

WATER AND LIGHT COMMISSION MINUTES REGULAR MEETING FEBRUARY 1, 2010

The regular meeting of the Water and Light Commission was called to order in the Worthington Public Utilities Conference Room at 3:00 P.M., CST, by President Robert J. Demuth with the following members present: Randy Thompson, James Elsing, Gary Hoffmann and Ron Wood.

Staff members present were Scott Hain, General Manager; Patrick Demuth, Electric Superintendent; Deb Scheidt, Secretary to the Commission

Others present: None

AGENDA ADDITIONS/CLOSURE

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to close the agenda as presented.

WATER AND LIGHT COMMISSION MINUTES

A motion was made by Commissioner Wood, seconded by Commissioner Hoffmann and unanimously carried to approve the Water and Light Commission minutes of the regular meeting held January 19, 2010.

2009 SAFETY, SERVICE QUALITY AND DISTRIBUTION RELIABILITY STANDARDS

Scott Hain, General Manager, reviewed the Worthington Public Utilities 2009 Safety, Service Quality and Distribution Reliability Standards report with Commission members. Mr. Hain reported that Minnesota statutes require that municipally-owned electric utilities make an annual report on their adopted standards to their local governing body. The Commission adopted the following goals at their June 19, 2006, regular meeting:

SAIDI (minutes)	10.00 or less
SAIFI (frequency)	0.33 or less
CAIDI (minutes)	60.00 or less

Mr. Hain reported that the SAIDI (8.58 in 2009) and SAIFI (0.11 in 2009) goals were met. The CAIDI (77.11 in 2009) goal had not been met as a result of planned maintenance outages for leveling and repairing transformers.

After a review of the report, a motion was made by Commissioner Wood, seconded by Commissioner Hoffmann and unanimously carried to formally accept the 2009 Safety, Service

Quality and Distribution Reliability Standards report and to retain the same SAIDI, SAIFI and CAIDI goals for 2010.

AWARD BID FOR DIRECTIONAL DRILLING UNIT

The following bids were received on Friday, January 29, 2010, for the purchase of a new directional drilling unit for the Electric Department:

	Vermeer	Ditch Witch
Base Bid	\$154,818.00	\$153,795.00
Trade-In Allowance	(\$15,000.00)	(\$12,900.00)
Sales Tax	<u>\$9,612.49</u>	<u>\$9,686.53</u>
Total Bid with Trade-In	\$149,430.49	\$150,581.53
Base Bid	\$154,818.00	\$153,795.00
Sales Tax	<u>\$10,643.74</u>	<u>\$10,573.41</u>
Total Bid without Trade-In	\$165,461.74	\$164,368.41

Discussion was held on whether to accept the low bid of \$149,430.49 from Vermeer with trade-in of the Electric Department's current 2003 directional drilling unit or declare the current unit as surplus property and accept the low bid of \$164,368.41 from Ditch Witch without trade-in. Mr. Hain reported that interest has been expressed by private entities to purchase the current unit. An invitation to bid has been prepared to include a minimum reserve bid of \$16,050 should the Commission decide to declare the unit as surplus property and be disposed of in accordance with the existing property disposal policy.

After discussion, a motion was made by Commissioner Thompson, seconded by Commissioner Wood and unanimously carried to award the bid for the purchase of a new directional drilling unit to Ditch Witch without trade-in of the Electric Department's current 2003 model year directional drilling unit at a cost of \$164,368.41.

DECLARE 2003 DITCH WITCH DIRECTIONAL DRILLING UNIT SURPLUS PROPERTY

A motion was made by Commissioner Wood, seconded by Commissioner Elsing and unanimously carried to formally declare the Electric Department's current 2003 directional drilling unit as surplus property to be disposed of in accordance with the existing property disposal policy.

PHEASANTS FOREVER PROPERTY GIFT

A motion was made by Commissioner Thompson, seconded by Commissioner Hoffmann and unanimously carried to formally recommend to the City Council that they accept the gift of 1.36

acres of land from Pheasants Forever with Worthington Public Utilities to pay the cost of the second survey and other costs associated with the transfer of title in an amount not to exceed \$1,500.

MINNESOTA DEPARTMENT OF HEALTH STANDARD MONITORING REPORT APPROVAL

A copy of the Minnesota Department of Health summary of Worthington Public Utilities approved Stage 2 Disinfectants and Disinfection Byproducts (DBP) Rule – Initial Distribution System Evaluation (IDSE) standard monitoring report was provided to Commission members.

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to accept the report.

LEWIS AND CLARK REGIONAL WATER SYSTEM PROJECT UPDATE

Scott Hain, General Manager, provided an update on the construction status of the Lewis and Clark Regional Water System project.

UTILITY BILLS PAYABLE

A motion was made by Commissioner Wood, seconded by Commissioner Thompson and unanimously carried to approve the Utility Bills Payable totaling \$73,515.21 for January 22 and January 29, 2010.

ADJOURNMENT

A motion was made by Commissioner Hoffmann, seconded by Commissioner Thompson and unanimously carried to adjourn the meeting at 3:48 P.M., CST. President Demuth declared the meeting adjourned.

Deb A. Scheidt
Secretary to the Commission