

**MINUTES OF THE DELANO WATER, LIGHT AND POWER COMMISSION
CITY OF DELANO, COUNTY OF WRIGHT, STATE OF MINNESOTA
WITH ALL ACCOUNTS BEING AUDITED BY SAID COMMISSION
Monday, June 21st, 2010**

1. CALL TO ORDER

The meeting was called to order by Chairman Larry Bartels.

2. ROLL CALL

Roll call was taken and a quorum established

Members Present:	Larry Bartels, Chairman Bob Hutter, Commissioner Jonathan Ness, Commissioner Randy Keranen, Commissioner Joseph Johnson, Commissioner
Also Present:	Hal Becker, General Manager Aimee Dreger, Recorder

3. AGENDA

There was a motion made by Larry Bartels with a second Randy Keranen to approve the agenda.

Motion Carried

4. MINUTES

A. There was a motion by Jonathan Ness with a second by Bob Hutter to approve the minutes of the regular meeting conducted on May 17th, 2010.

Motion Carried

5. POWER COST ADJUSTMENT

The PCA is affected by some of our wholesale costs being up slightly. NCII is up and running again after the annual maintenance has been completed.

There was a motion made by Joseph Johnson with a second by Jonathan Ness to approve the power cost adjustment for bills due June 27th, 2010 at negative .00064.

Motion Carried

6. FINANCIALS

Mr. Becker pointed out we are ahead of the budget despite capacity sales not being there due to the MISO (Midwest Independent Transmission System Operator) study being completed yet. Commissioner Johnson asked the revenue we would have expected and Mr. Becker replied approximately \$61,000 for January through August.

Commissioner Hutter questioned the large miscellaneous income in the electric fund this month and Mr. Becker explained it was the sale of old overhead transformers that are no longer in use.

A. Motion to Approve the Financials for May 2010

There was a motion made by Bob Hutter with a second by Jonathan Ness to approve the financials for May 2010.

Motion Carried

7. Customer Permit/Electric Service

A. Ted Moonen and Ben Moonen of J&J Glass request to approach the Commission to discuss permit requirements.

At the location of J & J Glass there was a private branch circuit electric line that crossed a public access. Delano Municipal Utilities has been working with the owners of J & J Glass to install an underground 3 phase service that will meet the needs of the company. Currently DMU has granted temporary overhead branch circuit service and is now waiting for the permits to be pulled and the fees to be paid to complete the process of upgrading and installation of this service. The temporary agreement is in force until June 27th, 2010. A 12 month payment plan has been offered earlier to spread out the cost of the permits and fees.

Ted Moonen of J & J Glass stated he would like to reopen discussions concerning the cost and need for new permits. At the time they purchased the building, the branch circuit conductors were there. Ben Moonen went on to say the biggest surprise was the permit fees for \$7,000 when they had already spent \$3000 to upgrade their service. They did not anticipate the \$7,000. When they purchased the building three years ago it had already had a service that they could use. He continued that there are houses on Railroad Avenue and Third Street that are getting underground service in for free. What started it was putting in a second meter for the LOVE INC. building. The commissioners questioned if there was underground service to that building before and whether J & J Glass has gone back to the previous owner to question why a correct service was not put in. Ben Moonen explained there have been at least five businesses that previously have the same service and connection. Commissioner Johnson asked if J & J Glass had an inspection done before purchasing the building and previous to the purchase the power was shutoff and then turned on after the sale. Ben Moonen questioned why permits have to be pulled last year and not in the previous years and Mr. Becker replied that was when the service was inspected. Commissioner Johnson commented it was a risk by buying it as is. Commissioner Hutter asked the Moonens if they have considered the monthly payment plan and Ben Moonen replied that is not the point. He went on to say they have already spent a lot of money to put the updates in and a payment plan is not going to make it right.

The commissioners have agreed to discuss permit fees at a special meeting and extend the temporary service agreement to J & J Glass as this is being discussed.

There was a motion by Jonathan Ness and second by Joseph Johnson to extend the service of J & J Glass to August 1st, 2010.

Motion Carried

8. Commissioner Report

A. UST Law students discussion governing documents Speakers are John Foss and John Daly
Power point presentation on creating a Mission Statement and Bylaws.

Mr. Foss and Mr. Daly created an outline to help Delano Municipal Utilities with writing a Mission/Vision Statement and Bylaws. The research consisted of reviewing Minnesota State Statutes pertaining to municipal utilities and giving examples of other company's mission statements. This research is the first step to brainstorming ideas for the content and to create drafts to start this process. The purpose of creating a mission/vision statement and bylaws for Delano Municipal Utilities is to help project our long-term goals and vision as well as giving the future commissioners guidance in their decision making process on the commission.

Commissioner Johnson stated his recommendation would be to make a plan to go forward with the Mission statement and the other commissioners agreed to discuss this further at the next meeting.

9. General Manager Report

A. Conservation Improvement Update

We have not had any new projects started or completed for this month.

B. Frequently Asked Questions (Power Point)

Mr. Becker reviewed a power point presentation on frequently asked questions and concerns in regards to the billing cycle at Delano Municipal Utilities. Questions that are frequently asked by our customers is the time frame our bills are due, online bill paying, more detailing on the billing, and an average bill paying plan. These questions and concerns were addressed by Mr. Becker and our monthly billing cycle is based on a monthly meter reading and the processing includes receiving our information needed to calculate the Power Cost Adjustment. He went on to explain we have our month spread out evenly with the workload of generating bills, monthly commission meetings and payments to complete the cycle. He also explained the DMU staff is currently working on updating our actual bills to include balance forward and better explanations of the usage. The commissioners discussed how it would impact our cash flow if our bills had a 30 day turn around instead of the seventeen. Mr. Becker replied we do not have the cash flow right now for that turn around and further explained our monthly schedule of how bills are processed.

Commissioner Keranen asked if the City of Kenyon ever signed the CMMPA agreement and Mr. Becker replied yes. Commissioner Johnson asked what made them change their minds and Mr. Becker replied they did a lot of research to learn what their alternatives were and decided this was their best option.

10. Unfinished Business

11. New Business

A. Promotion of Dan Hanson to Lineman

Dan Hanson was employed starting in 2002 and has been working hard to become a lineman. He enrolled in the state lineman program which is very similar to going to a vocational school and has completed 3,820 hours of lineman work recorded by DMU staff. He has completed his requirements and passed the State of Minnesota Lineman exam. We have a lineman position open vacated when Ed Williams retired back in 2008. Those dollars have been budgeted as we knew Dan was working on his qualifications to become a lineman. Commissioner Hutter asked if we need to have another labor position filled and Mr. Becker replied we would like to hold out with billing this position at this time.

There was a motion made by Joseph Johnson and second by Jonathan Ness to approve the promotion of Dan Hanson from Laborer to Lineman.

Motion Carried

12. CLAIMS

There was a motion made by Bob Hutter with a second by Jonathan Ness to approve claims for the month of May 2010 in the amount of \$478,683.85.

Motion Carried

13. ADJOURNMENT

There being no further business before the Commission, the meeting was adjourned.

Larry Bartels, Chairman

Jonathan Ness, Secretary