

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Doyal, Johnson, Rossi and Zirngible. Absent was Commissioner Kottke. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technologies & Metering Baum; Manager, Human Resources Madson; Supervisor, Meter Services Johnson; Executive, Communications & Administration Coordinator Schmoll; Key Accounts & Energy Conservation Officer Hendricks; and OPU Employees Lori Jerpbak, Shanda Meier, Brian Clausen and Caleb Scheel. Other guests included Mayor Tom Kuntz; Rick Naymark from Q Market Research, and customer Roger Wacek.

President Doyal called the meeting to order and asked for a motion to approve the agenda, as presented. Commissioner Rossi moved to approve the agenda. Commissioner Zirngible seconded the motion. All Commissioners voting Aye, the motion passed. President Doyal then asked for a motion to approve the consent agenda items. The consent agenda contained the minutes from the February 22, 2022 Commission meeting as well as the Contributed Services report as of February 28, 2022. Commissioner Rossi moved to approve the consent agenda, as presented. Commissioner Zirngible seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing update. He further reported Director, Information Technologies and Metering Baum presented on a need to expand the IT department. After discussion, the Personnel Committee gave Mr. Baum the go ahead to start that process.

Finance Committee – Commissioner Doyal reported the Finance Committee met, reviewed, and approved Vouchers totaling \$6,590,010.25. The Committee also approved one work order addition for meters. The financials are very close to budget and everything looks in order.

Mayor Tom Kuntz addressed the Commission by thanking them for the opportunity to represent OPU and the City of Owatonna at the APPA Legislative Rally. He recapped the utility related issues talked about with the Legislators and encouraged Commissioners to attend the Rally if they get the chance in the future. The Commission thanked Mayor Kuntz for his updated. Mayor Kuntz left the meeting.,

City Administrator's Report

City Administrator Busse discussed street projects, redistricting the City, a new restaurant vendor for Brooktree Golf Course, business expansions and a housing development by Lowes.

Water Access Fees Policy

Director, Engineering & Field Operations Fenstermacher presented options for updating the Water Access Fees policy as directed by the Commission at the last meeting. He recapped the background and purpose of the policy; presented findings of the Utility Financial Services study from 2019, noting there were errors in the original report and presented the correct numbers; discussed the proposed policy changes including options requested by the Commission; and, presented a comparison of where OPU's rates are to other Communities and where OPU would be with the proposed changes in both residential and commercial. He noted, the purpose of the policy is meant to collect upfront capital costs and emphasized the policy has not been updated since 2004. After discussion, Commissioner Johnson moved to approve Option B which includes reducing the proposed fees from the UFS study to \$1,250 per home for residential; \$1,000 per unit for multi-family residents and adopting the phase in schedule of 2 years (50% of the proposed fee June 1, 2022;

75% of proposed fee June 1, 2023; and 100% of proposed fee June 1, 2024). Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed. The policy with the adopted revisions will be presented at the April meeting.

Northern Natural Gas Contract Extension

General Manager Warehime presented to the Commission a contract extending the Northern Natural Gas agreement for 5 years. He presented three options and discussed each one, he discussed the background of the contract and discussed bypass options. After his presentation, he recommended the Commission authorize him to extend the contract by 5 years. After discussion, the Commission gave their support to extend the contract 5 years.

General Manager/Staff Report

Director, Finance & Administration Olson introduced Rick Naymark from Q Market Research noting he presented to the Commission previously after the first customer survey was completed. Mr. Naymark recapped how the survey is sent out and how customers can respond. He presented the results of the most recent survey to the Commission. He noted the net promoter score increased from 49.7% (good) from the first survey to 55.8% (excellent) this time and stated this is very, very good. The average US utility falls between -10 to +15. He recapped some of the responses including the complaints and the strengths, discussed how customers want to communicate with us, what they want us to focus on in the future, and how they get their information. The newsletter came in very high. The Commission thanked Mr. Naymark for his presentation.

Director, Finance & Administration Olson presented to the Commission regarding billing corrections from metering errors. He discussed why the errors are being found now, the metering issues resulting in billing errors, and how we plan to handle the errors. He noted these errors are being found because of the switch to the AMI system. With these errors being caught, there is an increased confidence in the system moving forward and errors should decrease significantly. After discussion, the Commission feels the current issues have already been accounted for so we should not back-collect for them. They also feel a policy should be drafted, and approved, to provide for clear transparency and fairness to all customers when handling future billing errors.

Commission Roundtable

Commissioner Rossi thanked several people for their contributions to OPU including Dave Olson, Caleb Scheel and Tammy Schmoll.

Commissioner Doyal noted he is also on the Chamber Board and they received their 5-star accreditation and hearing the net promoter score for OPU, Owatonna is knocking it out of the park. Commissioner Doyal thanked Caleb Scheel for his work on finding the billing errors.

Chris Johnson thanked the whole Meter Services Department for their dedication and stepping up to take on extra duties so Brian and Caleb could work on ensuring all meters are accurate.

Audience Comments

Customer, Roger Wacek encouraged the Commission to consider requesting funds to build nuclear plants as a fuel option. It is safer than it used to be and is not expensive to run.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:39 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator