

The Owatonna Public Utilities Commission met in rescheduled session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Simon, Rossi, Cosens, Kottke and Doyal. 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, Accounting Sedivy; Supervisor, Operations, Buildings & Grounds Krogh; Executive, Communications & Administration Coordinator Schmoll; Key Accounts & Energy Conservation Officer Hendricks; Electric Engineer Dave Olson; Gas Engineer Jon Blough; Water Design Engineer Brian Clausen; and Customer Service Representative Toni Van Esch.

Commissioner Kottke led the Pledge of Allegiance.

Minutes

The Minutes from the rescheduled meeting of September 29, 2017 and the special meeting of October 9, 2017 were presented to the Commission. Commissioner Kottke moved to approve the Minutes as presented. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received an updated regarding personnel issues and discussed compression issues between supervisors and employees.

Finance Committee – Commissioner Kottke reported the Finance Committee met, reviewed and approved Vouchers totaling \$4,381,524.98. He further reported they approved one work order addition related to the cost increase of bushings needed at the West Owatonna Substation.

City Administrator's Report

City Administrator Busse reported all the road projects are wrapped up except Lemond Road. They are hoping to have this wrapped up in the following week. She further reported the Straight River Trail is complete including landscaping and benches. The go-live date for the City's control of the Public Access Channel in Owatonna is November 1st with the Library Director being the coordinator. Also, the Holiday Train will be coming through Owatonna on December 5th at 4:00 p.m.

System Health Reports

Electric Engineer, Dave Olson, presented the electrical system health report to the Commission. He discussed transmission lines coming into Owatonna as well as generation available in Owatonna. Generation includes the Lemond Solar station as well as the Owatonna Energy Station which will be live very soon. Combined with the jet engine at the West Owatonna Substation, there is approximately 59 mW of total generation available in Owatonna should we lose our transmission lines coming into town. He noted Owatonna's typical energy usage ranges from a low of 30 mW in the winter to a high of 75 mW in the summer. The 59 mW of generation available would supply Owatonna's energy load on a average day. Mr. Olson also discussed awards OPU has received for their reliability, outage causes over the past year, territory expansion, operations & maintenance budget for 2018, and long term projects and plans including the conduit installation project with Jaguar, another substation potentially in 2019, a fiber ring for better communication between facilities, and Advanced metering Infrastructure.

Water Design Engineer, Brian Clausen, presented the water system health report to the Commission. He discussed the water distribution system stating it is made up of 98 miles of plastic water main, 66 miles of metallic water main and 1236 fire hydrants. The production system consists of 8 wells, 6 water towers, 1 ground storage tank, 2 pressure zones, 4 booster locations and 2 circulation pumps. Mr. Clausen also discussed water main breaks and restoration times, the statistics of the Water Service Line Protection Program, operations & maintenance budget for 2018, and projects for 2018 and beyond including projects in conjunction with both City and County projects, and an industrial water pressure zone project. The industrial water pressure zone project detailed what items would need to be completed in 2018, 2019, 2020 including growth phase C and D which extend up to 60 years.

Gas Engineer, Jon Blough, presented the natural gas system health report to the Commission. He discussed the natural gas system statistics including 204 miles of main, 9,541 services, 9,594 meters, two 50 lb. regulator stations, nine 5 lb. regulator stations and 2 pipeline supply points. Mr. Blough also discussed the operations & maintenance budget for 2018 and long-term projects including the conversion of the 5lb. system.

Move Order Policy

Chief Financial Officer Fondell represented the Move Order policy to the Commission. She recapped the policy was last updated in 1981 and is designed to recover partial costs associated with customers moving. The original recommendation as to increase the fee from \$10 to \$20 based on inflationary costs. After discussion, Commissioner Rossi moved to approve the policy as submitted. Commissioner Kottke seconded the motion. Commissioner Doyal felt it was a move in the right direction and Commissioner Cosens stated he would be more comfortable with a \$27 charge. Four Commissioners voted Aye to approve the motion. One Commissioner voted Nay. The motion carried.

Contributed Services

The Contribute Services report as of September 30, 2017 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

There were not any questions regarding the Operations/Scorecard.

General Manager's Report

Chief Finance Officer Fondell stated if the Commission has any questions regarding the draft budget to please call or email her.

Executive, Communications & Administration Coordinator Schmoll asked to move the December Commission meeting from December 26th to earlier in December due to the Christmas holiday. She will send out options for dates.

Commission Roundtable

Commissioner Kottke appreciated the system health reports and the details on what is being projected.

Commissioner Cosens echoed Mr. Kottke's comments regarding the system health reports.

Commissioner Doyal said it was a good learning experience.

Adjournment

There being no further business to come before the Commission, Commissioner Cosens moved to adjourn the meeting. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:33 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator