

The Owatonna Public Utilities Commission met in rescheduled session in the training room at the Owatonna Fire Department. The meeting was rescheduled due to several of the management staff attending the MMUA Summer Meeting. Present were Commissioners Cosens, Ihrke, Schreiner, Stansberry and Simon. Also present were General Manager Bruno; Director, Financial & Administrative Services Fondell; Director, Engineering, Electric & Meter Services Johnson; Director, Gas, Water & Power Production Green; Manager, Energy Management & External Relations Warehime; Manager, HR, Safety, Risk & Loss Control Madson; Supervisor, Information & Financial Services Turnbull; Executive/HR Assistant Schmoll; Accounting Teresa Hottman and Mayor Tom Kuntz.

Commissioner Stansberry led the Pledge of Allegiance

Minutes

The Minutes from the regular meeting of July 26, 2011 were presented to the Commission. Commissioner Schreiner moved to accept the Minutes as presented. Commissioner Ihrke seconded the motion. All Commissioners voting Aye, with Commissioner Stansberry abstaining, the motion passed.

Committee Reports

Finance Committee: Commissioner Cosens reported the Committee met, reviewed and approved Vouchers in the amount of \$4,365,875. Also, two work orders were approved by the Committee. The first work order was for increasing the casing level of Wells #2 and #4 as well as elevating the grade of the well houses. The Department of Natural Resources will match funds up to \$300,000 for the project. The total project is estimated to be \$600,000. The second work order was for the purchase of an ID Badge Maker, camera and software in the amount of \$3,200. The system will easily make ID badges for current and new employees, as well as if vendors or contractors need a badge will doing work for OPU. The monies will be taken from an accounting budget item that is not anticipated to be spent in 2011.

Personnel Committee: Commissioner Schreiner reported the Commission, as a whole, met for the General Manager replacement process. Based on the interviews, the Commission have extended an offer to Mark Fritsch who accepted the offer. Commissioner Schreiner moved to ratify the offer extended to Mr. Fritsch on August 25, 2011 and Mr. Fritsch's acceptance of that offer. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

City Administrator Report

City Administrator Busse was not present at the meeting. Mayor Kuntz thanked the Commission for allowing him to represent OPU and Owatonna at the APPA Policy Maker's Council, as well as at the MMUA Summer Meeting. Mayor Kuntz recapped both meetings for the Commission. Notable topics included clean energy standards and the railroad industry. Mayor Kuntz stressed the importance of the partnership OPU holds with other city entities in regards to the community as a whole.

Resolution Authorizing Investment of Funds

General Manager Bruno presented a resolution to the Commission authorizing Beth Fondell, Director, Financial & Administrative Services, to do investing of funds for the Owatonna Public Utilities according to state statutes. Several banks Mrs. Fondell has tried to work with are requiring this authorization. Commissioner Simon moved to approve the Resolution authorizing the Director, Financial & Administrative Services, Beth Fondell, to invest funds for the Owatonna Public Utilities. Commissioner Ihrke seconded the motion. All Commissioners voting Aye, the motion passed.

Cellular Telephone & Personal Digital Assistance Policy

Director, Financial & Administrative Services Fondell presented the Cellular Telephone & Personal Digital Assistance policy, #330,99m to the Commission. She noted, OPU offers cell phones to employees on an as needed basis but doesn't have a policy to cover the expectations of the cell phone use. Mrs. Fondell touched on a few key points of the policy including personal use of company cell phones, company use of personal cell phones and use of cell phones while driving OPU vehicles. Along with the draft policy, a procedure was created as well as justification and acknowledgement forms. After discussion, Commissioner Schreiner moved to accept the Cellular Telephone & Personal Digital Assistance Policy as presented. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of July 31, 2011 was presented to the Commission. The Commission signed the report.

General Manager/Staff Report

General Manager Bruno distributed three handouts from the MMUA Summer Meeting to the Commission and noted along with Mr. Kuntz, himself, Beth Fondell and Roger Warehime attended the meeting, as well. Mr. Bruno pointed out the handout on governance stating he thought it might be of interest for the Commissioners. Mr. Bruno further noted, Mr. Warehime presented at the meeting on the Home Energy Reports program, and stated the presentation was very well done and drew the most attendance.

Director, Financial & Administrative Services Fondell noted, she attended the session on governance, as well, and found it very informative. The other session Mrs. Fondell found informative was the session on revenue recapture. She recapped the session to the Commission. Mrs. Fondell also updated the Commission on the process for repurposing the Power Plant.

Director, Engineering, Electric & Meter Services Johnson reported bids will be accepted for the well reconstruction on September 16th and will be presented to the Commission at the next meeting.

Director, Gas, Water & Power Production Green, reported OPU is working on our natural gas hedging program. He reported pricing for the 2014, 2015 & 2016 is around \$5. We will use up the last of our high dollar hedging by the end of September. OPU is working with SMMPA and the Wood Group to update controls at the West Owatonna Substation.

Manager, Energy Management & External Relations reported the new website will go live on September 6th with a soft launch. Advertisement for the new website will begin in October. Mr. Warehime next updated the Commission on the HVAC project.

Mr. Warehime distributed and discussed the 6 month rate survey noting OPU's position didn't change much.

Manager, HR, Safety, Risk & Loss Control Madson reported the vacant Meter Serviceworker position has been posted internally.

Commission Roundtable

Commissioner Stansberry – Thank you to Marge and Tammy for the extra efforts behind the scenes during the General Manager search process.

Commissioner Simon - Echoed Commissioner Stansberry.

Commissioner Ihrke – Echoed Commissioner Stansberry.

Commissioner Schreiner – Echoed Commissioner Stansberry.

Commissioner Cosens – Also echoed Commissioner Stansberry and thanked the employees who attended the MMUA Summer Meeting. Commissioner Cosens inquired if after attending the governance session if staff felt there was something the Commission should be doing differently. General Manager Bruno felt the Commission was doing a good job and noted this may be a good piece to give new Commissioners coming on the Board.

Adjournment

There being no further business to come before the Commission, Commissioner Simon moved to adjourn the meeting. Commissioner Schreiner seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:58 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant