

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Cosens, Simon, Kottke, and Doyal. Absent was Commissioner Rossi. Also present were General Manager Warehime; City Administrator Busse; Chief Financial Officer Fondell; Director, Engineering Johnson; Executive, Communications & Administration Coordinator Schmoll; and Energy Conservation/Key Account Officer Hendricks. Special guests included Dena Keilman, incoming Commissioner; and Mary Reedy, auditor.

Commissioner Simon led the Pledge of Allegiance.

Minutes

The Minutes from the March 26, 2019 Commission meeting were presented to the Commission. Commissioner Doyal moved to approve the Minutes as submitted. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee: Commissioner Cosens reported the Personnel Committee met and the Mayor appointed a new Commissioner, Dena Keilman. He further reported on the process of replacing the Gas/Water Lead position. He noted there are two union employees and two management employees who interview candidates and make the determination based on qualifications. If two candidates receive the same number rating, the most senior person is given the position. Mr. Cosens concluded by reporting OPU is still looking to fill the positions of Journey Lineworker, Gas Engineer, and Electric Engineering Technician.

Finance Committee: Commissioner Doyal reported the Finance Committee met, reviewed and approved vouchers in the amount of \$4,395,750.10. There was nothing else unusual to report.

City Administrator's Report

City Administrator Busse reported city officials in Owatonna and other cities in Steele County, along with other county officials received a good presentation from Joe Kelly of Homeland Security pertaining to emergency operation plans. She further reported the City department heads and city council are reviewing the strategic plan. She noted infrastructure and downtown are the highlights, as well as a community survey with other efforts to engage with the citizens more.

Commissioner Kottke inquired regarding the report of a roundabout on 26th St. as well as one at the intersection of Rose and Grove. City Administrator Busse replied a traffic study was done and it was determined those two locations would be great spots for them. They would be single lane and are a more cost effective way to control traffic.

Audit Report

Chief Financial Officer Fondell introduced Mary Reedy, CliftonLarsenAllen, OPU's auditors. Ms. Reedy directed the Commission's attention to the bound audit book each received a copy off. She further reported no significant findings were noted and it was a clean report. In summary, Ms. Reedy reported OPU has a strong operating income, overall stable results from operations and an increase in net position, electric and gas departments had an overall increase in cash, and water had a slight decrease. Commissioner Simon inquired as to an example of legal compliance the auditors check. Ms. Reedy replied, we test disbursements to ensure you are paying them within 45 days. On average, OPU pays their invoices within 35 days. Bid testing and requirements are also checked to ensure they are

done properly, which they are. The Commission thanked Ms. Reedy for her report. Ms. Reedy left the meeting.

Contributed Services

The Contributed Services report as of March 31, 2019 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

There were not any notable changes to the scorecard that needed discussion.

General Manager/Staff Report

General Manager Warehime reported the response to the ice/wind storm was good and customer appreciated the work the guys were doing. We are very please with the progress being made on the outage management system and that will go-live in June.

Chief Financial Officer Fondell presented the Commission a recap of total contributed services for 2018 for their information. Included in the report are not only utility costs for City buildings but also labor for hanging banners and Christmas lights in the park and other in-kind types of services provided to the City.

Energy Conservation/Key Accounts Officer Hendricks discussed the rate study with them. He noted, OPU's position did not change much. He further noted, he is working with the City on replacing light fixtures in the Park and Rec garage.

General Manager Warehime concluded by recognizing and expressing his gratitude to Commissioner Cosens for his 10 years on the Commission.

Commission Roundtable

Commissioner Simon stated it has been a great 9 years working with Commissioner Cosens on the board. He further commented on weather related outages Owatonna has experienced lately and the amount of time the outages took to restore compared to other communities. We do not have outages for weeks at a time and that speaks well to the kind of company OPU is. Mr. Simon concluded by recognizing the picture of the meter set created by our gas department. Mr. Warehime had sent it with his weekly up. It was very impressive.

Commissioner Kottke complimented OPU on assisting Steele Waseca Coop Electric in restoring power after the recent storm and complimented Chief Financial Officer Fondell on a successful audit. Commissioner Kottke welcomed Dena Keilman to the Commission.

Commissioner Doyal thanked Commissioner Cosens for his time on the Commission stating he has been a great role model.

Commissioner Cosens expressed his appreciation of being part of hiring several different general managers, the planning and involvement with the repurposing of the power plant, attending legislative rallies in Washington DC, and working with the wonderful staff at OPU. He concluded by expressing

his appreciation of the other commissioners, their professionalism and respect of each other to have difficult conversations yet remain friends. He wished everyone the best going forward.

Adjournment

There being no further business to come before the Commission, Commissioner Simon moved to adjourn the meeting. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:42 p.m.

Respectfully submitted,

Tammy Schmoll,
Executive, Communications & Administration Coordinator