

MINUTES OF REGULAR MEETING
January 8, 2019

Chairman Weiss called the meeting to order at 5:00pm with Commissioner Marotz and Commissioner Novotny present. Also present was Public Works Director Elston and Councilor Stevermer. Absent were Vice Chairman Theisen, Secretary Schlie and City Manager Kober.

Commissioner Marotz moved to approve the agenda. Commissioner Novotny seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Novotny moved to approve the minutes from the December regular meeting as sent. Commissioner Marotz seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Marotz moved to retain all Commission officers in their current positions which includes; Robert Weiss, Chairman, Paul Theisen, Vice Chairman, and Wade Schlie, Secretary. Commissioner Novotny seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Novotny moved to approve the invoices for December, totaling \$176,058.76 and a supplemental list totaling \$332.63. Commissioner Marotz seconded the motion. Motion carried; Ayes 3, Nays 0.

The Commission reviewed the monthly operational and financial reports for November 2018.

Chairman Weiss and Councilor reviewed the City Council meeting and stated that the Council agreed to offer the City Manager position to Kelli Truver from Arizona.

Kyle Haemig with CMPAS was present to discuss wind energy options with the Commission. No action was taken.

Commissioner Novotny moved to increase the meter reader compensation from \$0.31 to \$0.32 per meter. Commissioner Marotz seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Marotz moved to approve a new three-year contract for Public Works Director Elston. Commissioner Novotny seconded the motion. Motion carried; Ayes 3, Nays 0.

Elston reminded the Commission of the MMUA Winter Legislative Meeting on January 29-30 in St. Paul.

Chairman Weiss adjourned the meeting at 5:57pm, concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
February 12, 2019

Chairman Weiss called the meeting to order at 5:00pm with Secretary Schlie, Commissioner Marotz and Commissioner Novotny present. Also present was Public Works Director Elston, City Manager Kober and Councilor Stevermer. Absent was Vice Chairman Theisen

Commissioner Marotz moved to approve the agenda. Commissioner Novotny seconded the motion. Motion carried; Ayes 4, Nays 0.

Commissioner Marotz moved to approve the minutes from the January regular meeting as sent. Secretary Schlie seconded the motion. Motion carried; Ayes 4, Nays 0.

Commissioner Novotny moved to approve the invoices for January, totaling \$162,778.89 and a supplemental list totaling \$280,553.06. Commissioner Marotz seconded the motion. Motion carried; Ayes 4, Nays 0.

The Commission reviewed the monthly operational and financial reports for November 2018.

Public Works Director Elston reviewed the potential new wind energy product and asked the Commission if they preferred a straight wind contract or a "Shape" product as had been discussed the previous month. The Commission agreed they preferred the Shape product. CMPAS will be informed of this and Kyle will return next month to discuss the Shape product in more detail.

Chairman Weiss and PWD Elston reviewed the recent MMUA legislative meetings at St. Paul.

Chairman Weiss adjourned the meeting at 5:57pm, concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
March 12, 2019

Chairman Weiss called the meeting to order at 5:00pm with Vice Chairman Theisen and Secretary Schlie, present. Also present was Public Works Director Elston, City Manager Truver and Councilor Stevermer. Absent were Commissioner Marotz and Commissioner Novotny.

Secretary Schlie moved to approve the agenda. Commissioner Novotny seconded the motion. Motion carried; Ayes 3, Nays 0.

Secretary Schlie moved to approve the minutes from the February regular meeting as sent. Chairman Weiss seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Marotz arrived at 5:04pm

Vice Chairman Theisen moved to approve the invoices for February, totaling \$224,800.11 and a supplemental list totaling \$32,843.85. Commissioner Marotz seconded the motion. Motion carried; Ayes 4, Nays 0.

The Commission reviewed the monthly operational and financial reports for January 2019

Commissioner Marotz moved to approve resolution #194 calling for the purchase of wind energy from CMPAS. Resolution #194 reads as follows:

RESOLUTION AUTHORIZING THE EXECUTION OF A WHOLESALE POWER
AGREEMENT

WHEREAS, City of Sleepy Eye, Minnesota (“City”) owns and operates an electric utility system under Minnesota law and through such utility distributes and sells electric power and energy at retail;

WHEREAS, City is a member of the Central Minnesota Municipal Power Agency, a joint electric power agency formed under Minnesota Statutes Section 453.51 through 453.62 (“CMMPA”);

WHEREAS, City has determined that it is in the best interests of its electric ratepayers to enter into a power sales agreement with CMMPA for the purchase of an entitlement share of a long-term fixed dispatch energy product being obtained by CMMPA from a wholesale supplier;

WHEREAS, the agreement is anticipated to (i) start in 2021 for a term of no less than 10 years and no greater than 15 years (ii) include a price of energy that does not exceed \$31.00 per megawatt hour for the term of the agreement; and (iii) include renewable attributes commensurate with the energy share; and

WHEREAS, the Public Utility Commission has examined all other matters it deems relevant;

NOW, THEREFORE, be it resolved as follows:

1. The “Power Sales Agreement Between Central Minnesota Municipal Power Agency and the Sleepy Eye Public Utility Commission for Purchase of Fixed Dispatch Energy” (“Agreement”) be hereby approved in substantially the form presented to the Public Utility Commission.
2. Robert C. Weiss, Chairman, is authorized to execute and deliver the Agreement to the counterparties on behalf of the City, with such changes therein as shall be approved by

the City Attorney and/or other designated representatives of the City, the execution thereof to constitute conclusive evidence of the Chairman's approval of any and all changes or revisions therein from the form of the Agreement hereby approved.

THIS RESOLUTION SHALL BE IN FULL FORCE AND EFFECT IMMEDIATELY AFTER ITS PASSAGE AND APPROVAL AS PROVIDED BY LAW.

Passed and approved this 12th day of March, 2019.

Robert C. Weiss, Chairman

Attest: Wade Schlie, Secretary

Commissioner Marotz moved to designate \$200,000 to a Capital fund to be held at UBS in a daily savings account. Vice Chairman Theisen seconded the motion. Motion carried: Ayes 4, Nays 0.

The Commission considered using laptops or tablets for meeting agendas and content instead of paper copies of everything. After much discussion they decided to try the big tv screen instead of tablets.

Chairman Weiss and PWD Elston reviewed the APPA legislative meeting with the rest of the Commission.

Chairman Weiss adjourned the meeting at 5:59 pm, concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
April 15th, 2019

Chairman Weiss called the meeting to order at 5:00pm with Vice Chairman Theisen, Secretary Schlie, Commissioner Marotz and Commissioner Novotny present. Also present were Public Works Director Elston, City Manager Truver and Councilor Stevermer.

Commissioner Marotz moved to approve the agenda. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 5, Nays 0.

Secretary Schlie moved to approve the minutes from the March regular meeting as sent. Commissioner Marotz seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Novotny moved to approve the invoices for March, totaling \$181,266.17 and a supplemental list totaling \$3,156.30. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 5, Nays 0.

The Commission reviewed the monthly operational and financial reports for February 2019.

Commissioner Marotz moved to approve the 5-year Capital Plan as presented. Commissioner Novotny seconded the motion. Motion carried; Ayes 5, Nays 0.

Elston informed the Commission that the Electric department received an American Public Power Association Award of Excellence for safe operation practices in 2018. The electric department earned first-place in the category for utilities with 10,400 worker hours of annual worker exposure.

Chairman Weiss adjourned the meeting at 5:55 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
May 14th, 2019

Chairman Weiss called the meeting to order at 5:00pm with Vice Chairman Theisen and Commissioner Novotny present. Also present were Public Works Director Elston, and Councilor Stevermer. Absent were Secretary Schlie and Commissioner Marotz.

Commissioner Novotny moved to approve the agenda. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 3, Nays 0.

Vice Chairman Theisen moved to approve the minutes from the April regular meeting as sent. Commissioner Novotny seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Novotny moved to approve the invoices for March, totaling \$305,385.82 and a supplemental list totaling \$17,717.66. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 3, Nays 0.

The Commission reviewed the monthly operational and financial reports for March 2019.

Sara Oberloh was present to review the 2018 Public Utilities audit report. No action was taken.

Elston reported to the commission that he is working with Bolton and Menk on a radon mitigation plan for the water treatment plant. The work is in progress, but nothing is ready for board action at this point.

Vice Chairman Theisen moved to approve a Mutual Aid agreement with MnWARN. Commissioner Novotny seconded the motion. Motion carried; Ayes 3, Nays 0. The agreement needs to next be approved by the City Council.

Chairman Weiss adjourned the meeting at 5:31 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
June 18th, 2019

Chairman Weiss called the meeting to order at 5:00pm with Vice Chairman Theisen, Secretary Schlie, Commissioner Marotz and Commissioner Novotny present. Also present were Public Works Director Elston, and Councilor Stevermer.

Commissioner Marotz moved to approve the agenda. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Novotny moved to approve the minutes from the April regular meeting as sent. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Marotz moved to approve the invoices for March, totaling \$380,026.99 and a supplemental list totaling \$0. Secretary Schlie seconded the motion. Motion carried; Ayes 5, Nays 0.

The Commission reviewed the monthly operational and financial reports for April 2019.

Vice Chairman Theisen moved to approve the 2018 Audit Report. Commissioner Marotz seconded the motion. Motion carried; Ayes 5, Nays 0.

Consideration of a new vac machine was tabled.

Commissioner Novotny moved to adopt Resolution number 195 as follows:

RESOLUTION NO. 195

RESOLUTION ADOPTING SLEEPY EYE PUBLIC UTILITIES POLICY REGARDING DISTRUBUTED ENERGY RESOURCES AND NET METERING AND RULES GOVERNING INTERCONNECTION OF COGENERATION AND SMALL POWER PRODUCTION FACILITIES WHEREAS, the City is served by Sleepy Eye Public Utilities, which is committed to providing customers with reliable and affordable power.

WHEREAS, the purpose of this Distributed Energy Resources and Net Metering Policy is to establish the qualification criteria and certain responsibilities for the delivery, interconnection, metering, and purchase of electricity from distributed generation facilities.

WHEREAS, this policy, in accordance with Minnesota Statutes §216B.164, shall be implemented to give the maximum possible encouragement to cogeneration and small power production consistent with protection of the utility's ratepayers and the public.

WHEREAS, the purpose of the Cogeneration and Small Power Production Rules is for Sleepy Eye Public Utilities to implement certain provisions of Minnesota Statutes §216B.164, the Public Utility Regulatory Policies Act of 1978, and Federal Energy Regulatory Commission regulations related to customer-owned distributed energy resources.

WHEREAS, the adoption of these rules establishes that the Sleepy Eye Public Utilities Commission is the interpreting body and arbiter of the provisions of Minnesota Statutes §216B.164 for Sleepy Eye Public Utilities.

WHEREAS, Sleepy Eye Public Utilities shall annually file a cogeneration and small power production tariff with the Sleepy Eye Public Utilities Commission under these rules.

WHEREAS, the cogeneration and small power production tariff shall include a calculation of average retail utility energy rates, standard contracts to be used with qualifying facilities, interconnection process

and technical requirements, and Sleepy Eye Public Utilities Commission's estimated average incremental energy costs and net annual avoided capacity costs.

WHEREAS, all filings under these rules shall be maintained at the Sleepy Eye Public Utilities office and shall be made available for public inspection during normal business hours.

THEREFORE, BE IT RESOLVED that the Sleepy Eye Public Utilities Commission adopts the following Policy Regarding Distributed Energy Resources and Net Metering and Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities.

Adopted by the Sleepy Eye Public Utilities.

Secretary Schlie seconded the motion. Motion carried; Ayes 5, Nays 0.

Chairman Weiss adjourned the meeting at 5:35 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
July 16th, 2019

Chairman Weiss called the meeting to order at 5:00pm with Vice Chairman Theisen, Secretary Schlie, Commissioner Marotz and Commissioner Novotny present. Also present were Public Works Director Elston, and Councilor Stevermer.

Commissioner Marotz moved to approve the agenda. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Marotz moved to approve the minutes from the June regular meeting as sent. Secretary Schlie seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Marotz moved to approve the invoices for June, totaling \$612,084.88 and a supplemental list totaling \$0. Secretary Schlie seconded the motion. Motion carried; Ayes 5, Nays 0.

The Commission reviewed the monthly operational and financial reports for May 2019.

Commissioner Marotz moved to purchase a Rong-O-Matic 550 Hi CFM Cacuum Excavator from Trenchers Plus for the State Bid price of 60,841 minus \$11,000 for trade in of 2001 Vactron PMD 500DT. Total purchase price is \$49,841. Secretary Schlie seconded the motion. Motion carried; Ayes 5, Nays 0.

Elston informed the Commission of the MMUA Summer meeting. Attending will be Chairman Weiss, Vice Chairman Theisen and Commissioner Novotny.

Chairman Weiss adjourned the meeting at 5:35 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
August 13, 2019

Chairman Weiss called the meeting to order at 5:00pm with Vice Chairman Theisen, Secretary Schlie, Commissioner Marotz and Commissioner Novotny present. Also present were Public Works Director Elston, and Councilor Stevermer.

Commissioner Marotz moved to approve the agenda. Commissioner Novotny seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Novotny moved to approve the minutes from the July regular meeting as sent. Commissioner Marotz seconded the motion. Motion carried; Ayes 5, Nays 0.

Commissioner Novotny moved to approve the invoices for July, totaling \$197,782.71 and a supplemental list totaling \$296,106.29. Secretary Schlie seconded the motion. Motion carried; Ayes 5, Nays 0.

The Commission reviewed the monthly operational and financial reports for June 2019.

Elston informed the Commission that the water leak that was suspected had been found. A four inch main on First Ave. and Walnut Street was leaking directly into a storm sewer, which meant the leak never surfaced. It was only found because water loss numbers were higher than normal.

Chairman Weiss adjourned the meeting at 5:22 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
September 10th, 2019

Chairman Weiss called the meeting to order at 5:00pm with, Secretary Schlie, and Commissioner Marotz present. Also present were Public Works Director Elston, and Councilor Stevermer. Absent were Vice Chairman Theisen and Commissioner Novotny.

Commissioner Marotz moved to approve the agenda. Secretary Schlie seconded the motion. Motion carried; Ayes 3, Nays 0.

Secretary Schlie moved to approve the minutes from the August regular meeting as sent. Commissioner Marotz seconded the motion. Motion carried; Ayes 3, Nays 0.

Commissioner Marotz moved to approve the invoices for August, totaling \$165,183.30 and a supplemental list totaling \$261,254.50. Secretary Schlie seconded the motion. Motion carried; Ayes 3, Nays 0.

The Commission reviewed the monthly operational and financial reports for July 2019.

Commissioner Marotz moved to set the salary range for the Public Works Director position at \$75,000-\$90,000. Secretary Schlie seconded the motion. Motion carried; Ayes 3, Nays 0.

Chairman Weiss adjourned the meeting at 6:02 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
October 8th, 2019

Chairman Weiss called the meeting to order at 5:00pm with, Vice Chairman Theisen, Commissioner Novotny and Commissioner Marotz present. Also present were City Manager Elston, and Councilor Stevermer. Absent was Secretary Schlie.

Commissioner Marotz moved to approve the agenda. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 4, Nays 0.

Chairman Weiss moved to approve the minutes from the September regular meeting as sent. Commissioner Marotz seconded the motion. Motion carried; Ayes 4, Nays 0.

Commissioner Novotny moved to approve the invoices for September, totaling \$63,855.97 and a supplemental list totaling \$150,279.24. Commissioner Marotz seconded the motion. Motion carried; Ayes 4, Nays 0.

The Commission reviewed the monthly operational and financial reports for August 2019.

Elston asked for show of hands of those planning to attend the CMPAS Membership dinner. Commissioner Marotz is unable to attend.

Commissioner Marotz moved to allow the hiring committee to extend the advertising date for Public Works Director for up to one month if necessary. Commissioner Novotny seconded the motion. Motion carried; Ayes 4, Nays 0.

Chairman Weiss adjourned the meeting at 5:45 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
November 12th, 2019

Chairman Weiss called the meeting to order at 5:00pm with, Vice Chairman Theisen, Secretary Schlie and Commissioner Marotz present. Also present were City Manager Elston, and Councilor Stevermer. Absent was Commissioner Novotny.

Commissioner Marotz moved to approve the agenda. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 4, Nays 0.

Commissioner Marotz moved to approve the minutes from the October regular meeting as sent. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 4, Nays 0.

Commissioner Marotz moved to approve the invoices for October, totaling \$164,440.75 and a supplemental list totaling \$199,823.11. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 4, Nays 0.

The Commission reviewed the monthly operational and financial reports for September 2019.

Commissioner Marotz moved to approve replacing two doors on the breaker house building at a cost of \$1,485. Secretary Schlie seconded the motion. Motion carried; Ayes 4, Nays 0.

Chairman Weiss indicated that persons applying for "Real ID" need to show two utility bills in their name as part of the process. Our utility bills have traditionally been in one name only, even for married couples. He suggested allowing both names be placed on the utility bill if a customer requests this. Elston said billing will make the changes when requested.

Elston said he would begin advertising for a new water operator/street maintenance worker. The Commission orally agreed with a starting salary range between \$24 and \$28 per hour, the final wage to be determined when an offer is made.

Chairman Weiss adjourned the meeting at 5:50 concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss

MINUTES OF REGULAR MEETING
December 10th, 2019

Chairman Weiss called the meeting to order at 5:05pm with, Vice Chairman Theisen, Secretary Schlie, and Commissioner Novotny present. Also present were City Manager Elston, Public Works Director Hardin. Absent was Commissioner Marotz and Councilor Stevermer.

Commissioner Novotny moved to approve the agenda. Secretary Schlie seconded the motion. Motion carried; Ayes 4, Nays 0.

Vice Chairman Theisen moved to approve the minutes from the November regular meeting as sent. Secretary Schlie seconded the motion. Motion carried; Ayes 4, Nays 0.

Commissioner Novotny moved to approve the invoices for November, totaling \$130,819.86 and a supplemental list totaling \$222,949.15. Vice Chairman Theisen seconded the motion. Motion carried; Ayes 4, Nays 0.

The Commission reviewed the monthly operational and financial reports for October 2019.

Commissioner Novotny moved to approve low bid for powerplant garage floor rehab at a cost of \$81,547. Secretary Schlie seconded the motion. Motion carried; Ayes 4, Nays 0.

Commission discussed the upcoming APPA Rally on February 24th-26th.

Commission discussed billing clerk wage. Vice Chairman Theisen moved to approve a \$1.00 per hour increase to the billing clerk wage. Secretary Schlie second the motion. Motion carried; Ayes 4, Nays 0.

Commission discussed write-offs for 2019. Commissioner Novotny moved to approve write-offs for 2019. Vice Chairman Theisen second the motion. Motion carried; Ayes 4, Nays 0.

Vice Chairman Theisen made a motion to designate \$200,000 to the Capital Fund. Commissioner Novotny second the motion. Motion carried; Ayes 4, Nays 0.

Chairman Weiss adjourned the meeting at 5:42pm concluding all agenda business.

Wade Schlie Secretary

ATTEST CORRECT _____ Chairman
Robert C. Weiss