

A REGULAR MEETING OF THE PUBLIC UTILITIES COMMISSION OF THE CITY OF VIRGINIA, MINNESOTA WAS HELD AT THE OFFICE OF THE DEPARTMENT OF PUBLIC UTILITIES ON MONDAY, OCTOBER 23, 2023 AT 3:30 P.M.

Item 1. - Commission President Marwick called the meeting to order at 3:30 PM.

Approved

Present: Commissioners Hale, Johnson, Marwick and Petroskey
Absent: Commissioner Makowsky
Also Present: Greg French – General Manager; Cassandra Belak – Director of Finance; Mary Johnson – Supervisor – Customer Relations; Liz Motley – Virginia City Council; Kyle Leffel and Greg Manninen – VPU/AFSCME 65 Employees; Representative – Virginia Public Access TV

Item 2 – A motion was made by Commissioner Petroskey and supported by Commissioner Hale to approve the meeting agenda. Motion carried unanimously.

Item 3 – Mr. French stated Mr. Leffel and Mr. Manninen were attending the meeting to represent the AFSCME 65 Union.

Item 4 (a) and (b) - A motion was made by Commissioner Petroskey and supported by Commissioner Johnson to approve financial resolution No. 5343 - Authorizing the payroll dated October 5, 2023 in the amount of \$88,922.85, direct deposits #37540 through #37588; and the payroll dated October 19, 2023 in the amount of \$96,855.32, direct deposits #37589 through #37637; and the bills dated September 25, 2023 through October 20, 2023 in the amount of \$1,011,090.96, checks #115729 through #115876 and wire and electronic transfers in the amount of \$807,924.09; and Net Payment Adjustments for the month of September 2023 in the amount of \$2,164.38; and the Regular Commission Meeting minutes from the September 23, 2023 meeting.

Item 5 (a) – Commissioner Marwick stated that no injuries were reported for the month.

Item 6 (a) – Mr. French stated VPU received the MCE Gas Purchasing Contract after the meeting packets were sent out. He further stated Ms. Belak will be reviewing the contract, and once it is ready for commission review, it will be emailed to the commissioners.

Item 6 (b) – Mr. French stated that a new pump for the Midway Booster Station has been ordered, but delivery isn't expected until March 2024. Additionally, he stated that GPM will be rebuilding one of the pumps at an expected cost of \$25K; Parts to rebuild the pump are expected to arrive November 2023. Both the purchase of the new pump and rebuilding of one pump were approved at the last commission meeting. Due to the delay in getting the new pump, Mr. French asked the Commission to approve the cost to have the second pump rebuilt upon completion of the first. A motion was made by Commissioner Petroskey and supported by Commissioner Hale approving the cost to rebuild the second pump. Motion carried unanimously.

Item 7 (a) – A motion was made by Commissioner Petroskey and supported by Commissioner Johnson to approve the travel request for 2 – VPU staff to attend the MMUA Technical & Operations Conference; December 5-7, 2023 in St. Cloud, MN. Motion carried unanimously.

Item 7 (b) – Mr. French discussed the EPA Water System Report recapping the findings from the August 14th visit. He reminded the Commission that the visit was in response to what occurred in Flint, MI, and that the EPA is conducting random visits of water plants throughout the country with Hibbing and Duluth water plants also being visited this year. Mr. French pointed out that Item #2 (unaccounted for water losses) was the most concerning item. He further stated that while VPU has been able to identify some of the water loss over the last several years, the number is still high. He stated VPU will continue to survey the water system with correlation equipment, in addition to looking at possibly metering some of the City water usage, and checking into the residential metering to make sure there is not a calibration issue between dial and E.R.T readings. Additionally, he addressed Item #1 (no backup/auxiliary power sources for the treatment plant) stating with the redundancies built into the VPU electrical system, and the quick response from MP in the past, the Utility has been able to restore power to the water plant in short notice, and therefore he does not feel the cost to purchase a backup power source is justified. Finally, Mr. French addressed Item # 3 (failure to have a formal asset management plan or routine maintenance schedules) by stating that VPU has contracted with SEH Engineering and People Services to engineer and manage the water system, and they maintain the plans and schedules referenced. He further stated they (SEH and People Services) are working together on a response to the report.

Item 8 (a) – Mr. French gave an operations update stating the plant has been running approximately 26,000 lbs/hr of steam utilizing the package boilers, alternating between boiler #1 and #2 every two weeks. He added that both boilers will be utilized once demand hits in the high 40,000 lbs/hr range. Finally, Mr. French stated that the 1st round of union negotiations will begin next week. He stated VPU will again be utilizing Mitch Brunfelt for legal representation, and he's hopeful negotiations will go as well as last year. A committee meeting will be scheduled once a tentative agreement has been reached.

Item 8 (b) – None

Item (9) – A motion was made by Commissioner Petroskey and supported by Commissioner Hale to adjourn at 3:49 p.m. Motion carried unanimously.

ATTEST:

APPROVED:

James Petroskey, Secretary

Jeff Marwick, President