

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Emanuelson, Stansberry, Schreiner and Mayhew. Absent was Commissioner Ihrke. Also present were General Manager Shurts; City Administrator Busse; Director, Finance & Administrative Services Bruno; Director, Gas, Water & Power Production Green; Manager Energy Management & External Relations Warehime; Manager, HR, Safety, Risk & Loss Control Madson; Supervisor, Gas, Water, Buildings & Grounds Bendorf; and Executive/HR Assistant Schmoll.

Manager Hr, Safety, Risk & Loss Control Madson led the Pledge of Allegiance.

Minutes

The Minutes from the meeting of June 24, 2008 were presented to the Commission for approval. Commissioner Schreiner moved to approve the Minutes as submitted. Commissioner Mayhew seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Schreiner reported the Personnel Committee met and received an update on the search for a Director, Engineering & Electric Services, the position vacated by Dan Morgan.

Finance Committee – Commissioner Mayhew reported the Finance Committee met and approved \$693,500 worth of work orders. Mr. Mayhew further reported the Committee approved cash disbursement for the month of June of \$4,231,517.55. Mr. Mayhew discussed and complimented staff on the layout of a new financial report stating it includes current month versus last year and budget year to date. Mr. Mayhew noted OPU's revenues and profitability are strong in the electric utility, close to budget in the water utility, but short in the gas utility. However, OPU's cash flow position for the year is good. Director, Financial & Administrative Services Bruno discussed the work orders that were approved. The work orders approved included 2 new pickups, a bucket truck, replacing the roof above the main office, flood equipment, installation of new water mains, and various street projects.

City Administrator's Report

City Administrator Busse reported the City is still working on the storm sewer system.

Contributed Services

The Contributed Services report for the month of June was presented to the Commission. The Commission signed the report.

General Manager/Staff Report

General Manager Shurts asked all the Commissioners to attend the August 26, 2008 Finance Committee meeting at 3:00 p.m. for an explanation of the new variance report.

General Manager Shurts reported Alliant has agreed to a memorandum of understanding regarding the transfer of Service Territory from Alliant to OPU which includes a 3 year guaranteed rate.

General Manager Shurts gave an update on the negotiations between the municipal utilities and the cooperative utilities throughout the state.

Supervisor, Gas, Water, Buildings & Grounds Bendorf informed the Commission work will begin on the #5 Water Tower the 3rd week in August.

Director, Gas, Water & Power Production Green reported OPU is in negotiations with T-Mobile to install their antennas on the 14th Street water tower. He further reported about OPU will receive revenues of about \$18,000 for these antennas.

Mr. Green reported to the Commission our contract to purchase natural gas has expired and a Request for Proposal was sent out to seven natural gas suppliers. Mr. Green noted four companies submitted proposals. He further noted the RFPs will be evaluated and a decision will be made after that.

Commission Roundtable

Commissioner Schreiner – Nothing.

Commissioner Stansberry – Congratulations for receiving the grant for Home Energy information. Mr. Stansberry inquired, when can we expect to see the reports going out to our customers. Manager, Energy Management & External Relations Warehime replied, the contracts are not in place yet, so the program will proceed after the contracts with Home Energy and the State are complete.

Commissioner Mayhew – The management group is to be commended on their move towards more strategic conversations at the Commission meetings. One of the conversations Mr. Mayhew would like management to engage in during the budget process is long term planning and strategic thinking.

Commissioner Emanuelson – Congratulations on the receiving the grant. Also, Mr. Emanuelson inquired if Executive/HR Assistant Schmoll would call the Commissioners to remind them of the 3:00 p.m. Finance Committee meeting in August.

Adjournment

There being no further business to come before the Commission, Commissioner Mayhew moved to adjourn the meeting. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:46 p.m.

Respectfully submitted

Tammy Schmoll
Executive/HR Assistant