

**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  
JOINT MEETING  
MARCH 02, 2009**

1. CALL TO ORDER

The meeting was called to order by Mayor Joe McDonald and Chairman Larry Bartels

2. ROLL CALL

Members Present: Joe McDonald, Mayor, Holly Schrupp, Betsy Stolfa, Brad Hotchkiss, and Larry Bartels\*, Council members.

Commission Members Present: Larry Bartels, Chairman, Bob Hutter, Sam Nelson, Jonathan Ness, and Randy Keranen.

Also Present: Hal Becker, General Manager, Delano Municipal Utilities, Phil Kern, City Administrator, Robert Schulte, CMMPA\*\* Chief Executive Officer, Mark Johnson, City Attorney, Michael Gavin, Attorney at Law representing the CMMPA, Paula Bauman, recorder for the City Council, Aimee Dreger, recorder for the Utilities Commission.

3. AGENDA

a. Motion to Approve Agenda by Larry Bartels and second by Holly Schrupp. Motion carried.

4. DISCUSS CMMPA CONTRACTS

In a continuance of the discussion of the \*\*CMMPA contract at the joint meeting conducted on January 06, 2009, Mark Johnson sent a letter out in January to Mike Gavin listing concerns with the contracts. The top concern was the 5-yr termination agreement. Some members of the city council believed 5 yrs was unreasonable especially if there is discussion of selling the electrical part of the utilities. Larry went through the handout that outlines the back round of \*\*CMMPA and the reasons why we are members. It also lists why the contracts came about and how they help the \*\*CMMPA with purchasing power and planning for the future. The contracts came about to make it more official and to improve the credit rating for the \*\*CMMPA. The contracts were approved to be signed by the Delano Water, Light and Power Commission at the February 19<sup>th</sup> Meeting and the Commission members recommended the City Council also approve the contracts. Jonathan Ness prepared a summary of the alternative handout with the other agencies and their statistics. Jonathan went through the stats of the spreadsheet and the benefits of staying with CMMPA. Phil Kern contacted other city administrators that are in the \*\*\*\*MMPA to compare the agencies. Phil talked with the Buffalo City Administrator and they had left the CMMPA 3 yrs previous and joined the MMPA. It is a fairly new association that Buffalo was a charter member. MMPA is not seeking new members. Bob Schulte explained how the CMMPA is different from the other associations. CMMPA is seeking new members, they allow members to make independent decisions, and each member has its own generation resource. Delano chose to be involved with Nebraska City II and Big Stone II energy projects. CMMPA has looked into merging with other associations, but they are not interested in new members or sharing their generation resources. Further discussion ensued on the options the Delano Municipal Utilities may have if we do not sign the contracts and if the CMMPA is the best choice.

The City council members would like to improve communication between the council and commission. Hal Becker suggested a joint meeting more often.

A motion was made by Brad Hotchkiss to vote for signing the contracts at the City Council meeting on Tuesday, March 3<sup>rd</sup>, 2009. Betsy Stolfa seconded the motion. Motion Carried.

5. Discuss Permit Fees- Phil Kern started a discussion about our industrial permit fees. An example is Modern Molding who is expanding their building and are concerned how high the permit fees are. Our fees are higher than surrounding areas as shown on a handout put together by Phil. A discussion proceeded involving why the fees in Delano are higher and what we can do to promote new business and still recover expenses incurred. Phil Kern is asking the Council and Commission to revisit the permit fees.

#### 6. ADJOURNMENT

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

\* Larry Bartels serves on the City Council and The Utilities Commission

\*\* Central Minnesota Municipal Power Association

\*\*\* Midwest Independent Systems Operators

\*\*\*\*Minnesota Municipal Power Agency that includes the cities of Buffalo, Chaska, Arlington, Anoka.

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Larry Bartels, Chairman

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Sam Nelson, Secretary