

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room. Present were Commissioners Cosens, Kottke, and Stansberry. Absent were Commissioners Simon and Rossi. Also present were General Manager Fritsch; Chief Financial Officer Fondell; Director, Engineering Johnson; Director, Operations Warehime; Manager, Human Resources Madson; and Marketing/Energy Conservation Officer Hendricks. Absent was Executive, HR, Administration Coordinator Schmoll. Also present was Mayor Thomas Kuntz who arrived late due to a groundbreaking ceremony at Cybex.

The Pledge of Allegiance was recited by all in attendance.

Minutes

The Minutes from the May 25, 2016 Commission meeting were presented to the Commission. Commissioner Stansberry moved to approve the Minutes as presented. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Stansberry reported the committee met 1½ weeks ago. It was reported during the Staffing Report our Electric Engineer, who resided in Rochester, has resigned his OPU position to accept a position at Rochester Public Utilities. Recruiting has started for new Electric Engineer. General Manager Fritsch gave a report on OPU’s progressive discipline program noting rarely there are discipline issues at OPU. Tammy’s tidbit discussed the 1980 discipline program whereby a firm, Madden & Associates was hired in 1987 to update that program with another update taking place in 1991.

Finance Committee – Commissioner Kottke reported vouchers were reviewed and approved in the amount of \$4,253,245.95. There were no new Work Orders presented. A Work Order addition of \$23,500 was presented which was related to a water production booster pump project. It was discussed and approved.

City Administrator Report

City Administrator Busse was not present at the meeting.

Contributed Services

The Contributed Services report as of May 31, 2016 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

The staff updated the Commission on changes to the May, 2016 Scorecard.

General Manager/Staff Report

General Manager Fritsch reported there is a prospective tenant looking at the third floor to relocate their business. Commissioner Kottke will be the Commissioner contact to work with General Manager Fritsch in finalizing the details of the rental agreement between OPU and the prospective tenant should they decide to move forward with their relocation.

General Manager Fritsch discussed with the Commission proposed SMMPA Agency Agreement changes. He discussed the approval process for the Amendments to the Agency agreement noting there would be a Resolution presented to the Commission to approve the Amendment changes and a concurring Resolution presented to the City Council for their support and approval. Discussion continued on the change of SMMPA allowing Project Members and how the project members would have a Member Representative and Project Committee member. Project Members would vote on matters pertaining to their project. SMMPA will retain the concept of automatic board seats whereby Owatonna does have a representative on the Board of Directors and has had one since the Agency was formed. It was also decided a city has to be a Requirements Member or a Project Member of SMMPA to qualify for membership in SMMPA. President Cosens requested General Manager Fritsch keep them informed on these changes and bring forward the needed resolution for Commission action in the future.

General Manager Fritsch requested an alternate date for the July Commission Meeting to allow him to accept the Owatonna Public Utilities SOAR award from the American Public Gas Association. He suggested the dates of July 20, 22, or 29. Tammy will work with the Commissions to come up with an alternate July meeting date.

Congratulations were given to General Manager Fritsch on becoming the Owatonna Noon Rotary President.

Chief Financial Officer, Beth Fondell reported a Sales and Use Tax Audit is underway. She noted the auditor reviewed our sales tax records, including 4 months of every billing statement sent to our customers. It was noted this audit is performed roughly every 10 years.

Marketing/Energy Conservation Officer Hendricks discussed the increased interest in solar energy for homes.

Commission Roundtable

With the news of the groundbreaking ceremony at Cybex, Commissioner Kottke inquired if this addition will expedite our need for another well and water tower. Director, Engineering Services Johnson replied at the moment we do not think so. They are not a big water user. We will be doing more research on it though. Their use of electricity will go up and we will plan for it. Mayor Kuntz added, when the Cybex addition is completed it will be the largest Cybex equipment center under one roof in the nation.

Mayor Kuntz expressed his appreciation to the Commission for allowing him to attend the APPA National Convention. He noted it was very exciting and rewarding to see Beth Fondell's name displayed as a graduate of APPA's Public Power Manager Certificate Program. He further discussed results of how customers rate their public power utilities and the importance of public power, as well as, he brought back information on the duties and responsibilities of Public Power Governing Boards for the Commission's information. Congratulations are in order to Tom as he was awarded a plaque for his service as President of the APPA Public Power Committee. Tom further reported APPA would like to have a Mayor with public power experience as an energy representative on the 2016 Legislative Energy Horizon Institute located in Washington DC and requested approval to accept the APPA request. The Commission approved the request with President Cosens speaking of their appreciation to Mr. Kuntz for his willingness to represent our community of Owatonna and speak intelligently of energy and city government issues at meetings for APPA and in Washington on Capitol Hill with the legislators. President Cosens concluded "Many thanks to you (Tom) and keep up the good work".

Adjournment

There being no further business to come before the Commission, Commissioner Kottke moved to adjourn the meeting. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:40 p.m.

Respectfully submitted,

Marjorie Madson,
Manager, Human Resources