

**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**

January 22, 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, Commissioner
Also Present: Hal Becker, General Manager
Bob Stroud, Recorder Clerk

A. ELECTION OF OFFICERS

Motion by Bob Hutter and seconded by Randy Keranen to elect Larry Bartels as Chairman of the Commission.

Motion Carried

Motion by Larry Bartels and seconded by Jonathan Ness to elect Bob Hutter as Vice Chair of the Commission.

Motion Carried

Motion by Randy Keranen and seconded by Bob Hutter to elect Sam Nelson as Secretary of the Commission.

Motion Carried

3. AGENDA

Motion by Bob Hutter and seconded by Randy Keranen to approve the agenda with an amendment by Sam Nelson to hear an update on the Big Stone II project at item 7 C.

Motion Carried

4. MINUTES

Motion by Bob Hutter and seconded by Sam Nelson to approve the minutes of the regular meeting conducted on December 15, 2008.

Motion Carried

Motion by Randy Keranen and seconded by Larry Bartels to approve the minutes of the special meeting conducted on January 6, 2009.

Motion Carried

5. POWER COST ADJUSTMENT

Motion by Bob Hutter and seconded by Sam Nelson to approve the power cost adjustment for bills due January 27, 2009 at negative .00572.

Motion Carried

6. FINANCIALS

Approval of the financials was tabled to the February meeting pending internal audit report.

7. COMMISSIONERS REPORT

A. RECOGNIZE THE OATH OF OFFICE OF BOB HUTTER AND JONATHAN NESS

Commissioner Bob Hutter was reappointed to the Commission by the City Council and Jonathan Ness was newly appointed replacing former Commissioner Tim Falde. Both were administered the oath of office by City Clerk Marlene Kittock prior to roll call. Chairman Larry Bartels welcomed Jonathan Ness on behalf of the Commission and expressed the gratitude of the Commission for the service given by Tim Falde.

B. UPDATE ON NCII PROJECT

Hal Becker reported the project is 97 – 99% complete. Test runs have been successful. Delano Municipal Utilities has contracted for 2 mega watts of power on a 30 year contract with this plant.

C. UPDATE ON BIG STONE II PROJECT

Transmission lines were approved by the Public Utilities Commission. Hal Becker said conditions were added to Otter Tail Power. Those conditions are to be clarified as reported by Hal Becker. Delano Municipal Utilities shares ownership in this project and is committed to 6.8 mega watts of power. Completion of the project has been moved back to 2014 with the delays created during the Public Utilities Commission reviews.

8. UNFINISHED BUSINESS

A. APPROVE POLICIES FOR 2009

Motion by Bob Hutter and seconded by Jonathan Ness to approve policies for Delano Municipal Utilities with amendments and corrections as presented to the Commission.

Motion Carried

B. APPROVE SALARIES FOR 2009

Tabled; pending a request from Sam Nelson to review the percentage of increase from surrounding utilities and a request from Jonathan Ness to see a pro forma impact comparison on the budget of a one percent increase from the current presentation.

C. PERFORMANCE AWARDS

Motion by Sam Nelson and seconded by Bob Hutter to add performance award recognition to the Delano Municipal Utilities policies, permitting the Commission, at its discretion, to award employees exhibiting work performance and standards above their normal duties which benefited the Delano Municipal Utilities or its customers, or fellow employees, with the award to be determined by the Commission.

Motion Carried

Motion by Bob Hutter and seconded by Randy Keranen to follow the City of Delano's' example and award those Delano Municipal Utilities employees involved in the Highway 12 project one, eight hour day off from work with pay in recognition of their outstanding performance in the project.

Motion Carried

9. NEW BUSINESS

A. APPOINT DELEGATE AND ALTERNATE

I. Motion by Bob Hutter and seconded by Randy Keranen to adopt the resolution appointing Hal Becker as the delegate representative to the Central Minnesota Municipal Power Agency (Utilities Plus) board of directors and authorize the Commission Chairman to sign the resolution.

Motion Carried

Motion by Larry Bartels and seconded by Sam Nelson to appoint Randy Keranen as the alternate delegate to the Central Minnesota Municipal Power Agency (Utilities Plus).

Motion Carried

II. Motion by Bob Hutter and seconded by Randy Keranen to adopt the resolution and appoint Hal Becker as the delegate representative of the Delano Water, Light and Power Commission to the Minnesota Municipal Utilities Association and the Minnesota Municipal Gas Association board of directors and authorize the Commission Chairman to sign the resolution.

Motion Carried

Motion by Larry Bartels and seconded by Randy Keranen to appoint Jonathan Ness as the alternate delegate to the Minnesota Municipal Utilities Association and the Minnesota Municipal Gas Association.

Motion Carried

B. APPROVE LICENSE AGREEMENT WITH CELLNET TECHNOLOGY

Cellnet has requested the Delano Water, Light and Power Commission approve installation of radio devices on their poles for the purpose of remote reading of gas meters. Cellnet would subcontract the installation to Delano Municipal Utilities. The contract terms are through the year 2013.

Motion by Bob Hutter and seconded by Randy Keranen to approve the license agreement and authorize the Commission Chairman to sign the agreement.

Motion Carried

10. CLAIMS

Motion by Sam Nelson and seconded by Randy Keranen to approve claims in the amount of \$787,394.75.

Motion Carried

11. ADJOURNMENT

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

Larry Bartels, Chairman

Sam Nelson, Secretary