

WATER AND LIGHT COMMISSION MINUTES REGULAR MEETING OCTOBER 17, 2011

The regular meeting of the Water and Light Commission was called to order in the Worthington Public Utilities Conference Room at 7:00 A.M., DST, by Vice-President Randy Thompson with the following members present: James Elsing, Ron Wood and Gary Hoffmann. Absent was Robert J. Demuth (excused).

Staff members present were Scott Hain, General Manager; 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 Hoffmann and unanimously carried to approve the Water and Light Commission minutes of the regular meeting held September 19, 2011.

FINANCIAL STATEMENTS AND STAFF REPORTS

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

QUARTERLY HALOACETIC ACIDS (HAA5) AND TRIHALOMETHANE (THM) RESULTS

A copy of the letter from the Minnesota Department of Health (MDH) to the Water and Light Commission dated September 15, 2011, and the Final Report generated August 22, 2011, for the Quarterly Haloacetic Acids (HAA5) and Trihalomethane (THM) Results was provided to Commission members.

A motion was made by Commissioner Wood, seconded by Commissioner Elsing and unanimously carried to receive the Quarterly Haloacetic Acids (HAA5) and Trihalomethane (THM) Report.

FRIDAY AFTER THANKSGIVING

At their September 12, 2011, regular meeting, the City Council approved the closing of City Hall and other City departments for the day on Friday, November 25 (the day after Thanksgiving). Since the City of Worthington does not recognize the Friday after Thanksgiving as a legal holiday, employees taking the day off would be required to use PTO, their floating holiday comp time or take the time off without pay.

A motion was made by Commissioner Wood, seconded by Commissioner Hoffmann and unanimously carried to approve the closing of Worthington Public Utilities' offices as well as the non-essential electric, water and wastewater functions on Friday, November 25, 2011.

WASTEWATER DECHLORINATION PLAN

Scott Hain, General Manager, reported that utility staff met with Donohue and Associates on October 10, 2011, to further discuss options and finalize recommendations to be included in the municipal wastewater dechlorination plan. The dechlorination plan is a requirement of our reissued NPEDS permit. The plan must be submitted to the Minnesota Pollution Control Agency by April 2012 with compliance achieved by April 2014. Mr. Hain reported that three dechlorination methods are being evaluated along with associated costs for each method.

2012 WHOLESALE ELECTRIC AND TRANSMISSION RATES

Scott Hain, General Manager, provided the Commission with a presentation on the 2012 wholesale electric and transmission rates as approved by the Missouri River Energy Services (MRES) Board of Directors at their October 13, 2011, regular meeting.

Mr. Hain reported that the MRES summer demand rate will increase from \$16.60/kW to \$18.85/kW. The winter demand rate will increase from \$13.60/kW to \$14.85/kW. The spring and fall demand rates will decrease from \$10.60/kW to \$8.35/kW. The IS transmission rate will remain at \$2.65/kW, the Split Rock transmission rate will remain at \$6.50/kW and the MRES energy rate will remain at \$0.0265/kWh. Mr. Hain reported that increases in the summer and winter demand rates and decreases in the spring and fall demand rates represent a revenue neutral adjustment overall for MRES.

The presentation also included information on S-1 member total energy growth from 2006 to 2012, projected 2012 energy sources and energy uses and 2012 Missouri River Energy Services/Western Minnesota Municipal Power Agency budgeted revenues and expenses. A comparison of projected 2012 area wholesale power rates was also presented.

SUBSTATION TIE TRANSMISSION PROJECT UPDATE

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Scott Hain, General Manager, provided a brief update on the status of the substation tie transmission project which included a brief report on easement acquisitions, airport re-zoning and an anticipated revised timeframe.

LABOR NEGOTIATIONS

Scott Hain, General Manager, provided an update on the ongoing negotiations with I.U.O.E. Local #49.

UTILITY BILLS PAYABLE

A motion was made by Commissioner Wood, seconded by Commissioner Hoffmann and unanimously carried to approve the utility bills payable totaling \$588,316.32 for September 23, September 29 and October 7, 2011.

ADJOURNMENT

A motion was made by Commissioner Hoffmann, seconded by Commissioner Wood and unanimously carried to adjourn the meeting at 7:54 A.M., DST. Vice-President Thompson declared the meeting adjourned.

Deb A. Scheidt
Secretary to the Commission