

Regular Meeting
January 29, 2003

Members present: President David Wetterling; Secretary Donald Walser; Commissioner Paul Ackland; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebor.

President Wetterling called the meeting to order at 3:00 p.m.

Commissioner Torgerson made a motion to approve the minutes of December 30, 2002. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to ratify the payment of bills in the amount of \$2,067,755.77 (detailed listing in payables book). Secretary Walser seconded the motion and it passed unanimously.

Ken Merrill, Finance Director for the City of Hutchinson, and Gary Plotz, City Administrator for the City of Hutchinson, discussed the additional \$100,000 that is included in Hutchinson Utilities' 2003 contribution to the City of Hutchinson. This would be used for acquisition of land in Industrial Park. Hutchinson Utilities will reserve the \$100,000 for the acquisition of land; when the City of Hutchinson needs the money for the acquisition, the City would then request a transfer of funds.

Commissioner Ackland made a motion to approve the financial statements and budget year-to-date. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the addition of a work order to the 2003 budget for misc. gas distribution main. Commissioner Ackland seconded the motion and it passed unanimously.

Hutchinson Utilities representatives for Environmental Protection Agency's air emissions reporting were discussed. Commissioner Torgerson made a motion to approve having Patrick Spethman be the designated representative and Donald Merkins be the alternate designated representative. Secretary Walser seconded the motion and it passed unanimously.

Energy conservation billing was discussed. Under Minnesota Statute 216B.241, Subdivision 1a, Hutchinson Utilities is required to spend and invest for energy conservation improvement 1.5 percent of Hutchinson Utilities gross electric operating revenues and 0.5 percent of Hutchinson Utilities gross natural gas operating revenues. It was discussed to include the above percentages in Hutchinson Utilities rate schedules. Commissioner Torgerson made a motion to approve including the above percentages in Hutchinson Utilities rate schedules

and to have this presented to the City Council for approval. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #16892 (for work order 20302) to Burmeister Electric Company for 37.5 KVA pad mount transformers; to approve Requisition #16893 (for work order 20302) to RESCO for 25 KVA pad mount transformers; and to approve Requisition #16895 (for work order 20302) to RESCO for 50 KVA pad mount transformers. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #16853 (for work order 60306) to Advance Engineering Corporation for regulators; to approve Requisition #16854 (for work order 60303) to Groebner and Associates Inc for temperature compensated natural gas residential meters; to approve Requisition #16879 (for work order 50303) to Wick Ford for 2003 Ford Explorer; and to approve Requisition #16929 (for work order 50304) to ATTI for GPS vehicle tracking. Secretary Walser seconded the motion and it passed unanimously.

Reports for each division were made. John Webster made a presentation for natural gas division. Don Nelson made a presentation for electric division. Don Merkins made a presentation for production division. Patrick Spethman made a presentation for business division.

Interim General Manager Spethman informed the Commission the Blaine substation has been sold to Great River Energy for \$3,685,080. The closing date of the sale was January 24, 2003.

The power cost adjustment was discussed. The power cost adjustment states "a fixed amount of \$125,000 per month for payment of the 1993 plant addition utility revenue bond active until December 31, 2005". Interim General Manager Spethman requested to have the year changed from 2005 to 2025 to pay for bonds for natural gas pipeline. He will present language for the change at the next meeting. This would then be presented to the city council for approval.

Hutchinson Utilities natural gas and oil wells are to be sold to Chesapeake for \$500,000. The closing date will be February 6, 2003.

Interim General Manager Spethman received correspondence from Omaha Public Power District (OPPD) regarding if Hutchinson Utilities would have any interest to purchase power from OPPD on a long term basis. The Commission gave approval for Interim General Manager Spethman to send letter of interest to Omaha Public Power District.

Commissioner Ackland made a motion to retain Clarence Kadrmas for consulting services at the rate proposed until the formal contract with Clarence Kadrmas is

approved. Commissioner Torgerson seconded the motion and it passed unanimously.

Interim General Manager Spethman has received policyholder's release to release the League of Minnesota Cities from any liability for the fire to turbine generator unit #9. The League of Minnesota Cities will make final payment in the amount of \$114,603. Commissioner Ackland made a motion authorizing Interim General manager Spethman to sign the policyholder's release to release the League of Minnesota Cities from any liability for unit #9. Secretary Walser seconded the motion and it passed unanimously.

The transformer that was purchased from Sunbelt Transformer was discussed. It will cost approximately \$150,000 to rebuild the transformer; Sunbelt Transformer would incur half of this cost. An individual has expressed interest in purchasing this transformer. Commissioner Ackland made a motion to rebuild the transformer and then sell the transformer. Commissioner Torgerson seconded the motion and it passed unanimously.

The joint City Council/Hutchinson Utilities Commission meeting will be on February 11, 2003 at 4:00 p.m. The bond sale will be on February 11, 2003 at 3:30 p.m.

An open house for Clarence Kadrmas, recognizing his 14 years of service, will be held at the Event Center on February 20, 2003 from 4:00 p.m. to 6:00 p.m.

The Minnesota Municipal Utilities Association's annual/legislative meeting will be held in Saint Paul on February 26-28, 2003. The legislative program will be on February 27, 2003. On February 27, 2003 (p.m.) Patrick Spethman and John Webster will have a presentation on the Hutchinson Utilities natural gas pipeline.

Secretary Walser made a motion to adjourn the meeting at 6:15 p.m. Commissioner Ackland seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Special Meeting
February 11, 2003

Members present: President David Wetterling; Vice President Craig Lenz; Secretary Donald Walser; Commissioner Paul Ackland; Commissioner Marlin Torgerson; and Interim General Manager Patrick Spethman.

President Wetterling called the meeting to order at 3:35 p.m.

Steve Apfelbacher from Ehlers & Associates Inc. explained the bond financing; the results of the bond sale; and the debt service coverage calculations.

Vice President Lenz made a motion to adopt resolution relating to \$31,725,000 public utility revenue bonds, series 2003B; and to authorize the Hutchinson City Council to provide for the issuance and sale of the bonds. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to adjourn the meeting at 3:50 p.m. Commissioner Ackland seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
February 26, 2003

Members present: Vice President Craig Lenz; Secretary Donald Walser; Commissioner Paul Ackland; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebor.

Vice President Lenz called the meeting to order at 3:00 p.m.

Commissioner Torgerson made a motion to approve the minutes of January 29, 2003. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the minutes for the February 11, 2003 special meeting. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to ratify the payment of bills in the amount of \$1,515,652.30 (detailed listing in payables book). Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the financial statements and budget year-to-date. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #16989 to WESCO for 500 MCM 15KV conductor. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #16990 to Graybar Electric for 1/0 15KV conductor. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #17085 to Square D Services for replacement breaker for generator #9. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #17113 to T & R Electric Supply for 3750 KVA pad mount transformer. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Jerrick Construction to a 2-year contract (2003 and 2004) for underground conversions. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to advertise for bids for Unit #1 Bypass Stack CEMS. Secretary Walser seconded the motion and it passed unanimously.

Discussed amending the language contained in the power cost adjustment section of our rate schedule. No action taken - tabled until the March meeting.

Discussed the energy conservation billing. Commissioner Ackland made a motion to contact our large users to inform them of this, to rewrite the second paragraph of the resolution, and to table this resolution until the March meeting. Commissioner Torgerson seconded the motion and it passed unanimously.

Discussed independent engineering consultant contract for Clarence Kadrmas' consulting services. After discussion, Secretary Walser made a motion to approve the formal contract with the changed language and to amend the hours. Commissioner Torgerson seconded the motion and it passed unanimously.

The annual recognition banquet was discussed. Attorney Seborra suggested amending the employee policy manual. Commissioner Ackland made a motion to continue the recognition banquet. Commissioner Torgerson seconded the motion and it passed unanimously. Attorney Seborra will present a change to the employee policy manual at the March meeting.

Commissioner Torgerson made a motion to adjourn the meeting at 5:20 p.m. Commissioner Ackland seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
Craig R. Lenz, Vice President

Regular Meeting
March 26, 2003

Members present: President David Wetterling; Vice President Craig Lenz; Secretary Donald Walser; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebor.

President Wetterling called the meeting to order at 3:04 p.m.

Commissioner Torgerson made a motion to approve the minutes of February 26, 2003. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to ratify the payment of bills in the amount of \$912,698.15 (detailed listing in payables book). Vice President Lenz seconded the motion and it passed unanimously.

Paul Harvego of Fawcett, Young and Associates presented the year 2002 financial audit. Vice President Lenz made a motion to approve the year 2002 audit as presented. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the financial statements and budget year-to-date. Vice President Lenz seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the updates to the Operations and Maintenance Manual and the Emergency Plan Manual for the Natural Gas Division. Vice President Lenz seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve Requisition #17165 to RESCO for secondary conductor. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Requisition #17166 to Forcier Marty's Roofing for plant #1 roof repairs. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #17167 to Hutchinson Auto Center for cab chassis with dump body package to replace truck #4. Commissioner Torgerson seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve Requisition #17195 to C3 Ilex Systems for master station upgrade. Commissioner Torgerson seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve Requisition #17213 to Border States Electric Supply for 4/0 secondary conductor. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #17233 to Ulteig Engineers for professional services for MCBH 115KV line. Vice President Lenz seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to advertise for bids for Pipe, Valves and Fittings for the Natural Gas Transmission Line. Vice President Lenz seconded the motion and it passed unanimously.

John Webster, natural gas division director for Hutchinson Utilities, updated the Commission on the natural gas pipeline project.

Don Nelson, electric division director for Hutchinson Utilities, discussed the power outage that occurred on March 24, 2003. He also discussed feeder #23.

Vice President Lenz inquired if our large users had been contacted about the energy conservation program and the proposed changes for an additional charge to Hutchinson Utilities ratepayers. Interim General Manager Spethman informed the Commission that our large users have been contacted and that different options are being reviewed.

Don Merkins, production division director for Hutchinson Utilities, discussed unit #8. He also informed the Commission that no bids were received for Unit #1 Bypass Stack CEMS.

Interim General Manager Spethman informed the Commission that Mr. Clarence Kadrmas will no longer be a consultant for Hutchinson Utilities as of March 31, 2003.

The annual recognition banquet will be on May 2, 2003. After discussion, it was decided that an employee with 35 years of service may receive items in recognition of their years of service not to exceed \$250. Vice President Lenz made a motion to adopt the language for Employee Recognition Compensation to comply with the Office of the State Auditor and to include language in employee policy manual. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the energy conservation resolution with language change and to have the resolution presented to the City Council for approval. Commissioner Torgerson seconded the motion and it passed unanimously. Vice President Lenz made a motion to have Attorney Sebora draft language to send to state officials regarding eliminating the 1.5 percent of gross

electric operating revenues and .5 percent of gross natural gas operating revenues for energy conservation improvement. Secretary Walser seconded the motion and it passed unanimously.

The Commission gave approval to have a Utility vehicle in the Hutchinson water carnival parade on June 15, 2003.

Commissioner Torgerson made a motion to adjourn the meeting at 5:20 p.m. Vice President Lenz seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
April 30, 2003

Members present: Vice President Craig Lenz; Secretary Donald Walser; Commissioner Marlin Torgerson; Commissioner Paul Ackland; Interim General Manager Patrick Spethman; and Attorney Marc Sebor

Vice President Lenz called the meeting to order at 3:05 p.m.

Secretary Walser made a motion to approve the amended minutes of March 26, 2003, making a change to paragraph 18 to reflect that Clarence Kadmas may act as a consultant if the Commission chooses to use the consulting firm he is presently employed with. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to ratify the payment of bills in the amount of \$1,560,948.00 (detailed listing in payables book). Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve the financial statements and budget year-to-date. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve the Charge Off Accounts. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to award the Bid for the Natural Gas Transmission Line – Pipe, Valves and Fittings to Ferguson. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #17469 to Process & Technology Solutions, Inc. for an Inventory Tracking System. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the Requested Adjustments to 2003 Capital Expenditures with the exception of AD-1, which will be tabled for 90 days. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to table the discussion regarding the 2003 Energy Conservation Programs until May. Commissioner Torgerson seconded the motion and it passed unanimously.

Natural Gas Division Director John Webster presented an update on the Natural Gas Transmission Pipeline Project. Land Agent Jeff Logan presented an update on the Condemnation Proceedings.

Production Division Director Don Merkins presented an update on Unit 9 and HUC power support while 3M tested breakers.

Interim General Manager Patrick Spethman presented an update on HUC's implementation of a credit card payment system which includes the ability to pay via the HUC Web Site and an update on the 3M Feeder Upgrade.

A resolution regarding authorization for banking signature cards and wire transfers will be on the agenda for the May Commission Meeting.

Commissioner Torgerson will attend the Labor Management Meeting on Wednesday, May 14, 2003 at 1:00 p.m.

Secretary Walser made a motion to approve the transfer of street light and signal responsibility from the City of Hutchinson to HUC. Commissioner Torgerson seconded the motion and it passed with 3 ayes and 1 nay.

Commissioner Torgerson made a motion to adjourn the meeting at 5:05 p.m. Commissioner Ackland seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
Craig R. Lenz, Vice President

Regular Meeting
May 28, 2003

Members present: President David Wetterling; Vice President Craig Lenz; Secretary Donald Walser; Commissioner Marlin Torgerson; Commissioner Paul Ackland; Interim General Manager Patrick Spethman; and Attorney Marc Sebora

President Wetterling called the meeting to order at 3:00 p.m.

Secretary Walser made a motion to approve the minutes of April 30, 2003. Vice President Lenz seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to ratify the payment of bills in the amount of \$4,755,902.03 (detailed listing in payables book). Vice President Lenz seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve the financial statements and budget year to date. Secretary Walser seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve Requisition #17460 to JT Services for fiberglass street light poles and fixtures for conversion areas, maintenance and replacements. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #17523 to Valmont Industries WO #20301 for MCBH 115kV line structure #3 steel pole with mounting bolts. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #17542 to Resco for 1000KVA padmount transformer for Hutchinson Hospital addition. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Requisition #71560 to Resco for 500 MCM conductor for feeder #14 / #19 overhead to underground conversion. Commissioner Ackland seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve the following Advertisements for Bids:
Measurement Station Hutchinson TBS #1 – WO# 60301
Measurement Station Hutchinson TBS #2 – WO# 60301
Measurement Station New Ulm Interconnect – WO# 60301
Measurement Station Fairfax Interconnect – WO# 60301
Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the 2003 Work Order Update. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Northern Border Pipeline Company Operational Balancing Agreement. Commissioner Ackland seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve the 2003 Energy Conservation Program. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to adjourn the meeting at 4:20 p.m. Vice President Lenz seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
June 25, 2003

Members present: President David Wetterling; Vice President Craig Lenz; Secretary Donald Walser; Commissioner Paul Ackland; Interim General Manager Patrick Spethman; and Attorney Marc Sebora

President Wetterling called the meeting to order at 3:00 p.m.

Vice President Lenz made a motion to approve the minutes of May 28, 2003. Secretary Walser seconded the motion and it passed unanimously.

Vice President Lenz made a motion to ratify the payment of bills in the amount of \$9,576,288.91 (detailed listing in payables book). Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the financial statements and budget year to date. Commissioner Ackland seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve adjustments to the Work Order Update. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Requisition #17741 to Layne Minnesota Company (Work Order #20301) for the installation of 8' x 28' concrete caisson for structure #3 of the MCBH 115kV line. Vice President Lenz seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #17708 to Cigma LLC for inventory. Commissioner Ackland seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the Northern Border Interconnect Agreement. Vice President Lenz seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to award the bid for the following Measurement Stations to Energy Meter Systems Inc based on their meeting specifications upon review. Vice President Lenz seconded the motion and it passed unanimously.

- a. Hutchinson TBS #1
- b. Hutchinson TBS #2
- c. New Ulm Interconnect
- d. Fairfax Interconnect

Commissioner Ackland made a motion to approve the Updated Billing Cycle Process, which will increase the 2 cycle billing schedule to a 5 cycle billing schedule. Secretary Walser seconded the motion and it passed unanimously.

Discussed Updating Policies and Requirements Information. No action taken – tabled until the July meeting. Commissioners will review and comment on the documentation presented.

Division Updates were presented.

Hutchinson City Ordinance No. 02-308 discussion.

Secretary Walser excused himself during this discussion.

Bill Krakowski, representing Duininck Brothers, attended the meeting stating that Duininck took the proper precautions to avoid the gas lines they damaged.

The Commission is requiring payment of \$576.80 to compensate for damages.

The Commission made a decision regarding an employee who was reimbursed inappropriately. Attorney Marc Sebor was requested to coordinate a resolution.

Commissioner Ackland made a motion to adjourn the meeting at 5:30 p.m. Vice President Lenz seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
July 30, 2003

Members present: President David Wetterling; Vice President Craig Lenz; Secretary Donald Walser; Commissioner Paul Ackland; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebora

President Wetterling called the meeting to order at 3:00 p.m.

Vice President Lenz made a motion to approve the minutes of June 25, 2003. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to ratify the payment of bills in the amount of \$2,650,628.22 (detailed listing in payables book). Vice President Lenz seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve the financial statements and budget year to date. Commissioner Ackland seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve allocating \$22,000.00, from the Energy Conservation Fund, to the Hutchinson Library Project for renovations and also to give consideration for future funding to this project. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the following Requisitions:

#17839 to WESCO for MCBH Line Conductor

#17843 to Bell Lumber for MCBH 115/69kV Double Circuit Line Poles

#17848 to RESCO for MCBH Line Insulators

#17894 to Bell Lumber for Single Circuit 69kV Line Poles

Commissioner Ackland seconded the motion and it passed unanimously.

Discussed Agenda Item 9, Budget/Powerstat Program Update. No action taken – tabled until the August meeting.

Secretary Walser made a motion to approve the Updated Policy Requirements Manual. Commissioner Torgerson seconded the motion and it passed unanimously.

Discussed Agenda Item 11, Updated Employee Manual. No action taken – tabled until the August meeting.

Discussed Agenda Item 12, Commission Terms. No action taken – tabled until the August meeting.

Division Updates were presented.

Commissioner Torgerson made a motion to adjourn the meeting at 5:45 p.m. Secretary Walser seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
August 27, 2003

Members present: President David Wetterling; Secretary Donald Walser; Commissioner Paul Ackland; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebora

President Wetterling called the meeting to order at 3:00 p.m.

Commissioner Ackland made a motion to approve the minutes of July 30, 2003. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to ratify the payment of bills in the amount of \$3,032,757.93 (detailed listing in payables book). Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve the financial statements and budget year to date. Commissioner Torgerson seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #17915 to GE Packaged Power for the replacement and installation of the fire and gas leak detection system on Unit #1 Turbine and Generator. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Requisition #17932 to Radix Corporation for Work Order #50305 for upgrading of the current meter reading system. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve Advertisement for Bids for the Mansred Roof Repair and for Building Upgrades to the 225 Michigan Street building with the Commission's recommended changes. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve the Updated Policy Requirements Manual with the handgun issue to be resolved at a later date. Secretary Walser seconded the motion and it passed unanimously.

Division Updates were presented.

Discussion regarding the Customer Budget Plan was deferred until the September Commission Meeting.

Secretary Walser made a motion to adjourn the meeting at 5:45 p.m. Commissioner Ackland seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
September 24, 2003

Members present: President David Wetterling; Secretary Donald Walser; Commissioner Paul Ackland; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebor

President Wetterling called the meeting to order at 3:00 p.m.

Secretary Walser nominated Paul Ackland for the position of President. Commissioner Torgerson seconded the nomination and it was accepted. Commissioner Torgerson made a motion to cease nominations and to elect Paul Ackland to the position of President. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser nominated Craig Lenz for the position of Vice President. Commissioner Ackland seconded the nomination and it was accepted. Commissioner Torgerson made a motion to cease nominations and to elect Craig Lenz to the position of Vice President. Commissioner Ackland seconded the motion and it passed unanimously.

President Ackland appointed Donald Walser as Secretary.

President Ackland appointed Marc Sebor as legal counsel.

President Ackland appointed Roberta Yates as recording/assistant secretary.

President Ackland appointed Commissioner Wetterling and Director John Webster to receive drug reports.

Commissioner Torgerson made a motion to designate Citizen's Bank and Trust Company; Wells Fargo; Americana National Bank; and UBS PaineWebber as depositories for Utility funds. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve the minutes of August 27, 2003. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to ratify the payment of bills in the amount of \$5,324,040.12 (detailed listing in payables book). Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to approve the financial statements and budget year to date. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve New Ulm/Fairfax Natural Gas Pipeline Contracts. Commissioner Ackland seconded the motion and it passed unanimously.

Secretary Walser made a motion to approve Requisition #18056 to Honeywell Inc to replace faulty sensors on Unit 1. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Requisition #18143 to Border State Electric for hardware to support the MCBH 115kV line. Commissioner Ackland seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to award the bid for the Mansred Roof Repair to Herzog Roofing. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Ackland made a motion to award the bid for Building Upgrades to Gopher State Contractors subject to obtaining additional information regarding the contractor. Secretary Walser seconded the motion and it passed unanimously.

Division Updates were presented.

Commissioner Ackland made a motion to make changes to verbiage regarding Firearm Language for the Employee Manuals. Secretary Walser seconded the motion and it passed unanimously.

It was decided that Hutchinson Utilities will participate in the City of Hutchinson Health Fair.

Commissioner Torgerson made a motion to adjourn the meeting at 5:45 p.m. Commissioner Ackland seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
David J. Wetterling, President

Regular Meeting
October 29, 2003

Members present: President Paul Ackland; Vice President Craig Lenz; Secretary Donald Walser; Commissioner David Wetterling; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebor

President Ackland called the meeting to order at 3:10 p.m.

Commissioner Torgerson made a motion to approve the minutes of September 24, 2003. Secretary Walser seconded the motion and it passed unanimously.

Secretary Walser made a motion to ratify the payment of bills in the amount of \$3,230,776.94 (detailed listing in payables book). Vice President Lenz seconded the motion and it passed unanimously.

Vice President Lenz made a motion to approve the financial statement and budget year to date. Secretary Walser seconded the motion and it passed unanimously.

Division Updates were presented.

Marc Sebor presented an update on the R & R Excavating Lawsuit.

President Ackland and Secretary Walser will develop a job description for the General Manager Position. It will be presented at the November Commission meeting.

The November Commission meeting will be moved from November 26th to November 24th due to the holiday.

Commissioner Torgerson made a motion to adjourn the meeting at 4:20 p.m. Commissioner Wetterling seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
Paul L. Ackland, President

Regular Meeting
November 24, 2003

Members present: President Paul Ackland; Vice President Craig Lenz; Commissioner David Wetterling; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebor

President Ackland called the meeting to order at 3:00 p.m.

Commissioner Torgerson made a motion to approve the minutes of October 29, 2003. Vice President Lenz seconded the motion and it passed unanimously.

Vice President Lenz made a motion to ratify the payment of bills in the amount of \$7,701,501.35 (detailed listing in payables book). Commissioner Wetterling seconded the motion and it passed unanimously.

Commissioner Wetterling made a motion to approve the financial statement and budget year to date. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve the 2004 financial budget. Commissioner Wetterling seconded the motion and it passed unanimously.

Division Updates were presented.

President Ackland and Secretary Walser will continue to develop a job description for the General Manager Position. The timeline for filling the position will be March 2004.

Commissioner Torgerson made a motion to move the December Commission meeting from December 31st to December 29th due to the holiday. Vice President Lenz seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to adjourn the meeting at 4:15 p.m. Commissioner Wetterling seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
Paul L. Ackland, President

Regular Meeting
December 29, 2003

Members present: Vice President Craig Lenz; Commissioner David Wetterling; Commissioner Marlin Torgerson; Interim General Manager Patrick Spethman; and Attorney Marc Sebora

Vice President Lenz called the meeting to order at 3:00 p.m.

Commissioner Torgerson made a motion to approve the minutes of November 24, 2003. Commissioner Wetterling seconded the motion and it passed unanimously.

Secretary Walser made a motion to ratify the payment of bills in the amount of \$4,265,863.37 (detailed listing in payables book). Commissioner Wetterling seconded the motion and it passed unanimously.

Commissioner Wetterling made a motion to approve the financial statement and budget year to date. Commissioner Torgerson seconded the motion and it passed unanimously.

Vice President Lenz addressed the City of Brownton Mayor Kurt Carrigan, City of Brownton Engineer Dan Boxrud and representatives from SEH Engineering. Brownton City Engineer Boxrud discussed the possibility of tapping into the Natural Gas Pipeline. The Hutchinson Utilities Commission will continue to keep Brownton updated regarding the progress of the pipeline.

Commissioner Torgerson made a motion to approve Requisition #18296 to Wesco for 600A Padmount Switchgear for the 2004 Conversion Area. Commissioner Wetterling seconded the motion and it passed unanimously.

Commissioner Wetterling made a motion to approve Requisition #18452 to Stewart Energy Systems Inc for Repair of the 300,000 Gallon Fuel Storage Tank. Commissioner Torgerson seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Requisition #18467 to JT Service for Street Light Fixtures for the 2004 Conversion Area. Commissioner Wetterling seconded the motion and it passed unanimously.

Commissioner Wetterling made a motion to approve the Proposed Charge-Off Accounts. Secretary Walser seconded the motion and it passed unanimously.

Commissioner Torgerson made a motion to approve Requisition #18526 to TransCanada Turbines for Replacement Fuel Nozzles for Unit 1. Vice President Walser seconded the motion and it passed unanimously.

Division Updates were presented.

Commissioner Torgerson made a motion to adjourn the meeting at 4:00 p.m.
Commissioner Wetterling seconded the motion and it passed unanimously.

Donald H. Walser, Secretary

ATTEST _____
Paul L. Ackland, President