

The Owatonna Public Utilities Commission met in regular session in the Commission room. Present were Commissioners Emanuelson, Stansberry, and Schreiner. Absent were Commissioners Mayhew and Ihrke. Also present were General Manager Shurts; City Administrator Busse; Director, Financial & Administrative Services Bruno; Director, Engineering, Electric & Meter Services Johnson; Director, Gas, Water & Power Production Green; Manager, HR, Safety, Risk & Loss Control Madson; Manager, Energy Management & External Relations Warehime; Supervisor, Gas, Water, Buildings & Grounds Bendorf; and Executive/HR Assistant Schmoll.

Joe Green led the Pledge of Allegiance.

Minutes

The Minutes from the December 23, 2008 were presented to the Commission. Commissioner Schreiner moved to approve the Minutes as presented. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel – Commissioner Schreiner reported the Personnel Committee did not meet.

Finance Committee – Commissioner Emanuelson reported the Finance Committee met, reviewed and approved vouchers in the amount of \$5,123,743.37; the financial statements, one work order in the amount of \$43,226 for an electric test bench and a work order addendum for additional work on the UPS system.

Director, Financial & Administrative Services Bruno reported Uncollected Accounts were presented to, and approved by, the Finance Committee. Manager, HR, Safety, Risk & Loss Control Madson reported \$147,069.25 will be wrote off as uncollectible prior to the close of business for 2008. She noted the total to be wrote off includes 22 bankruptcy accounts, totaling \$19,492.56. Mrs. Madson also discussed the amount of money received on previously charged off accounts in 2008, as well as, OPU's collection procedure. Commissioner Emanuelson asked Mrs. Madson to report back, in a few months, on the various programs available for customers who are having troubles keeping up with their utility bills. Commissioner Schreiner moved to approve the write off of 329 accounts, in the amount of \$147,069.25, for which collection is doubtful at this time. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

City Administrator's Report

City Administrator Busse reported the state is cutting \$708,000 in local government aid to the City of Owatonna in 2009; \$1.5 million in 2010. City Administrator Busse reported the City Council had a work session to discuss budget changes to moderate these cuts. City Administrator Busse further reported the Charter Commission met and discussed several issues including changing voting from odd years to even years.

Tree Trimming Bid Tabulation

The attached bid tabulation for Tree Trimming was presented to the Commission. Director, Financial and Administrative Services Bruno reported three companies asked for bid information, but only one company returned a bid. Mr. Bruno further noted the bid is for a two year contract. Staff

recommends awarding the bid to the evaluated low bidder, Asplundh Tree Expert Co, in the amount of \$703,497.60. Commissioner Schreiner moved to award the bid to Asplundh Tree Expert Co. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of December 31, 2008 was presented to the Commission for approval. The Commission signed the report. General Manager Shurts distributed and discussed two graphs showing Contributed Services as a percent of billed revenue and historical dollar amounts of Contributed Services. Mr. Shurts complimented the City of Owatonna on being good stewards of the commodities supplied them.

General Manager/Staff Report

General Manager Shurts reported the Director of Water and Power Production for the Austin Utilities, Pat Lunn, passed away after a battle with Melanoma.

General Manager Shurts reported the SMMPA litigation wrapped up with closing arguments. Mr. Shurts further reported SMMPA will be meeting with RPU to discuss what the future holds for each entity.

Director, Electric, Engineering & Meter Services Johnson distributed and discussed a graph showing OPU's reliability and outages for 2008. Mr. Johnson discussed some of the major outages in 2008.

Supervisor, Gas, Water, Buildings & Grounds Bendorf discussed the various water main breaks OPU has experienced over the last few weeks due to frost moving in the ground.

Manager, Energy Management & External Relations Warehime reported the Home Energy Reports program will begin to be advertised in February with hopes of rolling out the first reports in March.

Director, Gas, Water & Power Production Green reported a Trade Ally meeting will be held at OPU for vendors and contractors to introduce the Energy Solutions program to them. OPU is looking to partner with various local vendors in promoting and selling high efficiency equipment to customers, as well as working with those customers on their rebates. OPU will not kick off the full program until 2010 after the new Customer Management System is operational.

Mr. Green further discussed the gas prices for January and February 2009.

Commission Roundtable

Commissioner Schreiner – Nothing.

Commissioner Stansberry – as a customer, Mr. Stansberry expressed his appreciation to the Meter staff for the top notch job they did in making his meters wireless.

Commissioner Emanuelson – How will OPU be affected by proposed energy legislation, and how will OPU keep on top of the regulations? General Manager Shurts replied, in my opinion, anything that

happens legislatively will only negatively impact OPU because the cost of doing business will increase, and any revenues generated will not end up coming back to Owatonna. Manager, Energy Management and External Relations Warehime added, there has been talk about different grants relating to automated meter reading and other things related to the utility industry and if those become available, OPU will apply. General Manager Shurts concluded, as far as the infrastructure and transmission, it would benefit OPU because we are in a constrained area, so if we get more transmission, we would have cheaper energy by having access to energy we do not currently have access to.

Adjournment

There being no further business to come before the Commission, Commissioner Stansberry moved to adjourn the meeting. Commissioner Schreiner seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:08 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: Tree Trimming

Date/Time of Opening: January 7, 2009 1:00 p.m.

Project #:

Budget #: 09-2210-0550

Budget Amt: \$340,600.00

Budget #: 10-2210-0550

Budget Amount: \$350,762.00

Total Amount: \$691,362.00

Acct. Number: 1593.1220

Vendor	Bid Security	Signed Contract	Amount Bid
Asplundh Tree Expert Co.	Yes	Yes	\$703,497.60 **

** - Apparent Low Bidder

Bidders List

Project: Tree Trimming

List of Firm Furnished Bid Documents:

**Asplundh Tree Expert Co.
Carr's Tree Service, Inc.
Wright Tree Service Inc.**

List of Ineligible Bidders:
