

# **WATER AND LIGHT COMMISSION MINUTES**

## **REGULAR MEETING**

### **MARCH 28, 2011**

The regular meeting of the Water and Light Commission was called to order in the Worthington Public Utilities Conference Room at 3:00 P.M., DST, by President Robert J. Demuth with the following members present: Randy Thompson, James Elsing, Ron Wood and Gary Hoffmann.

Staff members present were Scott Hain, General Manager; Patrick Demuth, Electric Superintendent; Deb Scheidt, Secretary to the Commission

Others present: None

#### **AGENDA ADDITIONS/CLOSURE**

A motion was made by Commissioner Hoffmann, seconded by Commissioner Wood and unanimously carried to close the agenda as presented.

#### **WATER AND LIGHT COMMISSION MINUTES**

A motion was made by Commissioner Elsing, seconded by Commissioner Wood and unanimously carried to approve the Water and Light Commission minutes of the regular meeting held March 14, 2011.

#### **FINANCIAL STATEMENTS AND STAFF REPORTS**

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to accept the financial statements and the staff reports for February 2011.

#### **OWATONNA PUBLIC UTILITIES ELECTRIC & WATER RATE SURVEY**

Scott Hain, General Manager, reviewed the residential, commercial and industrial electric cost comparisons and rankings compiled by Owatonna Public Utilities for January through December 2010. Based on the information in the survey, Worthington Public Utilities had the lowest annual costs for all customer classes. Fifteen electric utilities were surveyed including eleven municipals, two cooperatives and two investor-owned utilities.

Mr. Hain also reviewed the residential, commercial and industrial water rate comparisons from twelve municipal water utilities. Worthington was not included in the survey; however, our annual costs were in the average range for all customer classes when compared to the utilities surveyed.

### **ELECTRIC REVENUE BOND REFUNDING**

Scott Hain, General Manager, reviewed the results of the bond refunding through Piper Jaffray & Company for the 2011 through 2016 maturities for the \$2,570,000 electric revenue bonds, Series 2001A. Mr. Hain reported that the sale achieved a savings of \$58,249.95.

### **SUBSTATION TIE TRANSMISSION PROJECT UPDATE**

Scott Hain, General Manager, provided the Commission with an update on the substation tie transmission project.

### **AREA TRANSMISSION SYSTEM IMPROVEMENTS**

Scott Hain, General Manager, provided the Commission with an update on the area transmission improvements that are taking place at the present time and continuing throughout the summer months. Mr. Hain reported that Worthington's substations will be on alternate feeds throughout much of the summer which increases our vulnerability to transmission related outages.

### **WELLHEAD PROTECTION AREA LAND ACQUISITION**

The Commission was asked to consider approving an expenditure totaling \$20,670 as Worthington Public Utilities' share towards the purchase of approximately 47.86 acres of land in the Lake Bella wellhead protection area. Pheasants Forever acquired the land for \$159,000 or \$3,322.19/acre. Mr. Hain reported that there are adequate funds included in the 2011 Water Department budget for wellhead protection activities. Mr. Hain also provided the Commission with a presentation illustrating the areas of high vulnerability in the Lake Bella wellhead protection area and previous property acquisitions that have taken place in that area.

After discussion, a motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to approve a contribution of \$20,670 to Pheasant's Forever towards the acquisition of 47.86 acres of land in the Lake Bella wellhead protection area.

### **W&L COMMISSION APPOINTMENTS**

Scott Hain, General Manager, reported that Commissioner Elsing's first term and the un-expired term that Commissioner Hoffmann is completing for Scott Bradley will both expire on March 31, 2011. Commissioners Elsing and Hoffmann have indicated a willingness to serve another term on the Water and Light Commission. Mr. Hain reported that it is anticipated that City Council will appoint Commissioners Elsing and Hoffman to new terms at their regular meeting on March 28, 2011.

### **LEWIS & CLARK PROJECT UPDATE**

Scott Hain, General Manager, reported that the Lewis & Clark Regional Water System Board of Directors approved a revised plan to proceed with construction activities on the Lewis and Clark project at their March 24, 2011, regular meeting. Mr. Hain reviewed the plan with Commission members. He reported that revisions to the existing construction plan were necessary as a result of uncertain federal funding levels.

### **MISSOURI RIVER ENERGY SERVICES ANNUAL MEETING**

Scott Hain, General Manager, reported that Missouri River Energy Services will be holding their 46<sup>th</sup> annual meeting May 10-11, 2011, in Sioux Falls.

### **UTILITY BILLS PAYABLE**

A motion was made by Commissioner Thompson, seconded by Commissioner Wood and unanimously carried to approve the utility bills payable totaling \$272,922.93 for March 18 and March 25, 2011.

### **ADJOURNMENT**

A motion was made by Commissioner Thompson, seconded by Commissioner Hoffmann and unanimously carried to adjourn the meeting at 4:03 P.M., DST. President Demuth declared the meeting adjourned.

Deb A. Scheidt  
Secretary to the Commission