

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 22, 2018 AT 3:30 P.M.

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

Present: Commissioners Culbert, Marwick, Petroskey and Raplinger

Absent: Commissioner Johnson

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 – Commissioner Raplinger 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 Marwick that financial resolution No. 5268 - Authorizing the payroll dated September 27, 2018 in the amount of \$104,966.85, direct deposits #29281 through #29349 and the payroll dated October 11, 2018 in the amount of \$105,407.47, direct deposits #29350 through #29418; and the bills dated September 24, 2018 through October 22, 2018 in the amount of \$1,948,972.56, checks #102754 through #103017 and wire and electronic transfers in the amount of \$1,196,126.28; and Net Payment Adjustments for the month of September 2018 in the amount of <\$2034.07> be adopted and to approve the Regular Commission Meeting minutes from the September 24, 2018 meeting. Motion carried unanimously.

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

Item 7 (a) – Mr. French updated the Commission on the status of the RFPs that had been received for the sale of 5 megawatts of power. He stated with generation the Utility would have the ability to pick and choose between boilers. He further stated the Utility has been working out the details and is close to reaching an agreement with Minnesota Power who was the high energy bidder. He indicated a Special Meeting may be needed to discuss the MP agreement as well as a potential solar agreement.

Item 8 (a) – A motion was made by Petroskey and supported by Marwick to approve Resolution #5269 authorizing the expenditures of Xcel Energy Purchase Power Agreement (PPA) termination funds. Motion carried unanimously.

Item 8 (b) – Mr. French indicated that VPU received bids from three companies for work needed on the power plant elevator. Mr. French recommended the Commission award the contract to the low bidder – Larson Elevator. He stated the total project cost was \$166,895 which included the repairs as well as the safety assemblies. A motion was made by Culbert and supported by Petroskey to award the bid to Larson Elevator. Motion carried unanimously.

Item 8 (c) – Mr. French discussed amending the Utility Fee Schedule by adding a \$150 meter tampering fee. He indicated the Utility would assess the \$150 fee for the first incidence of tampering and for any subsequent incidences the Utility would not only assess the fee, but also pursue legal action. A motion was made by Petroskey and supported by Marwick to approve the updated fee schedule. Motion carried unanimously. Commissioner Raplinger clarified that customers should notify the Utility if they find a broken seal on any of their meters.

Item 8 (d) – A motion was made by Marwick and supported by Culbert to approve the travel request for the General Manager and the Director – Electric Distribution to attend the MMUA T&O Conference; December 4-6, 2018; St. Cloud, MN. Motion Carried unanimously.

Item 9 (a) - Mr. French stated that the plant is producing approximately 80,000 pounds/hour of live steam from #9 coal boiler. He further stated the Utility is on track to start burning wood on November 1<sup>st</sup>. Additionally Mr. French indicated notices have gone out to South and Northside customers for next summer's gas installs. He recapped 2018 stating just short of 19,000 feet of gas services and 11,000 feet of gas mains were installed. He further stated approximately 150 conversions have been completed to date, and that over 400 are ready to go with plumbers indicating they'll be working through the winter. Additionally Mr. French stated the Utility currently has 100 applications for 2019 leaving openings for an additional 200 applications. He reiterated that the Utility will once again be guaranteeing 300 service line installs, but will do more if time/weather permits.

Item 9 (b) - None

Item 10 – A motion to adjourn at 3:51 was made by Culbert and supported by Petroskey. Motion carried unanimously.

ATTEST:

APPROVED:

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Bill Culbert, Secretary

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Rob Raplinger, President