

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Mayhew, Schreiner, Noyce and Emanuelson. Absent was Commissioner Truelson. Also present were General Manager Shurts, City Administrator Sparks, Director of Finance and Administration Bruno, Director of Marketing & Energy Management Green, Director of Engineering & Field Services Morgan, Manager Human Resources & Customer Service Madson, Supervisor SCADA & Energy Management Warehime, Accountant Teresa Hottman and Executive/HR Assistant Tammy Schmoll.

Director of Finance & Administration Bruno led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of December 27, 2005 were presented to the Commission. Commissioner Emanuelson moved to approve the Minutes as presented. Commissioner Schreiner seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – The Personnel Committee did not meet in January.

Finance Committee – Commissioner Mayhew reported the Finance Committee met, reviewed and approved the cash flow statement, financial statements, investments and vouchers. Six budgeted work orders were also approved. The uncollectible accounts were presented to the Finance Committee and were approved as presented. Director of Finance & Administration Bruno mentioned a contract has been signed with Cogsdale for the CIS and Financial systems.

Uncollectible Accounts

Director of Finance & Administration Bruno recapped the uncollectible accounts for the year 2005. He reported 277 accounts totaling \$103,128.30 for which collection is doubtful at this time will be written off prior to the close of business in January 2006. He further reported 30 accounts which filed bankruptcy totaling \$16,052.93 for which collection is doubtful at this time will be written off prior to the close of business in January 2006. The Finance Committee approved the write-offs.

Tree Trimming Bid Tab

The attached bid tabulation for the 2006 & 2007 Tree Trimming was presented to the Commission. Director of Finance and Administration Bruno reported bids were sent to four companies with two submitting bids. Staff's recommendation is to award the bid to the lowest evaluated bidder of Asplundh Tree Expert Co. in the amount of \$642,470.40. He noted part of the bid is budgeted in 2007. After discussion, Commissioner Schreiner moved to award the bid to Asplundh Tree Expert Co. in the amount of \$642,470.40. Commissioner Emanuelson seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of December 31, 2005 was presented to the Commission for their approval. The Commission signed the report.

General Manager/Staff Report

Director of Marketing & Energy Management Green updated the Commission on OPU's natural gas hedging program. He noted, the gas prices are expected to decline and OPU has hedged some gas into 2007, 2008 and 2009 for layering purposes. Mr. Green further discussed triggering mechanisms, such as weather, that are used to determine when and how much natural gas to hedge.

Manager of Human Resources and Customer Service Madson reported to the Commission a new employee, Matt Clements, had been hired in the Electric Department as an Apprentice Lineworker.

Commissioner Mayhew inquired about electric rate increases for other utilities in the area such as Steele Waseca Coop Electric and Alliant. General Manager Shurts noted most of the utilities in the area are experiencing electric rate increases similar to the one OPU implemented.

City Administrator's Report

City Administrator Sparks reported the City will not be annexing any property into the City in 2006. He further noted there are 1,000 lots available within the City Limits for building. Mr. Sparks continued by reporting the City Council approved a sales tax resolution that will need to be approved by the Legislature and then taken to a City wide vote in November, 2006. The resolution would assess a ½ cent sales tax within the City of Owatonna. Mr. Sparks discussed some of the projects that would be funded by this extra tax.

Commission Roundtable

Commissioner Emanuelson – Nothing.

Commissioner Noyce – Nothing.

Commissioner Schreiner – Nothing.

Commissioner Mayhew – Nothing.

Adjournment

There being no further business to come before the Commission, Commissioner Schreiner moved to adjourn the meeting. Commissioner Noyce seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:36 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant.

BID TABULATION

Project: **Tree Trimming**

Budget #: **06-2210-0550**

Budget #: **07-2210-0550**

Date/Time of Opening: **1/10/06 1:05 p.m.**

06 Budget Amt: **\$315,300.00**

07 Budget Amt: **\$325,000.00**

Total: **\$640,300.00**

Acct. Number: **1593.1220**

Vendor	Bid Security	Signed Contract	Amount Bid
Asplundh Tree Expert Co.	Yes	Yes	\$642,470.40 **
Carr's Tree Service, Inc.	Yes	Yes	\$661,918.40

** - Apparent Low Bidder

Bidders List

Project: Tree Trimming

List of Firm Furnished Bid Documents:

Visions

Asplundh Tree Expert Co.

Carr's Tree Service Inc.

Wright Tree Service Inc.

List of Ineligible Bidders:
