

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, NOVEMBER 26, 2018 AT 3:30 P.M.

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

Present: Commissioners Culbert, Johnson, Marwick, Petroskey and Raplinger

Absent: None

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 Culbert and supported by Petroskey. Motion carried unanimously.

Item 3 – None

Item 4 – Mr. French stated LEA meetings be will scheduled on an as needed basis.

Item 5 – (a) and (b) A motion was made by Petroskey and supported by Culbert that financial resolution No. 5270 - Authorizing the payroll dated October 25, 2018 in the amount of \$100,758.61, direct deposits #29419 through #29486 and the payroll dated November 8, 2018 in the amount of \$103,113.91, direct deposits #29487 through #29554; and the payroll dated November 21, 2018 in the amount of \$107,305.18, direct deposits #29555 through #29623; and the bills dated October 22, 2018 through November 26, 2018 in the amount of \$1,741,868.31, checks #103018 through #103334 and wire and electronic transfers in the amount of \$2,213,100.27; and Net Payment Adjustments for the month of October 2018 in the amount of <\$859.66> be adopted and to approve the Regular Commission Meeting minutes from the October 22, 2018 meeting. Motion carried unanimously.

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

Item 6 (b) – Mr. French called for formal approval of the AFSCME Local 729 tentative agreement stating the Personnel Committee had met prior and all commissioners were in favor of the agreement. A motion was made by Johnson and supported by Petroskey to accept the agreement. Motion carried unanimously.

Item 7 (a) – Mr. French gave an update on the Minnesota Power (MP) Electric Service Agreement stating the Agreement is finalized. Commissioners Raplinger and Marwick had reviewed the agreement along with Staff so VPU could execute the Agreement and start selling power to MP. He further stated VPU would follow the steam load with a max generation cap of 8 megawatts. Mr. French stated MP worked with VPU in reaching a good agreement and thanked the commissioners, VPU and MP staff involved.

Item 8 (a) – Commissioner Raplinger requested the meeting time be moved from 3:30 to 4:30 for the months of December 2018 through March 2019 due to conflicts with his work schedule. A motion was made by Culbert and supported by Marwick to adjust the meeting time as requested. Motion carried unanimously.

Item 8 (b) – A motion was made by Petroskey and supported by Johnson to approve the travel request for the Accounting Supervisor to attend the MMUA Leadership Academy; December 11-13, 2018; Plymouth, MN. Motion carried unanimously.

Item 8 (c) – A motion was made by Culbert and supported by Petroskey to approve the travel request for Line Workers to attend the MMUA Transformer School; December 12-14, 2018; Marshall, MN. Motion carried unanimously.

Item 8 (d) – Mr. French discussed the Highway 53 “gap” financing to fund a shortfall of grant dollars and asked the Commission to approve Mr. Hafdahl moving forward with setting up the financing for VPU’s portion of the shortfall, approximately \$1.3M. A motion was made by Marwick and supported by Cubert. Motion carried unanimously.

Item 9 (a) - Mr. French stated that the plant is producing approximately 130,000 pounds/hour of live steam off #11 wood boiler supplemented by #10 gas boiler. He further stated #7 coal boiler was brought offline due to precip issues, but would be brought back up again once those issues were resolved. Additionally Mr. French discussed the Steam Conversion indicating the goal for 2019 was again 300 gas services with 130 service requests already received. He stated information regarding the conversion was included in the VPU newsletter, ads run in both the MDN and Hometown Focus, as well as letters sent to customers. Mr. French indicated VPU also lined up Gulbranson Excavating and Radotich Construction to continue installing gas service lines for the upcoming year. He further complimented the contractors and VPU staff indicating that for the large amount of work done in 2018 there were no major issues.

Item 9 (b) – Mr. Hafdahl gave a CIP update indicating 5 commercial rebates were prepared including Tractor Supply and Super One Liquor. He stated about 6 CIP related (low income) steam conversion loans were processed and that those customers received a 15% discount. Mr. Hafdahl also stated that an equal number of customers, who weren’t low income, utilized AEOA’s service to navigate the process.

Item 9 (c) – Commissioner Raplinger discussed the EV charging station with Mr. French indicating the project was still in the same place as the last meeting. Mr. French indicated that while it was not a VPU project, the Electric Distribution Director called the contractor and was informed they were hoping to be done this week.

Item 10 – A motion to adjourn at 3:48 was made by Johnson and supported by Petroskey. Motion carried unanimously.

ATTEST:

APPROVED:

Bill Culbert, Secretary

Rob Raplinger, President