

The Owatonna Public Utilities Commission met in regular session in the training room at the Owatonna Fire Department. Present were Commissioners Cosens, Ihrke, Schreiner, Stansberry and Simon. Also present were General Manager Fritsch; City Administrator Busse; Director, Financial & Administrative Services Fondell; Director, Engineering, Electric & Meter Services Johnson; Director, Gas, Water & Generation Green; Manager, Energy Management & External Relations Warehime; Manager, HR, Safety, Risk & Loss Control Madson; Supervisor, Generation Deering; Supervisor, Information & Financial Services Turnbull; Executive/HR Assistant Schmoll; and Accountant Teresa Hottman. Other guests included Brad Haugen, Controller for Pearson and Ted Redmond and Bill Baxley from Leo. A. Daly, architectural firm helping on the power plant repurposing project.

Commissioner Simon led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of November 22, 2011 were presented to the Commission for their approval. Commissioner Schreiner moved to approve the Minutes. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed. Commissioner Stansberry abstained from voting due to being absent at the November meeting.

Committee Reports

Finance Committee – Commissioner Cosens reported the Finance Committee met, reviewed and approved Vouchers in the amount of \$4,142,252.09. The Committee also approved 67 work orders for 2012 projects in the amount of approximately \$15 million. It was noted \$12 million of that will be spend on the power plant repurposing project.

Personnel Committee – The Personnel Committee did not meet.

City Administrator's Report

City Administrator Busse reported the City Council adopted the 2012 budget. Mrs. Busse further reported the deer harvest will be held in January with a public lottery for those who want the deer meat. Alley way ordinances will be changing to limit the weight to 12,000 lbs. or less. City trucks, fire trucks, utility trucks, and Fed Ex trucks will be exempted. Commissioner Schreiner inquired about how the Aquatic Center ended the year. City Administrator Busse replied, it was a positive cash flow year.

Customer Visit

General Manager Fritsch introduced Brad Haugen, Controller for Pearson, and recapped the issue Pearson is having getting their utility bill turned around for payment in the 15 days as per OPU policy. Mr. Haugen recapped Pearson's process and limitations for getting bills processed for payment in a short period of time. Mr. Haugen asked the Commission to consider longer payment terms, a smaller late fee, or both. Manager, Energy Management & External Relations added, Pearson is not looking for special treatment, but is instead asking for a review of the policy that sets the payment terms. Mr. Warehime recapped OPU's current payment terms and discussed the process changes between the old and new billing systems. After discussion, the Commission directed staff to review other utilities'

policies and report back with a recommendation at the next Commission meeting. Mr. Haugen left the meeting.

Leo A. Daly Repurposing presentation

Director, Financial & Administrative Services Fondell introduced Ted Redmond & Bill Baxley from Leo A. Daly. She noted Leo A. Daly is the architectural firm hired to help OPU with the power plant repurposing project and will present the results of the proposed Master Plan. Mr. Redmond presented the executive summary and summarized the Master Plan, including the process in getting to a finalized Master Plan. Mr. Baxley presented different design layouts included in the Master Plan. After their presentation, Commissioner Cosens inquired about a formal approval and "go ahead" from the Commission insuring all financial due diligence has been completed. Director, Financial & Administrative Services Fondell noted the project is scheduled to be completed in phases to ensure we have adequate reserves without having to bond. After discussion, approval of the Master Plan was tabled until the next meeting and Director, Financial & Administrative Services Fondell was directed to bring language for the Commission to approve. The Commission thanked Mr. Redmond and Mr. Baxley for their presentation. They both left the meeting.

Tree Trimming Bid Tab

The attached bid tabulation was presented to the Commission for Tree Trimming. Three bids were received for a 2 year commitment with an optional 3rd year extension for tree trimming. Staff recommended awarding the bid to the evaluated low bidder, Carr's Tree Service, in the amount of \$731,556.80. Commissioner Stansberry moved to award the bid to Carr's Tree Service. Commissioner Schreiner seconded the motion. After discussion, all Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of November 30, 2011 was presented to the Commission. The Commission signed the report.

General Manager/Staff Report

General Manager Fritsch reported staff will be working with Kent Myers on developing a 3-5 year strategic plan. The first planning session is scheduled for January 13th. Key goals and performance appraisal forms will be presented to the all employees on January 4th, including a recap of 2011. Mr. Fritsch further noted, Kathy Gardner from the Meter Shop will be retiring after 27 years with OPU.

Director, Engineering, Electric & Meter Services Johnson reported construction of both well houses by Morehouse Park will be concluded in the next week.

Commission Roundtable

Commissioner Schreiner – Nothing.

Commissioner Stansberry – Nothing.

Commissioner Simon left the meeting at 4:40 p.m.

Commissioner Ihrke – Wished everyone a Happy New Year.

Commissioner Cosens – Thanks staff for all their work in preparing for the meeting and wished everyone a Happy New Year.

Adjournment

There being no further business to come before the Commission, Commissioner Schreiner moved to adjourn the meeting. Commissioner Ihrke seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:25 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: Tree Trimming	Project #: OELE12E16
	Budget #: 0550
Date/Time of Opening: 12/15/11, 1:00 p.m.	Budget Amt: \$744,748.00
	Project Amt: \$731,556.80
	Est. Budget Portion: \$744,748.00
	Acct. Number: 1-40-59302-0000

Vendor	Bid Security	Signed Contract	Amount Bid (2012 – 2013)
Carr's Tree Service	Yes	Yes	\$731,556.80 **
Wright Tree Service	Yes	Yes	\$934,294.40
Asplundh Tree Expert Co.	Yes	Yes	\$819,811.20

** - Apparent Low Bidder

Bidders List

Project: Tree Trimming

List of Firm Furnished Bid Documents:

**Carr's Tree Service
Wright Tree Service
Asplundh Tree Expert Co.
Johnson Tree Service**

List of Ineligible Bidders:

None