

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, AUGUST 27, 2018 AT 3:30 P.M.

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

Present: Commissioners Johnson, Marwick, Petroskey and Raplinger

Absent: Commissioner Culbert

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

Approved

Item 2 – A motion to approve the agenda was made by Petroskey and supported by Johnson. Motion carried unanimously.

Item 3 – None

Item 4 – Commissioner Raplinger stated the next LEA meeting was scheduled for August 27, 2018 at 4:00 in Virginia.

Item 5 – (a) and (b) A motion was made by Johnson and supported by Petroskey that financial resolution No. 5264 - Authorizing the payroll dated August 2, 2018 in the amount of \$106,867.85, direct deposits #29003 through #29071 and the payroll dated August 16, 2018 in the amount of \$99,608.51, direct deposits #29072 through #29141; and the bills dated July 23, 2018 through August 27, 2018 in the amount of \$4,177,560.65, checks #102230 through #102540 and wire and electronic transfers in the amount of \$2,845,643.48; and Net Payment Adjustments for the month of July 2018 in the amount of \$3400.95 be adopted and to approve the Regular Commission Meeting minutes from the July 23, 2018 meeting. Motion carried unanimously.

Item 6 (a) – Mr. French stated there were no injuries reported for the month.

Item 7 (a) – Mr. French updated the Commission on the status of the electric car charging station explaining Hunt Electric had experienced some delays, but still anticipated the station would be completed in early October.

Item 8 (a) – A motion was made by Petroskey and supported by Johnson to approve the travel request for two linemen to attend MMUA Apprentice Training, September 11-14, 2018 in Marshall, MN. Motion carried unanimously.

Item 8 (b) – A motion was made by Johnson and supported by Petroskey to approve resolution #5265 – Main Water Tank Reconditioning. Motion carried unanimously. Commissioner Raplinger questioned why two water tanks were listed in the agreement and Mr. French explained that one agreement covered both the reconditioning/complete coating of the main tank and some required maintenance on the hospital tank. He further explained this one agreement will cover both tanks for 10 years.

Item 8 (c) – Mr. French stated that even though the plant lease, operations and management, and steam sales agreement between LEA and VPU ended with the termination of the PPA with Excel, he felt there should be formal Commission action to officially terminate the agreement. A motion was made by Johnson and supported by Petroskey to approve resolution #5266 – LEA/VPU Contract Terminations. Motion carried unanimously.

Item 9 (a) - Mr. French stated that the plant was producing approximately 45,000 pounds/hour of live steam from #7 coal boiler. Additionally Mr. French reminded the Commission that he had sent out RFP's for the sale of about 5 megawatts of power. He stated he had approximately 6 bids that he would be reviewing and would report back to the Commission once his review was complete. Mr. French also gave an update on the Steam Conversion indicating there were 415 gas service applications for Southside of which 370 were currently in place. He further stated 4800 feet of gas main had been installed on Southside and approximately one half of the new gas main on Northside was complete. Additionally he stated 75 gas service applications for Northside had been received. Mr. French also informed the Commission that 3 major projects in the Steam Core District (Frandsen Bank, Landmark Funeral Home and the Lincoln Building) have all been completed. Mr. French gave the Commission a "heads up" that the water main between the Cedar Condos and 12th Avenue South needs to be replaced. He stated the pipe needed to be replaced sooner than is typical due to the acidity of the soils it runs through. Finally Mr. French informed the Commission that Mr. Hafdahl, Commissioner Marwick and he had attended the MMUA Summer Conference. He stated he took over as President of the MMUA Board and Commissioner Marwick received the Community Service Award.

Item 9 (b) – Mr. French commended Mr. Hafdahl on a well prepared Operating Statement. Mr. Hafdahl stated the main water meter had been replaced which will improve the accuracy of the Production Report. Commissioner Raplinger congratulated Mr. French on his appointment to President of the MMUA Board and Commissioner Marwick for his service award.

Item 10 – A motion to adjourn at 3:56 was made by Marwick and supported by Petroskey. Motion carried unanimously.

ATTEST:

APPROVED:

Bill Culbert, Secretary

Rob Raplinger, President