

WATER AND LIGHT COMMISSION MINUTES

REGULAR MEETING

JUNE 14, 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., DST, by President Robert J. Demuth with the following members present: Randy Thompson, James Elsing, Ron Wood and Gary Hoffmann.

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 Wood and unanimously carried to close the agenda as presented.

WATER AND LIGHT COMMISSION MINUTES

A motion was made by Commissioner Elsing, seconded by Commissioner Hoffmann and unanimously carried to approve the Water and Light Commission minutes of the regular meeting held May 17, 2010.

FINANCIAL STATEMENTS AND STAFF REPORTS

A motion was made by Commissioner Hoffmann, seconded by Commissioner Wood and unanimously carried to accept the Financial Statements and the Staff Reports for May 2010.

APPROVE PLANS FOR 2010 TRUNK SEWER SPOT REPAIRS

Scott Hain, General Manager, reported that plans and specifications for the 2010 trunk sewer spot repairs have been completed.

The project includes two spot repairs on the 24" trunk sanitary sewer on 11th Street between East Ninth Avenue and Clary Street. The estimated cost for this work, including engineering and contingencies, is \$40,500. The current estimated project cost is \$7,660 over the amount budgeted for the project (\$32,840). Mr. Hain stated that the overrun, if it exists following bid opening, may be funded from the approximate \$15,000 savings projected to occur in the pavement restoration project as a result of bids received for that work.

The project also includes four spot repairs on the 30” trunk sewer and one spot repair on the 21” trunk sewer in segments of these trunk lines north of Interstate 90. The current estimated total project cost for this work is the budgeted amount of \$107,590.

A motion was made by Commissioner Elsing, seconded by Commissioner Thompson and unanimously carried to approve the plans and specifications for the 2010 trunk sewer spot repairs and authorize advertisement for bids to be received July 19, 2010. The bids will be considered for award at the July 26, 2010, Commission meeting.

VACATE PORTION OF UTILITY EASEMENT

Newport Laboratories, Inc. has constructed a storage tank over part of an easement over a portion of their property at 2020 Circle Drive. This tank, which did not require a building permit to construct, is considered to be in conflict with the purpose of the easement. The company also has plans to potentially expand the adjacent building over the easement. The easement was previously over the westerly ten feet of the south part of the property but is now located within the property as a result of the company’s acquisition of additional property. The easement was previously needed to serve the property located at 2008 Circle Drive which is now incorporated into Newport Laboratories’ site. Electric and communications lines needed to serve the 2008 Circle Drive location may now pass through the site as a service with no need for an easement.

An electric transformer that is part of the public distribution system is located within the south ten feet of the easement. Newport Laboratories has applied for vacation of the easement except for the south ten feet thereof.

A motion was made by Commissioner Wood, seconded by Commissioner Thompson and unanimously carried to concur with vacating that portion of the easement as requested. The City Council is scheduled to consider action on the resolution presented to the Commission at their June 14, 2010, meeting.

2009 ANNUAL REPORT

Scott Hain, General Manager, presented the Worthington Public Utilities Annual Report for fiscal year ended December 31, 2009. After review, a motion was made by Commissioner Wood, seconded by Commissioner Thompson and unanimously carried to receive the 2009 Annual Report.

AMI/AMR/LOAD MANAGEMENT PROJECT UPDATE

Scott Hain, General Manager, provided the Commission with a revised Demand Response Program policy. A motion was made by Commissioner Thompson, seconded by Commissioner Wood and unanimously carried to adopt the Demand Response Program policy as presented.

Mr. Hain also presented the draft informational brochure that will be provided to customers prior to installation of their demand response unit. The brochure contains information on the Demand Response Program, load management, the Demand Response Program Policy, the Demand Response Program Voluntary Opt Out Form and frequently asked questions. It was the consensus of the Commission that the brochure be printed and distributed as presented.

Mr. Hain reported that Worthington Public Utilities is on schedule in regards to the initial timeline established for implementation of the demand response program for 2010. Approximately 100 smart meters and 50 demand response units have been deployed, the powerline carrier hardware and other communications infrastructure has been installed and the Aclara software has been installed and tested. Mr. Hain reported that staff would familiarize themselves with the new system throughout the next few months and that more widespread deployment of meters and demand response units would resume in the fall with the goal of having at least 1,000 demand response units in place by the summer of 2011. It was the consensus of the Commission that the assessment of "opt out" charges to customers who choose not to participate in the program would not commence until the summer of 2011 provided that deployment of the units proceeds as planned.

MINNESOTA OSHA INSPECTION

Scott Hain, General Manager, informed Commission members that the formal report from Minnesota OSHA regarding the inspection that was conducted on May 25-27, 2010, had not yet been received.

GENERAL MANAGER'S PERFORMANCE EVALUATION

The employment agreement between Scott Hain, General Manager, and the Water and Light Commission provides for an annual evaluation of the General Manager's performance. Mr. Hain's anniversary date of hire as General Manager will be August 1, 2010. The evaluation form was provided to Commission members. Commission members were asked to submit their evaluations to President Demuth for compilation of responses at the July 6, 2010, regular Commission meeting.

UPCOMING TOURS

Scott Hain, General Manager, reported that there will be a bus tour of the Lewis and Clark Regional Water System project construction on September 9. It is anticipated that the tour will leave Sioux Falls at approximately 9:00 a.m., include lunch at the water treatment plant site and return to Sioux Falls by approximately 3:00 p.m.

Mr. Hain also reported that the fall tour of Laramie River Station is scheduled for September 15 and 16. The tour will include a tour of the Dry Fork coal mine near Gillette, WY, before proceeding to the Laramie River Station located near Wheatland, WY. MRES is requesting reservations be made by July 2.

Commissioners were asked to inform staff of their intentions regarding attending either of these tours.

UTILITY BILLS PAYABLE

A motion was made by Commissioner Thompson, seconded by Commissioner Wood and unanimously carried to approve the Utility Bills Payable totaling \$331,508.74 for May 21, May 28, June 3 and June 11, 2010.

ADJOURNMENT

A motion was made by Commissioner Thompson, seconded by Commissioner Hoffmann and unanimously carried to adjourn the meeting at 4:31 P.M., DST. President Demuth declared the meeting adjourned.

Deb A. Scheidt
Secretary to the Commission