

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, MARCH 28, 2016 AT 3:30 P.M.

APPROVED

Commission President Marks called the meeting to order at 3:33 PM.

Present: Commissioners Marks, Johnson, Marwick and Raplinger
Absent: Commissioner Culbert
Also Present: Greg French – General Manager, Bill Hafdahl – Finance Director; Nancee Strgar – Human Resources & Safety Director; Charlie Baribeau – Virginia City Council; Representative – Virginia Public Access TV

Item 1 (a) – A motion was made by Marwick to nominate Commissioner Raplinger for President of the Commission for the ensuing year. Motion carried.

A motion was made by Marwick to nominate Marks as the Vice President for the ensuing year. Motion carried.

Commissioner Culbert had signified he would be willing to remain as Secretary if there are no other nominations. Marwick placed the name of Culbert in nomination of Secretary for the ensuing year. Moved by Johnson and supported by Marks to elect Culbert as Secretary. Motion carried.

General Manager French suggested that item 8a of the agenda be deleted as there is no need to add signatures. Motion to accept by Marks, supported by Marwick, Motion carried.

Commission President Raplinger asked about the next LEA meeting scheduled for May 23, 2016. French confirmed the meeting will be held at Virginia Public Utilities on May 23, 2016 following the regular Commission meeting, starting at 4:30 PM.

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

Item 5 – (a) and (b) – A motion was made by Marwick, supported by Johnson that financial resolution No. 5224 – Authorizing the payroll dated March 3, 2016 in the amount of \$105,699.83, checks #48854 through #48859, and direct deposits #24638 through #24709 ; and the payroll dated March 17, 2016, in the amount of \$104,031.88 checks #48860 through #48865 and direct deposits #24710 through #24780; and the bills dated February 22, 2016 through March 28, 2016 in the amount of \$1,553,866.92 checks # 95841 through #96086 and wire and electronic transfers in the amount of \$2,774,931.23 be adopted. The same motion approved the Regular Commission Meeting Minutes for the February 22, 2016 meeting. Motion carried.

Item 6 (a) – Mr. French stated that there were no reported injuries during the past month. Commission President Raplinger and Commissioner Marks commended the employees, safety department and safety committee for their attention to safety and minimal incidents knowing our industrial nature of work.

Item 8 (b) – PACE – Property Assessed Clean Energy program: President Raplinger explained the PACE program to the Commission, suggesting the Commission ask for City Council approval. Finance Director Hafdahl gave some examples as to how the program may help area businesses afford energy efficiency in some of the older buildings. Commissioner Marwick asked if a PACE representative could speak to the Commission and City Council to present the program details. President Raplinger will work with Councilor Baribeau, and the CIP Committee (Culbert, Hafdahl and Raplinger) will review the program details.

Item 8 (c) – MMUA Legislative Rally: French asked if there is interest among any of the Commissioners to attend the MMUA Legislative Rally. French and Commissioner Culbert will be attending. If anyone is interested, they are to contact French so arrangements can be made.

Item 8 (d) – General Manager Greg French informed the Commission of the upcoming retirement of Kevin Zinter. Mr. Zinter has been employed with the Utility for over 34 years as a Plant Electrician. French recommended the Commission accept Mr. Zinter's retirement notice and approve the applicable retirement benefits. Commissioner Marks made a motion to accept, supported by Commissioner Marwick. Motion carried.

Item 9 (a) – French reported the annual Plant Maintenance has been moved ahead one week. Warmer temperatures and road restrictions (affecting wood supply) were factors in the decision. #11 wood boiler and conveyors, etc., #6 turbine generator and steam header (the last pending issue from the August 1, 2014 incident) will be the major projects performed. Commission President Raplinger asked if the maintenance will affect the steam customers/residents. French explained that the steam customers will not be affected, noting the gas boilers ability to provide adequate steam supply.

French invited the Commission members to walk through the Power Plant to tour and see the facility. Commissioner Marks asked Finance Director Hafdahl about the gas prices. Hafdahl explained the gas prices are down, and it is an excellent time to be running the gas boiler.

Commissioner Marwick asked if there had been any water breaks. French replied stating there have been no recent reports of water breaks. Marwick inquired about the new gas main, French reported the new line is in and functioning.

President Raplinger inquired about the bridge project. French explained the bonding bill and the funds that are a part of the bill. French also reported the bridge project is approximately 3 months ahead of schedule due to the mild winter weather.

Item 9(b) – Bill Hafdahl reported two (2) commercial and industrial CIP rebates have been requested. Mr. Hafdahl met with Dave Johnson, AEOA; Mr. Johnson will be working with Virginia Public Utility's low-income residential CIP program.

Mr. Hafdahl reported he'll be contracting with AEOA for \$30,000 low-income residential CIP expenditures. Last year, around 30 residents were served through the program.

Commissioner Marks asked in residents purchased a new appliance (i.e. refrigerator) if the resident's bill would be credited or if a check would be issued. Mr. Hafdahl confirmed that the resident's account would be credited accordingly.

Commissioner Raplinger inquired about LED lights vs CFL. Mr. Hafdahl responded by stating that LED Lights are now included with the rebates.

Item 9(c) – Other Items in packet: Bill Hafdahl stated that he would be reporting February and March financials at the next Commission meeting.

Commissioner Raplinger inquired if the warmer weather has brought forth concerns. Mr. Hafdahl stated that the Utility's financial position should be able to carry us through a warm winter. Hafdahl added that, if need be, the Utility can post-pone various projects.

Raplinger asked if we would be posting Mr. Zinter's Plan Electrician position "in-house". Greg French, General Manager, reported that Management preferred to post internally for Maintenanceperson, and decrease the plant electrician staff from four (4) to three (3). French added that the Utility has had many experienced Millwrights applying for the maintenance positions.

There being no further business to come before the Commission, Commissioner President Raplinger asked for a motion to adjourn. A motion was made by Marks and supported by Marwick. President Raplinger declared the meeting adjourned at 4:16 PM.

ATTEST:

APPROVED:

Bill Culbert, Secretary

Rob Raplinger, President