

The Owatonna Public Utilities Commission met in regular session in the Morehouse Room at the Owatonna Public Utilities. Present were Commissioners Schreiner, Kottke, Cosens and Simon. Absent was Commissioner Stansberry. Also present were General Manager Fritsch; City Administrator Busse; Director, Financial & Administrative Services Fondell; Director, Customer Service, Conservation, Generation & Substations Green; Director, Engineering Johnson; Director, Field Operations & External Relations Warehime; Manager, Human Resources Madson; Executive/HR Assistant Schmoll; Waterworks Operator Myron Volker and new employee Lori Jerpbak.

Director, Field Operations & External Relations Warehime led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of January 27, 2015 were presented to the Commission. Commissioner Kottke moved to approve the Minutes as presented. Commissioner Cosens 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 in the amount of \$6,936,204.11. He further reported the Committee approved one unbudgeted work order to switch the bucket controls on a bucket truck to make it more ergonomically correct. Commissioner Simon further reported the financial numbers presented are still preliminary.

Personnel Committee – Commissioner Schreiner reported the Personnel Committee met and received an update on staffing. He further reported union negotiations will be coming up. Executive/HR Assistant Schmoll reviewed the tidbit she shared at the Personnel Committee meeting regarding the reasons behind the formation of the union back in 1946.

City Administrator's Report

City Administrator Busse reported that she and Mayor Kuntz have been presenting their State of the City address throughout the community. She further reported the City is in the process of working on strategic planning for the Owatonna Business Incubator, conducting a classification and compensation study of all positions and the Art Center is going out for bids for their addition.

Sealing Municipal Well #1 Bid Tabulation

The attached bid tabulation was presented to the Commission for the sealing of Municipal Well #1. Director, Financial and Administrative Services Fondell noted the bid was sent to two vendors, however only one vendor chose to bid on the project. The project will not be capitalized due to there being no future benefit to OPU once the well is sealed. It was noted there could be additional costs associated with the project if it becomes necessary to remove a possible obstruction. Waterworks Operator Myron Volker was present to explain the project in more detail and answer any questions the Commission had. After discussion, Commissioner Cosens moved to award the bid to the low bidder, Bergerson-Caswell, Inc., in the amount of \$195,550.00. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

Myron Volker left the meeting.

SMMPA Bonding Discussion

General Manager Fritsch presented the Commission with three resolutions that will be presented to the SMMPA Board of Directors at their next meeting regarding the approval of the bonding

for the Owatonna Energy Station (OES). He noted Director, Field Operations & External Relations Warehime will be present representing OPU in Mr. Fritsch's absence. He noted the bonds are not to exceed \$39 million. \$11 million will come out of SMMPA's reserves for a total of \$50 million for the project. Commission Kottke inquired as to when the OES would be on-line. General Manager Fritsch replied the anticipated date is 2018.

Contributed Services

The Contributed Services report as of January 31, 2015 was presented to the Commission. The Commission signed the report.

Commissioner Simon left the meeting.

Operations/Scorecard

Staff presented changes to the January 2015 scorecard.

General Manager/Staff Report

General Manager Fritsch updated the Commission on the repurposing project. He noted the Open House will be moved back to June to accommodate nicer weather, some construction delays, and landscaping that still needs to be done. Commissioner Cosens commented on the steel structures surrounding the entrances. He noted they look unfinished. General Manager Fritsch assured the Commission that once all the structures are in place and have valve wheels attached to them, everything will look finished and blend together.

General Manager Fritsch reported he finished working with the City on their strategic planning, staff met with SMMPA on the purchase of gas for the OES and he commented on the interchange agreement between SMMPA and Steele Waseca Coop Electric for their proposed Solar Energy Park and stated they are looking to secure a location for it.

Director, Engineering Johnson updated the Commission on the pipeline to Hope project. He noted bids have been sent out to four contractors. Three responded. The bids still need to be evaluated and recommendations will be presented at the next meeting.

Commission Roundtable

None of the Commissioners had anything extra to add.

Adjournment

There being no further business to come before the Commission, Commissioner Kottke moved to adjourn the meeting. Commissioner Cosens seconded the meeting. All Commissioners voting Aye, the meeting adjourned at 4:54 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: Sealing Municipal Well #1

Project #: OWW15R19

Date/Time of Opening: February 13, 2015, 11:00 a.m.

Budget #: 2015/2220/0779

Budget Amt: \$150,000.00

Project Amt: \$200,000.00

Est. Budget

Portion:

Acct. Number: 2-45-51500-0000

Vendor	Bid Security	Addendum Acknowledged?	Amount Bid
Bergerson-Caswell, Inc.	Yes	N/A	\$195,550.00

Bidders List

Project: **Sealing Municipal Well #1**

List of Firm Furnished Bid Documents:

**E.H. Renner & Sons
Bergerson-Caswell, Inc.**

List of Ineligible Bidders:

None