

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Truelson, Mayhew, Schreiner and Noyce. Absent was Commissioner Emanuelson. Also present were General Manager Shurts, City Administrator Sparks, Finance Manager Bruno, Field Services Manager Morgan, Gas Marketing Manager Green, Energy Conservation/Marketing Specialist Finholdt, HR/Administration Supervisor Madson, Accountant Teresa Hottman and Executive/HR Assistant Tammy Schmall.

Dan Morgan led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of January 27, 2004 were presented to the Commission. Commissioner Schreiner moved to accept the Minutes as presented. Commissioner Mayhew seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Mayhew reported the Finance Committee met, reviewed and approved Financial Statements, Vouchers, work orders and work order additions. Finance Manager Bruno reported three of the work order additions were due to overspending on the project.

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

Ground Storage Tank Bid Tab

The attached bid tab for the repair and repaint of the ground storage tank was presented to the Commission for their approval. Staff recommended awarding the bid to the evaluated low bidder of Classic Protective Coatings, Inc. in the amount of \$236,735.00. After discussion, Commissioner Mayhew moved to award the bid to Classic Protective Coatings, Inc. in the amount of \$236,735.00. Commissioner Schreiner seconded the motion. All Commissioners voting aye, the motion passed.

Contributed Services

The Contributed Services report as of January 31, 2004 was presented to the Commission. The Commission signed the report.

General Manager/Staff Report

General Manager Shurts discussed the APPA Legislative Rally in Washington, D.C. Mr. Shurts reported he will also be attending the MMUA Legislative Rally in St. Paul. He further noted Mr. Morgan and Mr. Green will be attending as well.

General Manager Shurts informed the Commission of his election to the Noon Rotary Club board beginning in July, 2004.

Mr. Shurts noted SMMPA was awarded the Energy Star Partner of the Year award again for 2004.

Mr. Shurts gave an update to the Commission regarding the joint service territory issue with Steele Waseca Coop Electric as well as the buyout of the Alliant service territory.

Mr. Shurts reported he will be replacing retained earnings graphs with net income graphs for each commodity beginning next month. Mr. Shurts discussed the OPU Finance 101 informational session with the Commissioners. After discussion, the session was set for Thursday, March 18, 2004 at 3:30 p.m.

Finance Manager Bruno reported the auditors have completed their annual audit. He noted inventory was off again this year but measures are being taken to help control that for 2004. He ended by noting a Management Letter will be sent to the Commission from the auditors.

Field Services Manager Morgan showed pictures of Well #10 stating it will be up and running for cleansing purposes on March 10th. Mr. Morgan gave an outage report and reported on a VOAD (voluntary organizations active in disasters) presentation he attended. The presentation focused on the threat of terrorism and training ourselves to be more observant. He noted he attended on behalf of CAER.

Energy Conservation/Marketing Manager Finholdt distributed and discussed rate survey graphs for 2003 with the Commission. He noted an executive summary showing where OPU is now compared to six months ago, a year, and 5 years ago. He noted we have improved in ranking. Discussion ensued on OPU's reliability and the measures taken to increase that reliability.

Gas Marketing Manager Green reported lighting at OPU is being evaluated. He further discussed the Energy Management program and potential customers who may participate in that program. Mr. Green discussed ClearWave in regards to the amount customers signed up as well as the marketing efforts that will be taken in the near future.

City Administrator's Report

City Administrator Sparks reported the Aquatics Task Force has met with the City Council and Steve Shurts and will be moving forward with a capital campaign throughout the community for a water park in Owatonna. He reported the Task Force will be contracting with a consulting firm to run the capital campaign and plan for construction to begin in 2005 with the park being open for business in 2006.

Mr. Sparks noted from preliminary reports, the State budget forecast is not looking as good as originally predicted and the City is expecting more cuts.

Mr. Sparks further continued the Owatonna College and University Center met with the President of MSU to discuss more of a combined curriculum between the two schools. For instance, students could get their two year degree at Riverland and then proceed to MSU for the rest.

Discussion proceeded regarding the Owatonna Incubator and how OPU should be involved with the customers planning to move out of the Incubator. Mr. Shurts, Mr. Morgan and Mr. Green will meet with the Incubator to discuss ways OPU can help these customers with their next steps.

Commission Roundtable

Commissioner Schreiner – Nothing.

Commissioner Noyce – Nothing.

Commissioner Mayhew – Compliments to the staff for the rate surveys.

Commissioner Truelson – Discussed issues pertaining to CERT and CAER. He further noted the Steele County Safety Fair is scheduled for April 21 and 22 at the Owatonna Armory.

Adjournment

There being no further business to come before the Commission, Commissioner Mayhew moved to adjourn the meeting. Commissioner Noyce seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:26 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: **Ground Storage Tank - Repair, Repaint**

WO #: **23123**

Budget #: **04-2120-0013**

Date/Time of Opening: **2/12/04 1:00 p.m.**

Budget Amt: **\$350,000.00**

WO Amt: **\$350,000.00**

Acct. Number: **2362.000**

Vendor	Bid Security	Signed Contract	Amount Bid
Classic Protective Coatings, Inc.	Yes	Yes	\$236,735.00 **
Abhe & Svoboda	Yes	Yes	\$410,925.00
TMI Coatings, Inc.	Yes	Yes	\$327,750.00
Champion Coatings, Inc.	Yes	No *	\$278,500.00
Leadcon, Inc.	Yes	Yes	\$246,000.00
Tenyer Coatings	Yes	Yes	\$466,200.00

* - Was in attendance, did not return affidavit.

** - Apparent Low Bidder

Bidders List

Project: Ground Storage Tank - Repair, Repaint

List of Firm Furnished Bid Documents:

**Classic Protective Coatings, Inc.
Knish Corp.
Abhe & Svoboda
TMI Coatings, Inc.
Champion Coatings, Inc.
PL Services
Brent Anderson & Assoc. Inc.
Leadcon Inc.
Tenyer Coatings**

List of Ineligible Bidders:
