

The Owatonna Public Utilities Commission met in regular session in the Morehouse Room at the Owatonna Public Utilities. Present were Commissioners Cosens, Simon, Kottke, Rossi and Doyal. Also present were General Manager Fritsch; City Administrator Busse; Chief Financial Officer Fondell; Director, Field Operations & External Relations Warehime; Manager, Human Resources Madson; Manager, Information Services Keltgen; Supervisor, Accounting Sedivy; Executive, HR & Administration Coordinator Schmoll; and Energy Conservation Officer Hendricks.

Commissioner Doyal led the Pledge of Allegiance.

### **Minutes**

The Minutes from the regular Commission meeting of December 27, 2016 were presented to the Commission. Commissioner Doyal moved to approve the Minutes. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

### **Committee Reports**

Finance Committee – Commissioner Simon reported the Finance Committee met, reviewed and approved Vouchers totaling \$5,303,255.84.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received an update on the difficulty of hiring a lineman and were informed the Utility is beginning into union negotiations. Tammy's tidbit discussed the previous managers of the utility.

### **City Administrator's Report**

City Administrator Busse reported the City Council welcomed a new council member at large, Doug Voss. She further reported the city will begin street construction for the year with neighborhood meetings where preliminary feasibility reports will be presented. Street construction will include Lemond Road and North Cedar from Front St. to North St. among others. City Administrator Busse further reported strategic planning efforts have begun with Mr. Fritsch's help.

### **2017 Strategic Plan**

General Manager Fritsch distributed and discussed the 2017 placemat for strategic objectives. He discussed the key goals for 2017 included a fiber ring, customer information system, staffing, water system automation, employee engagement and OPU's community perception and reputation. Individual staff members gave the Commission in depth information regarding each of the strategic objectives.

### **Contributed Services**

The Contributed Services report as of December 31, 2016 was presented to the Commission. The Commission signed the report.

### **Operations/Scorecard**

Staff discussed changes to the December scorecard and the year-end numbers. Manager, Human Resources Madson reported in 2016 there was only one OSHA recordable in the beginning of the year. OPU finished the year with 361 days in a row without an OSHA recordable. General Manager Fritsch noted we finished the year with over \$100,000 in cost savings.

## **General Manager/Staff Report**

General Manager Fritsch presented a proposal to the Commission to sell a portion of the 69 kV transmission line and breaker to SMMPA for use at the Owatonna Energy Station (OES). The line and breaker currently tie into the OES and the West Owatonna Substation (WOS) and is approximately .4 miles long. SMMPA needs this portion in order to sell the power that is generated at the OES. OPU will no longer be responsible for the maintenance and replacement of the line but instead would be paid to maintain it. OPU would also receive an upfront fair market value. Staff is recommending selling this portion of the line to SMMPA. After discussion, Commissioner Kottke moved to approve the sale of .4 miles of the 69 kV transmission line to SMMPA. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager Fritsch reported to the Commission that negotiations have begun to acquire service territory from Steele Waseca Coop Electric.

Chief Financial Officer Fondell presented the Commission with a brochure entitled "Understanding Your Utility Bill". She noted the brochure has been mailed out to customers to help them understanding their new billing statement. The new billing template has reduced bill processing time from 6-8 hours a day to approximately an hour; it will amount to some cost savings due to more condensed printing resulting in less paper and fewer reprints; and, improved overall system performance.

Executive, HR & Administration Coordinator Schmoll reminded the Commission the February Commission meeting has been moved to February 21<sup>st</sup> from February 28<sup>th</sup> due to some conference and vacation schedule conflicts.

Manager, Human Resources Madson reported interviews for an apprentice line worker will be starting and the hope is to have the position filled the first part of March.

## **Commission Roundtable**

Commissioner Doyal – thanked staff for allowing him the opportunity to learn and expressed his appreciation of their patience in answering his questions.

Commissioner Rossi – praised staff for their transparency and the efforts that go into cost savings every month.

## **Adjournment**

There being no further business to come before the Commission. Commissioner Simon moved to adjourn the meeting. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:21 p.m.

Respectfully submitted,

Tammy Schmoll  
Executive, HR & Administration Coordinator