

The Owatonna Public Utilities Commission met in regular session in the Morehouse Room at the Owatonna Public Utilities. Present were Commissioners Kottke, Cosens, Schreiner, Stansberry and Simon. Also present were General Manager Fritsch; City Administrator Busse; Chief Financial Officer Fondell; Director, Engineering Johnson; Director, Field Operations Warehime; Manager, Human Resources Madson; Supervisor, Customer Care Heimerman; Supervisor, Information Technology Keltgen; Executive, HR & Administration Coordinator Schmoll; and, Marketing/Energy Conservation Officer Hendricks.

Commissioner Simon led the Pledge of Allegiance.

### **Minutes**

The minutes from the regular meeting of October 27, 2015 were presented to the Commission. Commissioner Schreiner moved to approve the Minutes as presented. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the motion passed.

### **Committee Reports**

Personnel Committee – Commissioner Stansberry reported the Personnel Committee met and presented General Manager Fritsch with his annual review.

Finance Committee – Commissioner Simon reported the Finance Committee, met, reviewed and approved Vouchers totaling \$4,400,840.72.

### **City Administrator's Report**

City Administrator Busse reported the City is continuing with their classification compensation study by surveying other cities and counties and factoring in some private sector data, as well. She noted the study should be completed in early January. She noted the preliminary budget is complete and will be presented on December 1<sup>st</sup> to the Council with final action being taken on December 15<sup>th</sup>. She noted a 5% levy increase is included. City Administrator Busse continued by stating all summer projects have been wrapped up for the year.

### **2016 Budget, 2017-2020 Forecast**

Chief Financial Officer Fondell presented to the 2016 Budget, 2017-2020 Forecast to the Commission. She noted changes from the draft budget and the special budget meeting included proposed electric rate increases of 3% in 2016; 4% in 2017; 2% in 2018-2020; slight modifications to the vehicle/equipment capital budgets; eliminated a labor duplication in years 2017-2019; removed a proposed inventory building and adjusted capitalized expenses related to the inventory building. Chief Financial Officer Fondell noted the 3% electric rate increase would result in about \$25 a year increase to residential customers; however, it will be offset by a 2.5% rate decrease in natural gas rates resulting in an approximate \$5 per year increase to residential customers. After discussion, Commissioner Stansberry moved to approve the 2016 Budget, 2017-2020 Forecast as presented. Commissioner Schreiner seconded the motion. Four Commissioners voting Aye, and one Commissioner voting Nay, the motion passed.

### **Water Service Line Protection Program Policy**

General Manager Fritsch noted staff would like to table this item until a later meeting to have more of an opportunity to discuss unanticipated issues that have arose and need to be addressed. The item was tabled.

### **Computer Acceptable Use Policy**

General Manager Fritsch presented the Computer Acceptable Use policy to the Commission. He noted the policy has been updated to keep up with changing technology and cyber security issues, clarification of policy language, and improve encryption levels and password policies. After discussion, Commissioner Cosens moved to approve the policy as submitted. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

### **Contributed Services**

The Contributed Services report as of October 31, 2015 was presented to the Commission. The Commission signed the report.

### **Scorecard**

Staff updated the Commission on changes to the October scorecard. Notable items included the Customer Survey. Supervisor, Customer Care Heimerman noted she just received the results of the Customer Survey and will be evaluating them. She will present the findings of the survey and her evaluation results at a later Commission meeting. She did note the overall customer satisfaction ranking stayed the same at 8.9%.

### **General Manager/Staff Report**

General Manager Fritsch updated the Commission on succession planning for non-general manager positions, 3<sup>rd</sup> floor square footage and availability, and the Owatonna Energy Station.

Marketing/Energy Conservation Officer Hendricks reminded the Commission of the upcoming State of the Utility meeting scheduled for December 2<sup>nd</sup>.

Chief Financial Officer Fondell thanked the Commission for their commitment to understanding the budget and for providing valuable feedback.

Manager, Human Resources Madson reminded the Commission of the Annual Recognition Dinner coming up on December 11<sup>th</sup> at the Steele County History Center.

Executive, HR & Administration Coordinator Schmolz updated the Commission on OPU's Annual United Way Campaign. She noted, through several contests, fund raisers, food events and employee pledges, the employees raised \$6,839.50 for the United Way.

### **Commission Roundtable**

Commissioner Stansberry noted he will be phone conferencing in for the next several months' worth of meetings.

Commissioner Cosens thanked Chief Financial Officer Fondell for her efforts with the budget and for having it in a format that was easy to understand.

Commissioner Kottke also thanked Chief Financial Officer Fondell for her efforts with the budget and congratulated the employees on their donation to the United Way.

**Adjournment**

There being no further business to come before the Commission, Commissioner Cosens moved to adjourn the meeting. Commissioner Simon seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:44 p.m.

Respectfully submitted,

Tammy Schmoll  
Executive, HR & Administration Coordinator