

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, OCTOBER 24, 2016 AT 3:30 P.M.

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

**Approved**

Present: Commissioners Culbert, Johnson, Marks, Marwick and Raplinger  
Absent: None  
Also Present: Greg French – General Manager; Bill Hafdahl – Finance Director; Mary Johnson – Supervisor – Customer Relations; Charlie Baribeau – Virginia City Council; Britt See-Benes - Virginia City Administrator; Representative – Virginia Public Access TV

Item 2 – President Raplinger requested to modify the agenda to include Britt See-Benes under 3 (a) - Public Forum/Appearances. As there were no objections the item was added. Motion to approve the agenda by Culbert and supported by Marks, motion carried.

Item 3 – Ms. See-Benes introduced herself as the new City Administrator and further welcomed members of the Commission and VPU to address issues/concerns with her.

Item 4 – Notice of LEA Meeting in Hibbing on October 25, 2016 at 4:30 pm.

Item 5 – (a) and (b) – A motion was made by Marks and supported by Johnson that financial resolution No. 5233 – Authorizing the payroll dated September 29, 2016 in the amount of \$111,478.07 checks #48972 through #48976 and direct deposits #25709 through #25781; and the payroll dated October 13, 2016 in the amount of \$117,452.46 checks #48977 through #48981 and direct deposits #25782 through #25854; and the bills dated September 26, 2016 through October 24, 2016 in the amount of \$1,844,365.76, checks #97441 through #97660 and wire and electronic transfers in the amount of \$569,850.06 be adopted. The same motion approved the Regular Commission Meeting Minutes for the September 26, 2016 meeting. Motion carried.

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

Item 7 (a) – Mr. French indicated he contacted MMUA regarding Electric Charging Stations and Steve Downer found that Minnesota Power is looking to place some units in their service area including one in Virginia. There would be a joint effort with MP covering purchase and installation costs and VPU being responsible for bringing power to it, setting the rate and billing through a credit card swipe terminal. Mr. French suggested a group be formed to work with MP on details including determining a location. Commissioner Raplinger will represent VPU with Commissioners Culbert and Markwick as alternates. Ms. See-Benes will check into having somebody from the Building and Grounds Department represent the City.

Item 7 (b) – Mr. French stated he was approached by lobbyist, Gary Cerkenik, regarding a project with Northern Sun Solar. He stated Grand Rapids, Hibbing and Virginia Public Utilities along with the City of Mt. Iron have signed a Non-binding Indicative Agreement to “put our name in a hat” to try for a piece of a \$7 billion Federal New Market Tax Credit. Mr. French stressed this is a non-binding agreement and in the event our project is chosen, we would need future commission action to proceed.

Item 8 (a) – Mr. French discussed the Mercury Rule and NAAQS Upgrade stating the VPU will need to comply with these regulations by 2018. He reminded the commission that the VPU will need to increase the stack height on #9 boiler, limit mercury emissions on #9 boiler to 5 pounds per year by replacing coal with natural gas in #11 boiler and finally working on the purchase of additional pipeline capacity from Northern Natural Gas which will include updating our main Town Border Station at Ann’s Acres.

Item 9 (a) – Mr. French reported that we’ve been running 16 megawatts off of the wood and gas boilers. He further stated both coal boilers are currently down for annual maintenance.

A motion to adjourn at 3:56 was made by Marks and supported by Marwick. Motion carried.

ATTEST:

APPROVED:

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Bill Culbert, Secretary

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Rob Raplinger, President