPROVEMENT		\$84,888.00
601 WATER		\$6,197.47
602 SEWER		\$32,990.19
604 ELECTRIC		\$146,757.66
609 MUNICIPAL LIQUOR FUND		\$1,055.39
		\$304,231.56

Pre-Written Checks		\$125,195.06
Checks to be Generated by the Computer		\$60,750.26
Total		\$185,945.32

Gallons Sold



City of Grand Marais

MEMO

TO: Chair Schulte
Public Utilities Commissioners
FROM: Michael J. Roth, City Administrator
DATE: November 27, 2023
SUBJECT: 2024 Water Fund Budget and Rates

Here is the draft Water Fund budget for 2024. I am recommending a rate increase of 3% for 2023. The increase will allow the water fund to continue covering system repairs and improvements, and position the fund to contribute to City priority projects like the 1st Street area reconstruction. Our expense budget consists of the following components.

Category	WATER FUND				
	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Personnel	\$95,283	\$85,494	\$109,574	\$108,671	\$101,532
Supplies	\$27,437	\$37,437	\$25,248	\$45,200	\$46,900
Services	\$61,035	\$85,750	\$65,669	\$91,630	\$102,630
Miscellaneous	\$6,458	\$6,787	\$9,610	\$11,910	\$11,100
Depreciation	\$165,127	\$165,226	\$186,264	\$165,200	\$195,000
Debt Service	\$29,878	\$32,554	\$28,127	\$13,016	\$16,345
Capital Reserve				\$10,000	\$20,000
Total	\$385,219	\$413,248	\$424,492	\$483,898	\$493,507

Revenue is provided by the following sources.

Category	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Utility Bills	\$396,462	\$400,344	\$390,391	\$410,000	\$420,000
Fees	\$2,675	\$10,875	\$8,800	\$8,000	\$3,000
SA & Debt Levy	\$39,074	\$36,029	\$34,608	\$51,584	\$50,935
Miscellaneous	\$101,331	\$16,811	\$179,254	\$1,500	\$8,500
Rate Increase				\$12,300	12,600
Total	\$539,542	\$464,059	\$613,053	\$483,384	\$495,035

We made a small increase of 2% to the rates from 2014-2018, no change from 2019-2022, and 3% in 2023. 2023 sales are running even with 2022.

Capital Budget

The following expense line items in the budget are used to make debt payments and to build reserves.

Depreciation	\$195,000
Debt Service	\$16,345
Capital Reserve	\$20,000
Total:	\$231,345

Current Debt Commitments

2004 PFA Loan	\$52,658
2007 MMUA Loan	\$35,182
2008 Improvements	\$45,315
2017A CIP (PW Facility)	\$35,651
2023A Rev (5 th Ave)	\$45,414
Total:	\$214,220

The remaining \$17,125 is available for future capital projects such as the 1st St reconstruction project and potential treatment plant improvements.

City of Grand Marais

MEMO

TO: Chair Schulte
Public Utilities Commissioners
FROM: Michael J. Roth, City Administrator
DATE: November 29, 2023
SUBJECT: 2024 Sewer Fund Budget and Rates

Here is the draft Sewer Fund budget for 2024. I recommend an increase of 2% in sewer rates for 2024. The increase is necessary to cover increased expenses, as well as position the sewer fund to contribute to future City priority projects like the 1st Street area reconstruction and plant improvements. We continue to fully fund depreciation allowing our reserves to pay for minor plant improvements and system repairs. Recent rate changes include 3% in 2017, 5% in 2018, 3% in 2019, 2% in 2020, and 3% in 2021-23. Our expense budget consists of the following components.

Budget Overview

Category	SEWER FUND				
	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Personnel	\$190,691	\$200,431	\$238,579	\$251,730	\$248,699
Supplies	\$24,853	\$33,728	\$28,684	\$46,000	\$57,000
Services	\$216,073	\$239,482	\$256,794	\$258,700	\$223,900
Miscellaneous	\$6,171	\$7,692	\$22,907	\$25,860	\$22,860
Depreciation	\$149,617	\$148,785	\$144,476	\$149,785	\$151,000
Debt Service	\$28,196	\$23,427	\$25,122	\$19,077	\$38,619
Capital Reserve					\$30,000
Total	\$615,601	\$653,545	\$716,562	\$751,152	\$772,078

The major ongoing component of the services category is sludge hauling at \$100,000. This is down from \$140,000 in last year's budget due to operational changes that we are trying out. If sustainable, these changes could result in further reductions.

Revenue is provided by the following sources.

Category	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget
Utility Bills	\$557,733	\$604,742	\$604,393	\$600,000	\$625,000
Fees	\$2,600	\$13,000	\$7,500	\$7,500	\$2,400
GW/Leach/Sludge	\$84,492	\$68,935	\$129,746	\$120,000	\$120,000
Miscellaneous	\$158,393	\$44,124	\$183,119	\$5,867	\$10,000
Rate Increase				\$18,000	\$15,148
Total	\$803,218	\$730,801	\$924,758	\$751,367	\$772,548

The 2020 revenues were \$28,000 behind 2019, even with the rate increase, due to a decrease in water sales volume of just over 10%. The 2021 sales volume ended up just below 2018-19. 2022 ended up between 2020 and 2021 in volume. This year our sales are slightly ahead of 2022.

Capital Budget

The following expense line items in the budget are used to make debt payments and to build reserves.

Depreciation	\$151,000
Debt Service	\$38,619
Capital Reserve	\$30,000
Total:	\$219,619

Current Debt Commitments

2017 CIP (PW Facility)	\$35,249
2021A Refunding	\$62,025
2023A (5 th Ave)	\$27,834
Total:	\$125,108

The remaining \$94,511 is available to pay for future capital projects. Future capital projects include potential improvements to the sewer treatment facility and the 1st Street area reconstruction.