

**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**

AUGUST 18, 2008

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
Sam Nelson, Secretary
Tim Falde, Commissioner
Bob Hutter, Commissioner
Randy Keranen, Commissioner
Also Present: Hal Becker, General Manager
Bob Stroud, Recorder

3. AGENDA

Motion by Bob Hutter and seconded by Tim Falde to approve the agenda.

Motion Carried

4. MINUTES

A. Motion by Bob Hutter and seconded by Randy Keranen to approve the minutes of the special meeting conducted on July 21, 2008.

Motion Carried

B. Motion by Tim Falde and seconded by Larry Bartels to approve the minutes of the regular meeting conducted on July 21, 2008.

Motion Carried

5. POWER COST ADJUSTMENT

Hal Becker said costs are still slightly behind those of one year ago.

Motion by Bob Hutter and seconded by Sam Nelson to approve the power cost adjustment for bills due September 27, 2008 at negative .00089.

Motion Carried

6. FINANCIALS

Motion by Bob Hutter and seconded by Randy Keranen to approve the Financials for July, 2008.

Motion Carried

7. COMMISSIONERS REPORT

Randy Keranen discussed the attendance of Council members and citizens at the recent open house. On behalf of the Utilities Commission, Larry Bartels thanked the residents for their interest and attendance.

Sam Nelson inquired about the recent request for variance to policy for a private well. The variance was denied by the City Council.

8. GENERAL MANAGERS REPORT

A. UPDATE ON THE HIGHWAY 12 PROJECT

Hal Becker said the water mains had been installed and services restored. He added the utilities are still monitoring the locate requests and conversion from over head lines to underground had been completed on West River Road.

B. UPDATE ON ROOF PROJECT

The foam and roof material have been installed. The sealer is on back order and work will be completed when the order is filled. Hal Becker said the roof did not leak during the last rain.

There are two coats to be completed.

9. UNFINISHED BUSINESS

None

10. NEW BUSINESS

A. DISCUSS CONSERVATION IMPROVEMENT PROGRAM - WATER HEATERS

Hal Becker presented information on the Marathon water heaters which are currently in use by other municipalities as part of their conservation improvement program. The tanks are plastic with foam insulation three to four inches thick. There are no anode rods in these units. The loss of heat over a twenty four hour period would be approximately five degrees according to the information provided. Hal Becker said of seven local plumbers contacted, six indicated they would like to participate in the program. Current rebates under consideration are based on the capacity of the water heater; four dollars per gallon to the customer and one dollar per gallon to the plumber. Capacity size ranges from thirty to one hundred five gallons.

Motion by Randy Keranen and seconded by Tim Falde to authorize development of the sale of Marathon water heaters, developing an incentive rebate program to the customer and the plumber, with funding of the rebates to be incorporated as a part of the conservation improvement program.

Motion Carried

B. Discuss Plant Air Conditioning

The proposal for a new air conditioning system for the power plant would include an energy star rated air conditioner and heat pump combination as outlined in the bids submitted. Hal Becker said the current air conditioning at the plant consisted of combined units which operate very inefficiently and do not cool the entire office areas. Sam Nelson said that although Abel B & C submitted the lower bid, the Commission awards the assignment of projects based on the criteria and requirements of the utilities along with the quality of workmanship, materials, and warranties.

Motion by Sam Nelson and seconded by Tim Falde to accept the bid and award the air conditioning project for the utilities plant to Abel B & C.

Motion Carried

11. CLAIMS

Motion by Tim Falde and seconded by Sam Nelson to approve claims in the amount of \$692,590.83.

Motion Carried

12. ADJOURNMENT

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