

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Schreiner, Emanuelson, Truelson, Mayhew and Noyce. Also present were General Manager Shurts; City Administrator Sparks; Director, Finance & Administration Bruno; Director, Engineering & Field Services Morgan; Director, Marketing & Energy Management Green; Manager, HR & Customer Service Madson; Supervisor, Energy Management Warehime; Supervisor, Information Services Turnbull; and Executive/HR Assistant Schmoll.

Mr. Morgan led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of February 26, 2007 were presented to the Commission. Commissioner Truelson moved to approve the Minutes as presented. Commissioner Emanuelson seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Truelson reported the Personnel Committee and the rest of the Commissioners met with Mr. Shurts to complete his performance review. Mr. Truelson also recognized Manager, HR & Customer Service Madson for all her hard work in the process.

Finance Committee – Commissioner Emanuelson reported the Finance Committee met, reviewed, and approved Vouchers, financial statements and one unbudgeted Work Order for cooling equipment in the Computer Room.

City Administrator's Report

City Administrator Sparks had nothing to report; however, he stated he was planning to participate in the discussion of the Owatonna Business Incubator.

Owatonna Business Incubator Discussion

General Manager Shurts distributed a graph showing the contributed services percentages over the past 10 years and discussed it. City Administrator Sparks gave a brief history of the Owatonna Business Incubator (OBI) and its role in economic development. He noted it was originally started in 1989 in the Merrill Building at West Hills. Two companies currently doing business in Owatonna today had their initial start in the original OBI building. They are Concepts & Designs and Lighting Retrofit. Another company, Foamcraft, had their initial start in OBI's new building. Mr. Sparks also discussed how the new OBI building came about and gave some history on the original concepts involved in its construction and business practices. Mr. Sparks continued by stating the reason for the discussion about OBI now is that two of the largest tenants were scheduled to move out and there is concern about the financial future of OBI. He further discussed past resolutions which were considered, as well as new resolutions that have developed, to help secure their financial position. One option being considered is making the utilities at OBI contributed services since the building is actually city owned.

Supervisor, Energy Management Warehime discussed how other business incubators in the area are different from Owatonna's in that the utility is involved in the financial support, reaffirming economic development helps the utility, as well. He further discussed OPU's grant to the OBI through the economic development budget, as well as OBI's cash flow and expenses. Mr. Warehime noted the

grant was for three years and expires in 2007. General Manager Shurts added his support of the OBI and its role and importance in the economic development of the community. Discussion ensued about providing contributed services to the OBI and how it would affect the OBI and its tenants. It was noted the current tenants have to pay a lease price and that amount would not change. Providing contributed services to the OBI building would simply put them in a more secure financial position. Though this was not an action item, Mr. Shurts asked the Commissioners for their opinion of applying Contributed Services to OBI. The consensus was very positive.

55' Aerial Device with Chassis Bid Tabulation

The attached bid tabulation for the purchase of a 55' Aerial Device with chassis was presented to the Commission. Staff recommended awarding the bid to Dueco in the amount of \$161,699.00. General Manager Shurts added the bid amount did not include overheads, taxes or extras and therefore distributed a graph indicating those numbers bringing the whole package closer to the budget amount. Commissioner Truelson moved to award the bid to the evaluated low bidder of Dueco in the amount of \$161,699.00. Commissioner Emanuelson seconded the motion. After discussion, all Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of February 28, 2007 was presented to the Commission. The Commission signed the report.

General Manager/Staff Report

Supervisor, Information Services Turnbull updated the Commission on the status of the financial and customer information systems stating the "go live" date has been moved to a later date due to the tremendous amount of testing that still needs to be performed on the financial part of the system. Discussion ensued on other aspects of the system.

Director, Field Services & Engineering Morgan discussed work being performed at the West Owatonna Substation.

Manager, HR & Customer Service Madson reported to the Commission the Meter Serviceworker position, vacated by an employee who transferred to the Gas/Water Department, has been posted and ends on April 9th.

Executive/HR Assistant Schmoll updated the Commission on the marketing focus for the month of April stating the newsletter will focus on the hydrant flushing schedule for May and the radio ads will focus on Call Before You Dig. Commissioner Truelson inquired about the benefits of flushing hydrants and how much water is wasted. Staff will get back to him.

Director, Finance & Administration Bruno gave an update on the contract with Northern Natural Gas.

Director, Engineering & Field Services Morgan updated the Commission on the Federally mandated public education program and survey that will be conducted.

Commission Roundtable

Commissioner Mayhew – OPU needs to keep an eye on cash flow and projections, as well as consider doing forecasting and possibly even a rolling 12 month forecast.

Commissioner Emanuelson – Nothing.

Commissioner Noyce – Nothing.

Commissioner Truelson – Nothing.

Commissioner Schreiner – Nothing.

Adjournment

There being no further business to come before the Commission, Commissioner Mayhew moved to adjourn the meeting. Commissioner Truelson seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:23 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: 55' Aerial Device w/Chassis
Date/Time of Opening: 3/12/07 1:05 p.m.

WO #: 23346
Budget #: 07-2210-0232
Budget Amt: \$198,000.00
WO Amt: \$198,000.00
Acct. Number: 1392.000

Vendor	Bid Security	Signed Contract	Amount Bid
Dueco	Yes	Yes	\$161,699.00 **
Altec Industries Inc.	Yes	Yes	\$162,410.00

** - Apparent Low Bidder

Bidders List

Project: 55' Aerial Device w/Chassis

List of Firm Furnished Bid Documents:

**Boyer Ford Trucks
Altec Industries, Inc.
Dueco**

List of Ineligible Bidders:
