

**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**

**DRAFT
SPECIAL MEETING
MAY 27TH, 2009**

1. CALL TO ORDER

The meeting was called to order by Chairman Larry Bartels.

2. ROLL CALL

Commission Members Present: Larry Bartels, Bob Hutter, Sam Nelson, Randy Keranen, and Jonathan Ness. Also Present: Hal Becker, General Manager and Aimee Dreger, Recorder.

3. AGENDA

- a. Motion to Approve Agenda by Jon Ness and second by Bob Hutter,
Motion carried.

4. BUSINESS

A. Discuss Permit Fees and Rates for Water and Electric Utilities.

The Commission discussed how the rates and fees are affecting the cash flow of the DMU. Utilities typically want at least a two to three months of operating cash reserve on hand. DMU currently has approximately 1.6 months operating cash reserves in the electric fund and 1.32 months operating cash reserves in the water fund. The commission discussed various options to replenish the operating cash reserves including bonding and raising fees or rates. It was noted that bonding through MCMU (Midwest Consortium of Municipal Utilities) would take 4 to 6 weeks.

Some reasons why our cash on hand is lower are the Capital expenses paid out on the HWY 12 construction, project permit fees are down from previous years and businesses and residents are improving their energy usage which reduces revenue.

It was suggested that we look at bonding sometime in the next few months. The commission will continue to monitor our cash reserves monthly.

5. ADJOURNMENT