

MINUTES OF THE PROCEEDINGS

of the Public Utilities Commission, City of Hibbing, St. Louis County, Minnesota

Page One

November 12, 2019

Minutes of the regular meeting of the Public Utilities Commission, Hibbing, Minnesota held on November 12, 2019, at Hibbing City Hall, Council Chambers 401 E. 21st St., Hibbing, MN 55746. Chairperson Rian called the meeting to order at 5:01 p.m. In attendance were Chairperson Rian; Commissioner Hart; Commissioner Bayliss; Commissioner Stokes; Legal Counsel, Andy Borland; General Manager, Scott Hautala; Director of Finance, Jean Lane; Director of Utility Operations, Corey Lubovich; Director of Power Production Robert Nyberg; and Administrative Assistant, Penny Lange. Also in attendance were HPAT Reps., Ron Wirkkula, Daphne McKinney, and Les Koslucher. Absent from the meeting was Commissioner Bugliosi and Director of Electrical Systems, Dan Chase.

ADDS/DELETES

Item 2. Request by Commissioner Bayliss to Add to New Business Working Session Meeting Rescheduling.

Request by S. Hautala to Deleted Item 6.A. Substation Engineering Design from the agenda

Request by S. Hautala to Added Item 9.B. Power Plant Stack Performance Test Plan.

Request by Commissioner Bayliss to schedule a Strategic Planning Meeting.

Request by D. Rian to discuss the December Commission meeting schedule.

APPROVAL OF MINUTES

Item 3.A. Motion by Commissioner Stokes, supported by Commissioner Bayliss, to approve the regular meeting minutes of October 22, 2019.

Motion carried unanimously.

CITIZENS FORUM

Item 4. No one present.

CONSENT AGENDA

Commissioner Stokes requested to pull Item 5.F. Novaspect DeltaV Implementation Course Overnight Travel Request: D. Chase.

Motion by Commissioner Bayliss, supported by Commissioner Stokes, to approve the following consent agenda items:

- 5.A. Review and approve the items over \$10,000 and review & approve the bills from October 28, 2019 to November 8, 2019, check numbers 41672 to 41779 & ACH transfers 10181901 to 11011904.
- 5.B. Review & approve the payroll paid & overtime report for the October 24, 2019 paydate.
- 5.C. Authorize Finance Director to Close American Bank Accounts
- 5.D. MMUA T&O Conference Overnight Travel Request: E. Savela & G. Pogachnik
- 5.E. MMUA Transformer School Overnight Travel Request: D. Unger & D. Bush
- 5.G. Approve Contract with Range Credit Bureau

MINUTES OF THE PROCEEDINGS

of the Public Utilities Commission, City of Hibbing, St. Louis County, Minnesota

Page Two

November 12, 2019

5.H. Request for Contribution: Hibbing Girls Hoops

Motion carried unanimously.

Item 5.F. Novaspect DeltaV Implementation Course Overnight Travel Request: D. Chase. Discussion held regarding future planning of the HPU.

Motion by Commissioner Stokes, supported by Commissioner Bayliss, to deny Overnight Travel for D. Chase to attend the Novaspect DeltaV Implementation Course.

Commissioner Hart – opposed.

Motion carried 3-1.

PUBLIC BIDS & QUOTES

Item 6.B. The Commission reviewed the correspondence dated November 12, 2019 from S. Hautala regarding Energy Services: Revised Consulting Agreement.

Motion by Commissioner Hart, supported by Commissioner Stokes, to Approve the following Resolution:

NOW THEREFORE, BE IT RESOLVED, the HPU Commission authorize entering into Contract with Public Power Energy Services, LLC in the amount of \$4,000/month for a period of four (4) months, and approving the General Manager to sign the required documents.

Motion carried unanimously.

Item 6.C. The Commission reviewed the correspondence dated November 12, 2019 from S. Hautala regarding Re-insulation of Steam Piping on 21 Steam Vaults/N. & S. Howard Alleys.

Motion by Commissioner Stokes, supported by Commissioner Bayliss, to authorize Mavo System in the amount of \$49,750.00 to re-insulate 21 HPU steam vaults including the abatement of one (1) vault.

Motion carried unanimously.

BIDS/QUOTES

Item 7.A. The Commission reviewed the correspondence dated November 12, 2019 from D. Chase regarding Design Support Department Concept. This item was accepted and placed in the Commission file. Proposed job descriptions will be provided for future Commission review/approval.

No action taken.

Item 7.B. The Commission reviewed the correspondence dated November 12, 2019 from S. Hautala regarding Crew Leader Job Descriptions – Plant Operations and Line Crew.

Motion by Commissioner Stokes, supported by Commissioner Bayliss, to Approve the following Resolution:

MINUTES OF THE PROCEEDINGS

of the Public Utilities Commission, City of Hibbing, St. Louis County, Minnesota

Page Three

November 12, 2019

NOW THEREFORE, BE IT RESOLVED, that the HPU Commission approve the Plant Operations and Line Crew Leader job descriptions as presented to allow management to continue with updating the remaining job descriptions.

Motion carried unanimously.

Item 7.C. The Commission reviewed the correspondence dated November 12, 2019 from R. Nyberg regarding Request to Post Job Posting No. 19-03: Plant Mechanic Crew Leader.

Motion by Commissioner Stokes, supported by Commissioner Bayliss, to authorize posting for Job Posting No. 19-03: Plant Mechanic Crew Leader.

Motion carried unanimously.

OLD BUSINESS

Item 8.A. The Commission reviewed the correspondence dated November 12, 2019 from J. Lane regarding Voluntary Residential Heat Conversion Loan Program and Contracted Services with Security State Bank. J. Lane gave presentation. Legal Counsel Borland clarified the regulatory issues regarding the Security Agreement and the UCC1 Filing code for recording real estate transactions. This item was placed in the Commission file.

No action taken.

Item 8.B. The Commission reviewed the correspondence dated November 12, 2019 from S. Hautala regarding Springsted Steam Survey. Discussion held.

Motion by Commissioner Stokes, supported by Commissioner Bayliss, to table this item.

Chairperson Rian – oppose
Commissioner Hart – oppose
Commissioner Stokes – support
Commissioner Bayliss – support
Motion Fails on tie 2-2.

Motion by Commissioner Hart, supported by Chairperson Rian, to send the survey to HPU customers.

Chairperson Rian – support
Commissioner Hart – support
Commissioner Stokes – oppose
Commissioner Bayliss – oppose
Motion Fails on tie 2-2.

Item 8.C. The Commission reviewed the correspondence dated November 12, 2019 from S. Hautala regarding Letter of Understanding 2020-2021 Medical Insurance. This item was placed in the Commission meeting file.

No action taken.

MINUTES OF THE PROCEEDINGS

of the Public Utilities Commission, City of Hibbing, St. Louis County, Minnesota

Page Four

November 12, 2019

NEW BUSINESS

Item 9.A. The Commission reviewed the correspondence dated November 12, 2019 from J. Lane regarding Request to Set a Budget Working Session for Monday, November 25, 2019 at 5:00 p.m.

Motion by Chairperson Rian, supported by Commissioner Hart to hold a working session for the 2020 Budget on Monday, November 25, 2019 at 5:00 p.m. in the HPU administrative building conference room.

Motion carried unanimously.

Item 9.B. The Commission reviewed the correspondence dated November 12, 2019 from S. Hautala regarding Power Plant Stack Performance Testing Plan – Biomass Purchase.

Motion by Commissioner Stokes, supported by Commissioner Bayliss, to authorize the following Resolution:

NOW THEREFORE, BE IT RESOLVED, THAT the HPU Commission conditionally approve purchasing a limited amount of biomass to complete the Boiler #4 stack test from Waste Wood Recyclers, LLC in the amount of \$26,100.

Motion carried unanimously.

Commission Bayliss requested discussion to set up a working session for a 10-year plan of the long-range direction of the HPU. Discussion held.

Motion by Chairperson Rian, supported by Commissioner Hart, to rescind the motion regarding the working session on November 25, 2019 and hold a Long-Range Planning and Budget Working Session on Monday, December 9, 2019 at 5:00 p.m. in the Administrative Building Conference room of the HPU at 1902 E. 6th Ave., Hibbing MN.

ADJOURNMENT

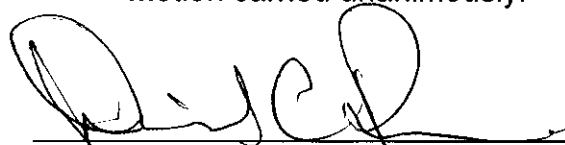
Motion by Commissioner Stokes, supported by Commissioner Bayliss, to adjourn the meeting at 6:08 p.m.

Motion carried unanimously.

Attest:



Jean Lane, Commission Secretary



David Rian, Chairperson

The next regular Commission meeting is scheduled for Tuesday, November 26, 2019 at 5:00 p.m. at the Hibbing City Hall, City Council Chambers, 401 E. 21st St., Hibbing, MN 55746