

A REGULAR MEETING OF THE PUBLIC UTILITIES COMMISSION OF THE CITY OF VIRGINIA, MINNESOTA WAS HELD AT THE OFFICE OF THE DEPARTMENT OF PUBLIC UTILITIES ON MONDAY, APRIL 24, 2017 AT 3:30 P.M.

Item 1. - Commission Vice - President Marwick called the meeting to order at 3:30 PM.

Present: Commissioners Culbert, Johnson, Marks, and Marwick

Absent: Commissioner Raplinger

Also Present: Greg French – General Manager; Bill Hafdahl – Finance Director; Charlie Baribeau – Virginia City Council; Representative – Virginia Public Access TV

**Approved**

Item 2 – Mr. Hafdahl requested the addition of Item 8 (d) – Resolution Regarding Extension of Hwy 53 Grant Anticipation Funding. Mr. French requested the addition of Item 8 (e) – APPA & IDEA Conference Attendance. Motion to approve the agenda as amended by Culbert and supported by Johnson. Motion carried unanimously.

Item 3 – No appearances.

Item 4 – Mr. French announced that the next LEA Commission is scheduled April 25, 2017 in Hibbing at 5:30 and he reiterated this is a new time as Hibbing's Commission meetings have been set for later times due to the availability of their commissioners.

Item 5 – (a) and (b) – A motion was made by Culbert and supported by Marks that financial resolution No. 5239 authorizing the payroll dated March 30, 2017 in the amount of \$104,936.96, checks #49026 through #49031 and direct deposits #26649 through #26717; and the payroll dated April 13, 2017 in the amount of \$108,005.83 checks #49032 through #49037 and direct deposits #26718 through #26786; and the bills dated March 27, 2017 through April 24, 2017 in the amount of \$1,258,914.48, checks #98803 through #98997 and wire and electronic transfers in the amount of \$1,230,912.44 be adopted and to approve the Regular Commission Meeting Minutes for the March 24, 2017 meeting. Motion carried unanimously.

Item 6 (a) – Mr. French stated there were no injuries reported for the month resulting in no restrictions or lost time. Mr. French compliments the VPUC staff for its attention to working safely.

Item 7 (a) – Mr. French gave an Electric Charging Station Update informing the Commission that a location has now tentatively been determined. The location is between Village Inn and Pizza Hut. Village Inn ownership has tentatively agreed to allowing access to the two west most parking spots in their north lot. The site is good because of its proximity to the highway and access to power. He also stated that SEH is working on drafting a legal description so City Attorney Butorac may put easement documents together.

Item 8 (a) – Mr. French began discussion on the Approval of Navistar/BMO financing (Resolution #5240) by reminding commissioners that during the budget process in October/November of last year we had discussed the need for these two pieces of equipment and that they would be financed via a lease to own type arrangement. At this time the financing needs to be formally approved. A motion was made by Marks and supported by Johnson. Motion carried unanimously.

Item 8 (b) – Mr. French provided an explanation of the current situation at the entry way to the Cedars Condos development where the Utility owns the main that runs behind the houses north of 3<sup>rd</sup> St. S. on the west side of 12<sup>th</sup> Avenue and the main that runs along 12<sup>th</sup> Avenue south of 3<sup>rd</sup> St. S., and that the Condos owns the piece that runs roughly 100 feet east-west beneath the entrance connecting the two mains. Mr. French suggested that it behooves the Utility to own that piece of infrastructure and the Cedars Association is willing to discuss releasing it to the Utility on the condition that the two parties work together to replace the pipe and valves. Motion made by Culbert to allow Mr. French to negotiate with the Cedars Association to obtain the particular section of water line. Support by Marks, Motion Carried unanimously

Item 8 (c) – Mr. French informed the Commission that, as of last week, water to our Midway customers is being fed from Eveleth while the Highway 53 bridge project proceeds. It is anticipated that this will last until mid-July. All that remains to do is run the water over the bridge, place the booster station, and make the various connections. Then the pipe needs to be chlorinated and tested, etc, before it can be opened for normal use.

Item 8 (d) - Mr. Hafdahl distributed a Resolution Regarding the Issuance of an Allonge by the City of Virginia, Minnesota. He reminded the commissioners that, last June, they approved a resolution pledging the grant receipts on the Hwy 53 Water project to the payment of the USBank short-term financing established to assist the City in cash flowing its obligation. The current financing expires on June 30<sup>th</sup>, 2016 and because work will likely continue through June it is not anticipated the work will be certified, grant reimbursement documents submitted, and grant proceeds received for some time after that. It is management's recommendation that this resolution be approved. Motion by Bill Culbert to adopt resolution #5241 as presented. Second by Marks. Motion carried unanimously.

Item 8 (e) – Mr. French discussed attending the APPA Conference (June 16-21) and the IDEA Conference (June 26-28) and requested that he and any interested Commissioner be authorized to attend. Motion made by Marks. Supported by Johnson. Motion carried unanimously.

Item 9 (a) – Mr. French updated stating the power plant is currently producing 7.2 MW of energy utilizing the gas boiler. There was a small issue with our #7 coal boiler, which will come back online as soon as it is resolved. The wood boiler is offline (per schedule) for annual maintenance. Outside crew have utilized the warm weather to get an early jump on construction projects, noting there have already been two steam vents removed from the steam system.

Item 9 (b) – There were no questions regarding other items in the Commission packets.

A motion to adjourn at 4:15 was made by Culbert and supported by Johnson. Motion carried unanimously.

ATTEST:

APPROVED:

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Bill Culbert, Secretary

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Rob Raplinger, President