

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, MAY 21, 2018 AT 3:30 P.M.

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

Present: Commissioners Culbert, Johnson, Marwick and Petroskey

Absent: Commissioner Raplinger

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

**Approved**

Item 2 – Mr. French stated that under New Business 8 (d) the Commission would be acting on only two of the three retirement notices they had received in their packets. A motion to approve the amended agenda was made by Culbert and supported by Petroskey. Motion carried unanimously.

Item 3 – None

Item 4 – Commissioner Marwick stated the next LEA meeting was scheduled for May 21, 2018 at 4:30 in Virginia.

Item 5 – (a) and (b) A motion was made by Johnson and supported by Petroskey that financial resolution No. 5259 - Authorizing the payroll dated April 26, 2018 in the amount of \$100,838.81, direct deposits #28534 through #28600 and the payroll dated May 10, 2018 in the amount of \$98,323.21, direct deposits #28601 through #28666; and the bills dated April 24, 2018 through May 21, 2018 in the amount of \$1,371,276.02, checks #101518 through #101730 and wire and electronic transfers in the amount of \$1,676,828.16 be adopted and to approve the Regular Commission Meeting minutes from the April 23, 2018 meeting. Motion carried unanimously.

Item 6 (a) – Mr. French stated there were three injuries reported for the month all resulting in no restrictions or lost time.

Item 7 – None

Item 8 (a) – Mr. French recommended the Commission agree not to waive the monetary limits on tort coverage through the League of Minnesota Cities stating this is something that is done every year. A motion was made by Culbert and supported by Petroskey to maintain the current coverage.

Item 8 (b) – Mr. French stated VPU will be continuing with office building repairs and is looking at tuck-pointing and new windows for the East wall this year. He further stated the low bid came in from Lenci Enterprises, but it was higher than what was budgeted. Mr. French explained that the amount budgeted for the 2018 project was based on the cost to repair the West wall in 2017, but that this year's project would entail more work. It was his recommendation that the Commission award the bid to Lenci Enterprises. A motion to award the bid was made by Culbert and supported by Petroskey. Motion carried unanimously.

Item 8 (c) – Mr. French explained that Resolution #5260 called for the Commission to affirm membership in the NEMMPA and designate a representative and alternate. One motion was made by Johnson and supported by Petroskey to approve Resolution #5260 affirming VPU's membership in the NEMMPA and designating Greg French as representative and Jeff Marwick as alternate. Motion carried unanimously.

Item 8 (d) – Mr. French recommended the Commission approve the retirement notices and payout of all benefits due to Paul Belobaba and Mike Pluskwik. He further stated both were long time employees with VPU and would be missed. One motion was made by Culbert and supported by Petroskey to approve the retirement notice and all benefits payable for both employees.

Item 9 (a) - Mr. French stated that the plant was currently holding at 15 megawatts off coal and gas, but would be switching to all coal by the end of the week. He stated that June 1<sup>st</sup> was still the tentative date for termination of the Power Purchase Agreement with Xcel Energy, but that North Dakota still needed to sign off. He indicated the precip in #7 boiler had been replaced and the plan was to burn as much coal as possible by June 1<sup>st</sup> helping to meet the requirements of the coal contract. Mr. French also stated that a reverse RFP was being put together for a small year-round electrical sale.

Item 9 (b) – Mr. Hafdahl stated that he had received 2017 data from Doug Eli, with Energy Insights, and would be filing a report with the Department of Commerce by June 1<sup>st</sup>. He further stated there weren't any commercial rebates to report on. Mr. Hafdahl also informed the Commission that one low-income steam conversion loan had been processed with a 15% discount that amounted to around a \$1500.00 reduction in the loan amount.

Item 10 – A motion to adjourn at 4:07 was made by Petroskey and supported by Johnson. Motion carried unanimously.

ATTEST:

APPROVED:

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Bill Culbert, Secretary

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Rob Raplinger, President