



MEETING MINUTES

NEW PRAGUE UTILITIES COMMISSION

Monday, August 27, 2018

The regular meeting of the New Prague Utilities Commission was held on Monday, August 27, 2018, 3:30 p.m. at 300 East Main St – Power Plant, New Prague, MN 56071.

PRESENT: Commissioners Dan Bishop, Paul Busch, Richard Jordan, Chuck Nickolay, and Brian Skok

OTHERS PRESENT: General Manager Bruce Reimers, Finance Director Patty Solheid and Distribution Supervisor Ken Zweber

1. **CALL TO ORDER:** The meeting was called to order by President Bishop on Monday, August 27, 2018, at 3:33 p.m.
2. **APPROVAL OF AGENDA:** A motion was made by Commissioner Jordan to approve the agenda and seconded by Commissioner Busch. Motion carried.
3. **MEETING MINUTES:** A motion was made by Commissioner Nickolay and seconded by Commissioner Jordan to approve the July 23, 2018 meeting minutes. Motion carried.
4. **UTILITY & SMMPA BILLS:** A motion was made by Commissioner Busch on the approval of:
 - A. Accounts Payable in the amount of \$316,313.41
 - B. The SMMPA claim for payment in the amount of \$509,141.59Seconded by Commissioner Nickolay. Motion carried.
5. **FINANCIAL REPORTS A – C (Enclosed):**
 - A. Investment Report – The Investment Report was presented for review and approval.
 - B. Financial Report – The Financial Reports for February were presented for review and approval.
 - C. Water & Kilowatt Hour Sales – The kilowatt and water sales were reviewed.

A motion was made by Commissioner Skok to approve the Financial Reports as presented, seconded by Commissioner Nickolay. Motion carried.
6. **PROFESSIONAL SERVICES AGREEMENT AND ELECTRIC RATE STUDY CONSULTING SERVICES – DAVE BERG CONSULTING, LLC:**

A motion was made by Commissioner Skok and Seconded by Commissioner Nickolay to approve Dave Berg Consulting, LLC for Professional Services Agreement. General Manager (GM) Reimers suggested engaging Dave Berg's consulting services in conducting a rate and financial study in preparation of the 2019 Budget and Task Order #1 for the amount of \$13,500.00. Motion carried.
7. **LARGE AND SMALL PEAK POWER RATE APPROVAL:**

GM Reimers informed the Commission that the NPUC will be gaining three new customers through the MVEC Service Territory agreement that have the capability of covering their own load with on-site generation. These customers will be given a special rate for using their generation during periods of high demand. This rate will be reviewed throughout the year to make sure it is beneficial to both the NPUC and the customer(s).

A motion was made by Commissioner Jordan and seconded by Commissioner Skok to approve the new rate for customers that are owners of on-site generation and add this rate to the rate schedule along with all other rate classes. Motion carried.

8. Power Plant Substation Transformer Repair or Replacement Bid Review and Approval:

The Commission and its engineering consultant, DGR Engineering have reviewed the three bids that had been received for the replacement or repair of the power plant substation transformer. Two bids received were for a new transformer and one bid for rewinding the existing transformer. GM Reimers informed the Commission that the bid received for the rewinding of the transformer did not meet the specifications called for by DGR Engineering and therefore would not be a consideration. The two other bids were reviewed for the purchase of a new transformer with a recommendation from DGR Engineering that the Commission purchase a new power transformer from the lowest evaluated bid meeting specifications. A motion was made by Commissioner Nickolay and seconded by Commissioner Busch to award the winning bid to WEG Transformers USA LLC for a total contract price of \$543,353.00 with delivery scheduled in 36-38 weeks (May 2019).

9. SMMPA BOARD OF DIRECTORS MEETING – July 11, 2018:

Informational only

10. SMMPA BOARD OF DIRECTORS MEETING- August 8, 2018

General Manager Reimers informed the Commission on the following:

- SMMPA’s annual meeting is October 11th - 12th and all Commissioners are encouraged to attend.
- The grand opening of the Owatonna Energy Station was on the 8th of August and was well attended.
- SMMPA’s staff is starting work on 2019 budgets and rate forecast.

11. GENERAL MANAGERS REPORT - General Manager Reimers informed the Commission:

- Service territory distribution construction is about 90% complete and staff will be meeting with MVEC to review switchover procedures Staff has been working with consultants to prepare the 2019 rates and budgets.
- Praha Village Senior Living and Kwik Trip services have been installed and connected.
- Future discussion and policies will be required for the Water Backflow Protection policy.

12. OTHER BUSINESS

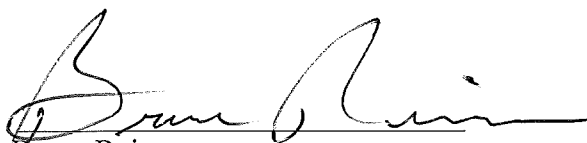
None

13. ADJOURN

A motion was made by Commissioner Jordan and seconded by Commissioner Skok to adjourn the August 27th meeting at 4:48 P.M.

NEXT COMMISSION MEETING - MONDAY, SEPTEMBER 24, 2018

Respectfully Submitted,



Bruce Reimers
General Manager