

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Zirngible, Kottke, Rossi and Doyal. Absent was Commissioner Johnson. Also present were General Manager Warehime; City Administrator Busse; Director, Finance and Administration Olson; Director, Engineering & Field Services Fenstermacher; Manager, Human Resources Madson; Manager, Facilities & Gas/Water Operations Prokopec, Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; Accountant Lori Jerpbak and customer, Timothy Rice.

Commissioner Zirngible opened the meeting by asking for approval of the agenda and the consent agenda items. The consent agenda items consisted of the Minutes from the meeting of January 31, 2023, the Contributed Services as of January 31, 2023 and the Contributed Services as of February 28, 2023. The February 2023 Commission meeting was cancelled. Commissioner Rossi moved to approve the agenda and the consent agenda. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee: Commissioner Doyal reported the Finance Committee met, reviewed, and approved vouchers totaling \$7,352,269.25 in February and \$8,370,575.07 in January. He further noted, changes related to having more accurate data for unbilled revenue is contributing to slightly lower electric numbers compared to budget. This will fluctuate throughout the year but will give us much better data next year. In regard to work orders, there are 67 that remain open totaling \$12.1 million with \$1.7 million spent so far. The Finance Committee received a presentation surrounding vehicles. Mr. Doyal noted due to price increases and long lead times on receiving vehicles, vehicle work orders were approved. Overall, the vehicle expenditure decreased for 2023 due to one vehicle being removed from the planned purchases.

Personnel Committee: Commissioner Rossi reported the Personnel Committee met in February and March. They received a staffing update, an update on an OSHA recordable incident and a backing incident involving a customer being struck. Mr. Rossi noted the Committee received a very detailed cause map of the backing incident. He further reported, staff discussed a program to move towards a "Fair Safety Culture". This focuses on safe practices due to the desire to be safe versus being safe for fear of repercussions.

City Administrator's Report

City Administrator Busse updated the Commission on several items. These items included:

- **No Mow May:** The city received a request last year for Owatonna to consider joining the No Mow May program. A number of cities, including Mankato, North Mankato, Rochester have adopted this practice. It is essentially a suspension of enforcement of nuisance ordinances regarding length of grass for the month of May. The ideas being to let the pollinators grow during this period. Staff will be investigating this matter further and will bring to council for consideration.
- **Comprehensive Plan updates:** The city received seven proposals from consulting firms for developing the Comp Plan. An interview panel made up of a council member, planning commission member and staff will interview the top three to five firms. Upon completion of the interview process, the panel will make a recommendation by April 18 to the city council as to who is the preferred candidate. The comprehensive Plan is a critical document for the city. It articulates a vision for Owatonna in 2050 and provides guidance through policies and strategies to implement that vision. A big part of the process will be community engagement and soliciting input from a broader audience.

- **Personnel updates:** The fire department is in the process of adding additional paid-on-call firefighters. Nine conditional offers have been extended. The candidates are now going through a background check and then will have a pre-employment physical and drug screen. There is a tentative date of April 18th to begin their training. The training consists of approximately five months (2 nights a week) of initial firefighter training. Upon the completion of the training, they will take their tests to become state certified firefighters. Out of the nine candidates, 1 will be a resident firefighter (living at the station), 5 will be members of the night squad and 3 will be on day squad. We are excited to have these new people joining our department.

Commissioner Zirngible inquired about the plan to partner with Medford regarding their wastewater. City Administrator Busse replied, since the bonding bill didn't get passed, things are on hold for that piece. The expansion of the Wastewater Treatment Plant is still moving forward, we will just have to wait on the Medford piece.

Statutory Liability Waiver Form

General Manager Warehime and Director, Finance & Administration Olson presented a Statutory Liability Waiver form to the Commission. Legal counsel recommends the Commission does NOT waive the statutory liability limits regarding liability insurance. After discussion, Commissioner Doyal moved, for the 2023 liability insurance renewal with the League of Minnesota Cities Insurance Trust, OPU DOES NOT WAIVE the monetary limits on municipal tort liability established by Minn. Stat 466.04. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Rate Policy Changes – Elimination of 2% adder to secondary meters

Director, Finance and Administration Olson presented policy changes to policies EM06 – Water Pumping TOU, EM05 – Electric Time of Day Rates – Secondary Metered, and ES05 – Electric Time of Day Rates Secondary Metered – Winter Peaking. He discussed what a secondary metered service does, how loss adjustment distorts OPU's data and the customer's usage data and noted there will be a net zero effect for the customers. After discussion, including how affected customers will be affected, Commissioner Rossi moved to approve the recommended changes to the three policies. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Report

Director, Finance and Administration Olson presented to the Commission an update regarding the facilities study. He reminded the Commission of OPU's facility plan after the 2010 flood. He noted, three of the four phases were completed. The fourth phase included constructing a new storage facility to the south of OPU on Walnut Ave. and vacating the building north of Bridge St. that houses our current supplies, vehicles, and trailers. Most recently, the City of Owatonna has been working with developers to improve the river front area north of Bridge St. Our facilities north of Bridge St. do not fit well with the future vision of the river front. In 2022, Leo A Daly was hired to assess the feasibility and costs of multiple options for the future of OPU's facilities. Mr. Olson recapped those options. All options presented were quite expensive. OPU staff's recommendation at this time is to not budget for these facility changes in the next 5-year forecast, to continue to support the City of Owatonna by making reasonable accommodations for improvements along the river front and to be receptive to developers who may show interest in OPU's buildings and properties.

Director, Engineering & Field Operations Fenstermacher gave a presentation to the Commission regarding solar. He noted this presentation was originally given to the City Council in February by Key Account/Energy Conservation Officer Hendricks who was not able to be at this meeting. Mr. Fenstermacher discussed, the City of Owatonna's solar ordinance, the review process, what net metering is, how many solar customers there are in Owatonna, and financial impacts for customers.

Commission Roundtable

Commissioner Kottke thanked staff members for all the reports.

Audience Comments

Customer, Timothy Rice, 835 SW Riverwood Place, addressed the Commission regarding costs he incurred to have his water meter moved to make it accessible for meter serviceworkers. His water heater was relocated from its originally location as part of a remodeling project, making the water meter inaccessible. He presented the history of events, pictures of the area and asked the Commission for reimbursement for expenses he incurred; approximately \$700. The Commission asked Mr. Rice some questions, thanked him for attending the meeting and noted they will get back to him.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:21 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator