

REVISED

Owatonna Public Utilities Commission

June 22, 2010

4:00 p.m.

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Stansberry, Ihrke, and Simon. Absent were Commissioners Schreiner and Cosens. Also present were General Manager Shurts; City Administrator Busse; Director, Financial & Administrative Services Bruno; Director, Engineering, Electric & Meter Services Johnson; Manager, HR, Safety, Risk & Loss Control Madson; Supervisor, Electric Services Deering and Executive/HR Assistant Schmoll

General Manager Shurts led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of May 25, 2010 were presented to the Commission. Commissioner Ihrke moved to approve the Minutes as submitted. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Stansberry reported the Personnel Committee met with the whole Commission to discuss the replacement of the general manager.

Finance Committee – Commissioner Simon reported the Finance Committee met, reviewed and approved Vouchers in the amount of \$4,826,496.94. The Committee also approved a work order in the amount of \$49,000 for updating fire protection equipment.

City Administrator's Report

City Administrator Busse reported the Aquatic Center is open. She further reported the Skate Park has received some modifications, including lowering the ramps, and will now be open longer hours. The City of Owatonna's 2010 budget was reduced by \$496,000 to reflect the loss of state aid. Expenditures were reduced across all departments and included a layoff in the building inspection department. The State of Minnesota is projecting a deficit of \$5.8 billion for the next biennium which will likely result in additional cuts to aides to cities so the City is looking for new and creative ways of doing things, opening up opportunities for possible partnerships. City Administrator Busse ended by stating she has enjoyed working with Mr. Shurts over the past few years.

Interim General Manager Appointment

Commissioner Simon made a motion to appoint Director, Financial & Administrative Services Bruno as Interim General Manager from July 1, 2010 to October 31, 2011 and that Commission President Schreiner could sign the contract on behalf of the whole Commission. Commissioner Ihrke seconded the motion. All Commissioners voting Aye, the motion passed.

SMMPA Representative Appointment

General Manager Shurts noted the new General Manager is automatically a member of the SMMPA Board of Directors. Mr. Shurts further noted a certified resolution has to be adopted by the Commission replacing Mr. Shurts with the Interim General Manager, Mr. Bruno. Commissioner Ihrke moved to adopt the resolution stating Mr. Bruno would replace Mr. Shurts on the SMMPA Board of Directors. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

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Contributed Services

The Contributed Services report as of May 31, 2010 was presented to the Commission. The Commission signed the report.

General Manager/Staff Report

General Manager Shurts reported effective July 1, 2010 John Hortop, a 20 year OPU employee from the Engineering Department, will replace Doug Bendorf as the Supervisor, Gas, Water, Buildings & Grounds.

General Manager Shurts distributed an aerial view of south Walnut street and noted the City will purchase 410 S. Walnut which is in the middle of the block. The City is asking for an agreement from OPU that if in the future the rest of the houses north of 410 are purchased and demolished OPU will reimburse the City for actual out of pocket costs associated with the demolish of 410 S. Walnut. The estimated costs are \$53,000.00. Commissioner Ihrke moved to agree to reimburse the City for expenses associated with the purchase and demolish of this property. Commissioner Simon seconded the motion. All Commissioners voting Aye, the motion passed.

Director, Financial & Administrative Services Bruno thanked the Commission for the opportunity to be general manager.

Manager, HR, Safety, Risk & Loss Control Madson reported the search for a new Director, Financial & Administrative Services will begin in the next week.

Supervisor, Electric Services Deering informed the Commission that 4 OPU linemen went to Rochester to assist the Rochester Public Utilities in restoring power after the storm went through.

General Manager Shurts concluded by thanking the Commission for his time at OPU. He further stated, OPU is a good company with good staff and he will miss it.

Commission Roundtable

Commissioner Ihrke congratulated Mr. Bruno for his new position and thanked Mr. Deering and his employees for helping out in Rochester.

Commissioner Simon wished Mr. Bruno and Mr. Shurts luck in their new positions.

Commissioner Stansberry echoed the other Commissioners' comments and thanked Steve for all he brought to the Company and the Commission.

Adjournment

There being no further business to come before the Commission, Commissioner Ihrke moved to adjourn the meeting. Commissioner Simon seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:29 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant