

The Owatonna Public Utilities Commission met in rescheduled session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Doyal, Johnson, Rossi, Kottke, and Zirngible. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technologies Baum; Supervisor, Accounting Linders; Supervisor, Customer Care Van Esch; Executive, Communications & Administration Coordinator Schmoll; Key Accounts & Energy Conservation Officer Hendricks; OPU Employees Josh Prokopec; Lori Jerpbak and Shanda Meier. Other guests included Tom Olinger, CPA with Abdo Solutions, OPU's auditors.

President Doyal called the meeting to order and asked for a motion to approve the agenda, as presented. Commissioner Johnson moved to approve the agenda. Commissioner Zirngible seconded the motion. All Commissioners voting Aye, the motion passed. President Doyal then asked for a motion to approve the consent agenda items. The consent agenda contained the minutes from the March 22, 2022 Commission meeting as well as the Contributed Services report as of March 31, 2022. Commissioner Johnson moved to approve the consent agenda, as presented. Commissioner Zirngible seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee: Commissioner Rossi reported the Personnel Committee met and received a staffing update including two new positions have been filled with internal candidates which leaves two open positions. He further reported Luke Van Hooser has been hired as a meter serviceworker. The median length of employment with OPU is 8 years compared to the national average of 4.6 years.

Finance Committee: Commissioner Kottke reported the Finance Committee met, reviewed, and approved vouchers totaling \$6,451,705.10. He further reported they approved one work order revision for a vehicle. It was decided to purchase the vehicle off-the-lot versus ordering it due to the time it is taking to get vehicles right now. The Committee approved two new work orders; one for redoing the loading dock at Building #4 including some additional concrete work; the other for a switch upgrade in the IT department which will help with reliability, security and flexibility of our system.

City Administrator Report

City Administrator Busse reported bids for the Wastewater Treatment plant have been received and the apparent low bidder is Rice Lake Construction Group. Ms. Busse further updated the Commission on projects going on downtown.

Audit Report

Director, Finance & Administration Olson introduced Tom Olinger from Abdo Solutions, and noted Abdo Solutions is OPU's new auditor. Mr. Olinger presented the 2021 Financial Statement Audit to the Commission. He noted, the audit results were unmodified, meaning it is the cleanest audit a company can get. He reviewed the revenues and expenses, net position, cash flows and cash balances for the electric, water, and natural gas utilities. He concluded by stating they appreciated getting the information they needed on a timely manner making the process very efficient.

Water Access Fees Policy

Director, Engineering & Operations Fenstermacher presented the Water Access Fees policy to the Commission. He noted, the approved changes from the last meeting as well as one other small change

regarding redevelopment are included in this policy. Commissioner Johnson moved to approve the policy as presented. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Primary Metered Services Rates

Director, Finance and Administration Olson presented two new rate policies to the Commission. He noted, the two rate policies are for primary metered services, Time-of-Day customers only. The two new policies propose to separate the primary metered services from the secondary metered services. The separation allows for individual reports which results in more accurate reporting data. The customers will not see any difference other than a different rate code at this time. After discussion, Commissioner Kottke moved to approve the policies as submitted. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

Authorization for Debt Recovery

General Manager Warehime directed the Commission's attention to a memo included in the agenda packet from Supervisor, Customer Care Van Esch requesting the Commission to authorize the use of Conciliation Court as a means of debt recovery. After discussion, Commissioner Rossi moved to authorize the Commission President to sign Power of Attorney for Conciliation Court forms to seek payment of delinquent past due balances through conciliation court when warranted. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Reports

Director, Engineering & Operations Fenstermacher presented to the Commission on supply chain issues and shared a presentation from Border States. The three primary causes for the supply chain challenges are raw material prices due to war in Ukraine; logistics and freight issues due to backlogs during COVID; and labor issues including wage pressures. Mr. Fenstermacher discussed what is being done to help soften the impact. He noted earlier project planning and management is being conducted, as well as communication has increased regionally between utilities to try to help each other out with needed material. Mr. Fenstermacher will continue to keep the Commission updated as new information develops.

General Manager Warehime updated the Commission on the facilities planning study, as well as thanked Commissioner Doyal for his leadership over the past years on the Commission.

Commission Roundtable

Commissioners Kottke, Rossi, Johnson and Zirngible all thanked Commissioner Doyal for his years of service on the Commission and expressed their appreciation for the knowledge he brought to the table.

Commissioner Doyal stated how much he enjoyed working with everyone on the Commission and stated how proud he is of OPU.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:15 p.m.

Respectfully submitted,
Tammy Schmoll
Executive, Communications & Administration Coordinator