

**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  
May 20th, 2024, at 7PM**

1. CALL TO ORDER

The meeting was called to order by the Chairman, Mike Mathisen.

2. ROLL CALL

Roll call was taken, and a quorum established.

Members Present:

Nicholas Willing, Commissioner  
Larry Bartels, Commissioner  
Chris Link, Commissioner  
John Beussman, Commissioner  
Mike Mathisen, Chairman

Also Present:

Paul Twite, General Manager  
Wendy Neu, Recorder  
Chris Knopik, CLA  
Dave Berg, DBC, (Dave Berg  
Consulting LLC)  
Brad Falteysek, Abdo

3. Agenda

A. There was a motion by Chris Link with a second by Larry Bartels to approve the agenda with Dave Berg being moved to 4A.

Motion Carried

4. Financials

A. Dave Berg Rate Study for Water and Electric

- Cost of Service Study - Water - Based on study the customer charge should be increased to meet the percentage served. A 3% rate increase is recommended for the base fee. Residential Commodity rate is recommended to move to a block rate for customers over 5,000 gallons (May-September), while Commercial and Industrial Commodity is recommended to move to seasonal rates (May-September).
- Electric - Reserves dip to 23%, Dave's recommendation is that the utility should be at 50% in reserves.

There is no concern about the Cost of Service by rate class. Dave recommends a 3% rate increase moving forward. AMI opt out rate is recommended at \$13.50. With his increase recommendations in 2028, the utility will be at 45%. Looking at increases through 2025, we continue to be the lowest bill in the group of cities represented in the study. This is based on a residential customer with an average use of 750kWh. Also discussed, Time-of-Use Rates and EV Charging Rates.

B. Audit Presentation by Brad Falteysek, Abdo

- Unmodified, Clean Opinion
- Purchase Power has been the largest expenditure over the last three years
- Recommendation for Cash Reserve to be at 50%
- Depreciation was the largest non-cash expense in water, Followed by G&A
- Cash balance is much better position by percentage than electric

There was a motion by Larry Bartels with a second by Nick Willing to Approve the 2023 Audit.  
Motion Carried

C. Review the Financials for April 2024 as presented by Clifton Larson Allen

- Monthly Sales for water and electric were both up
- Electric sales and usage is up in all categories

D. Motion to Approve Statement of Work for CLA.

There was a motion by John Beussman with a second by Larry Bartels to approve the statement of work for CLA.

Motion Carried

5. MINUTES

A. There was a motion by Chris Link with a second by Nick Willing to approve the minutes of the regular meeting on April 15th, 2024.

Motion Carried

B. There was a motion by Chris Link with a second by Larry Bartels to approve the minutes of the joint meeting on April 23rd, 2024, noting the late arrival of the council member.

Motion Carried

6. Power Cost Adjustment

A. Review the Power Cost Adjustment for April 2024 billing of .00929.

7. GM Report

A. Conservation Improvement Update

- 9 residential customers rebated with 1 pending C&I turned in.
- New software for the state reporting, due date August 1<sup>st</sup>
- Not expected to lose kWh and dollars of earlier reporting years
- Discussion on state response if numbers are not met

B/C. General Manager Update/Dept Head Meeting Update

- Strategic Plan- hand out
- Preliminary water study from Stantec-handout, will have a workshop upon receipt of final draft
- Hydrant flushing is almost complete
- Trunk Sewer and water extension down County Rd 17 to 90<sup>th</sup>
- Greywood 4, Capstone started, waiting on pricing from Xcel
- Ice Garden/ Sports Garden underway
- Parkview Hills North 60 lots/30 to start

8. Commissioners Report

A. City Council Liaison Update -covered under GM update

- Developer has backed out on the 90-unit apartment building by the river

9. Unfinished Business

A. Motion to Approve the Transformer RFP from DGR

There was a motion by John Beussman with a second by Chris Link to approve the purchase of the Transformer from Pennsylvania Transformer Technology LLC. In accordance with the bid specifications.

Motion Carried

B. Motion to Approve the Circuit Switcher RFP from DGR

There was a motion by Nick Willing with a second by Chris Link to approve the purchase of the S&C Circuit Switcher from Irby Co.

Motion Carried

10. New Business

11. Claims

A. Motion to Approve Claims in the amount of \$1,737,203.08.


There was a motion by Nicholas Willing with a second by John Beussman to approve the claims in the amount of \$1,737,203.08.

Motion Carried

12. ADJOURNMENT

There being no further business before the Commission, the meeting was adjourned at 9:05pm.

  
Mike Mathisen, Chairman

  
Larry Bartels, Secretary