

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, JUNE 27, 2016 AT 3:30 P.M.

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

APPROVED

Present: Commissioners Culbert, Johnson, Marwick and Raplinger
Absent: Commissioner Marks
Also Present: Greg French – General Manager, Bill Hafdahl – Finance Director; Nancy Graham, Director- Outside Distribution; Mary Johnson – Supervisor – Customer Relations; Charlie Baribeau – Virginia City Council; Representative – Virginia Public Access TV

Item 2 – A motion to approve the agenda by Culbert, supported by Johnson, motion carried.

Item 4 – Notice of LEA Meeting on October 25, 2016 at 4:30 pm, following the regular VPU Commission meeting.

Item 5 – (a) and (b) – A motion was made by Culbert and supported by Johnson that financial resolution No. 5227 – Authorizing the payroll dated May 26, 2016 in the amount of \$107,080.86 checks #48890 through #48895 and direct deposits #25063 through #25132; and the payroll dated June 9, 2016 in the amount of \$121,998.66 checks #48896 through #48903 and direct deposits #25133 through #25204; and the payroll dated June 23, 2016 in the amount of \$108,219.64 checks #48904 through #48913 and direct deposits #25205 through #25275; and the bills dated May 23, 2016 through June 27, 2016 in the amount of \$1,461,881.12, checks #96472 through #96722 and wire and electronic transfers in the amount of \$2,181,714.24 be adopted. The same motion approved the Regular Commission Meeting Minutes for the May 23, 2016 meeting and the Special Meeting Minutes for the June 6, 2016 meeting. Motion carried.

Item 6 (a) – Mr. French stated that was one reported injury resulting in no restrictions or lost time.

Item 7 (a) – Mr. French stated we had a 62% response rate to the steam surveys conducted on all steam customers located to the south of 8th Street South. He indicated the next step will involve Nancy Graham, Director -Outside Distribution working with DPU staff to determine which areas are in the worst condition. Mr. French is anticipating that to be done within the next month or so and will then schedule a strategic planning session to present findings to the Commission.

Item 8 (a) – Mr. French explained that the City has taken over as the fiscal agent on the Highway 53 project and has sought short term lending to help the City cash flow the project until reimbursements flow back from the State Bonding money reimbursements from DEED. He explained the bank needs a pledge from the Utility guaranteeing that the seven plus million in DEED proceeds earmarked for VPU will be used for the Highway 53 project. A motion was made by Marwick and supported by Johnson to approve the resolution #5228; motion carried, unanimously.

Item 8 (b) – Mr. French informed the commission of the upcoming MMUA Summer Conference scheduled for August 15-17, 2016. He stated we do not have all of the information yet, but the cost will include a \$250 registration fee plus lodging. Mr. French indicated the conference is typically open to commissioners and Utility management and stated that he will be attending as he is an MMUA Board Member. A motion was made by Marwick and supported by Culbert to approve the cost of anyone interested in attending. Motion carried.

Item 8 (c) – Mr. French stated the audit went smoothly and complimented Mr. Hafdahl and staff in doing a wonderful job prepping for it. Mr. Hafdahl went through the memorandum and recapped everything ultimately stating that the Utility received a clean opinion. The commission decided to wait until the next meeting to make a motion to approve since they didn't have time to thoroughly review the findings.

Item 9 (a) – French reported that we have been running 17.5 megawatts off of #5 and #6 turbine generators with #11 wood boiler and #9 coal boiler. He indicated that Staff has done an excellent job in getting capital projects completed including a great job on eliminating dust issues from the wood conveyance system. Mr. French also stated that summer projects are underway with the water main project on 11th Street N resulting in three breaks, noting the terrible condition of the old infrastructure reported by water crew workers following a water break last fall. He further stated the Highway 53 project is moving along with the TBS project starting up soon and the DEED contracts signed.

Commissioner Raplinger called for a motion to adjourn. A motion was made by Culbert and supported by Marwick. Motion carried.

ATTEST:

APPROVED:

Bill Culbert, Secretary

Rob Raplinger, President