

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Schreiner, Emanuelson, Truelson, Mayhew and Stansberry. Also present were General Manager Shurts; City Administrator Sparks; Director, Finance & Administration Services Bruno; Director, Marketing & Energy Management Green; Supervisor, Gas, Water & Facilities Maintenance Services Bendorf; Supervisor, SCADA and Energy Management Warehime, Supervisor, Engineering & Waterworks Johnson, and Executive/HR Assistant Schmoll. Special guests included Graham Benoit, Assistant City Administrator; Mark Walbran, City Attorney; and Mike Mace, Managing Director for Public Financial Management.

Supervisor Gas, Water & Facilities Maintenance Services Bendorf led the Pledge of Allegiance.

President Schreiner introduced Mr. Steven Stansberry as the new Commissioner and asked for introductions from the staff.

Minutes

The Minutes from the regular meeting of April 24, 2007 were presented to the Commission. Commissioner Mayhew moved to approve the Minutes as presented. Commissioner Truelson seconded the motion. All Commissioners voting Aye, the motion passed.

Election of Officers

President Schreiner asked for nominations for the office of President. Commissioner Mayhew moved to nominate Commissioner Emanuelson as President, that nominations cease, and a unanimous ballot be cast for David Emanuelson as President. Commissioner Truelson seconded the motion. All Commissioners voting Aye, the motion passed.

President Schreiner asked for nominations for the office of Vice President. Commissioner Mayhew moved to nominate Commissioner Schreiner as Vice President, that nominations cease and a unanimous vote be cast for Scott Schreiner as Vice President. Commissioner Truelson seconded the motion. All Commissioners voting Aye, the motion passed.

President Emanuelson announced Committees would consist of Commissioners Mayhew and Truelson on the Finance Committee with Commissioner Mayhew as Chairperson and Commissioners Schreiner and Stansberry on the Personnel Committee with Commissioner Schreiner as Chairperson.

Committee Reports

Finance Committee – Commissioner Emanuelson reported the Finance Committee met, reviewed and approved Vouchers, the Investment Report, and Financial Statements. Mr. Emanuelson also reported the Committee discussed Cash Flow, reporting cash is down slightly from the first of the year but not a concern at this time due to good retained earnings. Mr. Bruno reported one work order was approved for a replacement of a 25 year old air conditioning unit that feeds the main office.

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

City Administrator's Report

City Administrator Sparks reported at the last City Council meeting the Council appointed Graham Benoit as the Assistant City Administrator. Mr. Sparks expressed his appreciation to the Commission for the good working relationship between the Council and the Commission during his time in Owatonna. Commissioners Schreiner and Truelson expressed their appreciation to Mr. Sparks for his dedication to the Commission and their appreciation of the work he has done.

Mr. Sparks concluded by reporting the Council had an annual planning session where budget issues, financial issues, facility issues, coordination issues and upcoming projects were discussed.

Minnesota Municipal Gas Agency Resolution & Presentation

General Manager Shurts introduced Mr. Michael Mace, Managing Director for Public Financial Management (PFM). Mr. Mace explained that PFM is a company that provides financial and investment assistance primarily to public entities, such as municipal utilities. PFM will serve as Financial Advisor to the Minnesota Municipal Gas Agency (MMGA) that will be created to serve as a "conduit" to issue bonds and execute contracts with a gas supplier. Municipal natural gas utilities may then join the MMGA to contract to buy natural gas at a reduced rate by participating in a gas pre-payment program. Essentially, the member utilities serve as a "buying group" with MMGA as the purchaser. The largest risk involved in this endeavor is supplier performance. However, the member utilities have a "contract" with the "conduit" and not with the supplier so there is no risk to the member utility. Other small risks exist, but in the worst case scenario, the pre-payment program would terminate and the member utility would revert back to their previous way of purchasing natural gas. After discussion, Commissioner Truelson moved to approve the Resolution Approving and Authorizing Execution of Minnesota Municipal Gas Agency. Commissioner Mayhew seconded the motion. On a roll call of Commissioners, Commissioner Schreiner voted Aye, Commissioner Truelson voted Aye, Commissioner Mayhew voted Aye, Commissioner Emanuelson voted Aye, and Commissioner Stansberry voted Aye. The motion passed.

Contributed Services

The Contributed Services report as of April 30, 2007 was presented to the Commission. The Commission signed the report.

Mr. Walbran left the meeting.

General Manager/Staff Report

General Manager Shurts reported to the Commission the price, as well as the lead time, has increased for the purchase of transformers. He noted staff will be purchasing several unbudgeted transformer to have them in stock. Discussion ensued.

Director, Finance & Administration Bruno reported the new Financial System is set to "go live" in June. Mr. Bruno further reported as of June 1st the fee we are being charged from our current credit card provider will decrease.

Commission Roundtable

Commissioner Mayhew – Want to commend Commissioner Schreiner on the stellar job he did while serving as President to the Commission.

Commissioner Emanuelson – Want to echo Commissioner Mayhew’s compliment of Commissioner Schreiner while he was President. Also, want to thank Dan Morgan for his technical and customer service work. Discussion ensued as to if and/or when the vacancy will be filled. Mr. Emanuelson also requested to be kept informed on any legislative action regarding energy conservation regulations.

Commissioner Truelson – Want to personally thank staff for their help during the bomb threat at Wenger’s. Also, I noticed in the new Yellow Book, Page 7, sewer is listed under the Owatonna Public Utilities. Staff will look into and have it corrected for next year.

Commissioner Stansberry – This will be an intriguing experience to look at an organization different than the school district.

Commissioner Schreiner – A letter has been prepared to respond to the Austin Utilities Commission regarding a pay raise for the Executive Director of SMMPA. After discussion, the Commission agreed each Commissioner would sign the letter. Executive/HR Assistant Schmoll will coordinate signatures with each Commissioner.

Adjournment

There being no further business to come before the Commission, Commissioner Truelson moved to adjourn the meeting. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:51 p.m.

Respectfully submitted,

Executive/HR Assistant
Tammy Schmoll