

**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
FEBRUARY 19, 2009**

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 Bob Hutter, Commissioner Randy Keranen, Commissioner Jonathan Ness
Also Present:	Hal Becker, General Manager Chris Hart, Director of Finance Craig Popenhagen, LarsonAllen Bob Schulte, CEO, CMMPA* Scott Brown, LarsonAllen Bob Stroud, Recorder

3. AGENDA

There was a motion by Randy Keranen with a second by Bob Hutter to approve the agenda.

Motion Carried

4. MINUTES

There was a motion by Sam Nelson with a second by Jonathan Ness to approve the minutes of the joint meeting conducted on December 15, 2008

Motion Carried

There was a motion by Bob Hutter with a second by Randy Keranen to approve the minutes of the regular meeting conducted on January 22, 2009.

Motion Carried

5. POWER COST ADJUSTMENT

There was a motion by Bob Hutter with a second by Jonathan Ness to approve the power cost adjustment for bills due February 27, 2009 at negative .00939.

Motion Carried

6. FINANCIALS

A. REVIEW AND APPROVE THE AUDIT REPORT FOR 2008

Craig Popenhagen and Scott Brown said the financial health of the utilities is stable. They cited internal controls for improvement would be the review of the journal entries and creating procedures manuals for each position in the utilities. Both of these controls are in progress at the utilities.

There was a motion by Bob Hutter with a second by Sam Nelson to approve the audit report of LarsenAllen with limited changes.

Motion Carried

B. APPROVE FINANCIALS FOR DECEMBER 2008

There was a motion by Randy Keranen with a second by Bob Hutter to approve the financials for December 2008.

Motion Carried

C. REVIEW FINANCIALS FOR JANUARY 2009

Approval was tabled until the next regular Commission meeting.

7. COMMISSIONERS REPORT

A. UPDATE ON THE NCII PROJECT

Bob Schulte said the NCII plant is a 680 megawatt coal powered plant and should be in service in May or June. There is a dedication ceremony scheduled for July 10th. He said Delano Municipal Utilities contract for purchased power from this plant would also contribute to a lower power cost adjustment on the customer billing.

8. UNFINISHED BUSINESS

A. APPROVE SALARIES FOR 2009

There was a motion by Sam Nelson with a second by Jonathan Ness to approve a salary increase for Delano Municipal Utilities employees at 3.5 percent and allow rounding up on one employee's percentage to remain in compliance with the Minnesota Pay Equity requirements; the increase to be retroactive to January 01, 2009.

Motion Carried

9. NEW BUSINESS

A. APPROVE CONTRACT WITH CMMPA & MAKE SAME RECOMMENDATION TO THE CITY

There was a motion by Randy Keranen with a second by Sam Nelson to approve the contract with CMMPA with the changes as resolved by the attorneys for CMMPA and the City of Delano consisting of two parts; the Market Participant Agreement and the Additional Services Agreement, and authorize the Commission Chairman to sign the agreement contingent on acceptance of the agreement by the City of Delano, which is the recommendation of the Commission.

Motion Carried

B. APPROVE REMOVING FAY WARTA FROM THE AUTHORIZED SIGNATURE LIST AND ADD CHRIS HART

There was a motion by Bob Hutter with a second by Randy Keranen to remove Fay Warta from the authorized signature list and add Chris Hart for the revolving fund account.

Motion Carried

C. REVIEW AND DISCUSS CONTRACT APPROVAL PROCESS

Hal Becker said no motions or decisions were required at this meeting but the Delano Municipal Utilities would like suggestions and comments in the development of policy for contract approvals.

D. CONSIDER RESOLUTION REGARDING MONETARY LIMITS ON MUNICIPAL TORT LIABILITY

There was a motion by Sam Nelson with a second by Larry Bartels not to waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04 and accepts liability coverage of five hundred thousand/one million two hundred thousand dollars (\$500,000/\$1,200,000) from the League of Minnesota Cities Insurance Trust (LMCIT) for calendar year 2009.

Motion Carried

10. CLAIMS

There was a motion by Sam Nelson with a second by Jonathan Ness to approve claims in the amount of \$453,484.39

Motion Carried

11. ADJOURNMENT

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

Larry Bartels, Chairman

Sam Nelson, Secretary

*Central Minnesota Municipal Power Association