

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Truelson, Mayhew, Moen and Noyce. Absent was Commissioner Schreiner. Also present were General Manager Shurts, City Administrator Sparks, Finance Manager Bruno, Field Services Manager Morgan, Gas Marketing Manager Green, HR/Administrative Supervisor Madson, Accountant Teresa Hottman, Administrative Assistant Tammy Schmoll and Waterworks Operator Myron Volker. Special guests included Mike Johnson, Owatonna Fire Department, and Dan Werner from the Owatonna Hospital.

Mike Johnson led the Pledge of Allegiance.

### **Minutes**

The Minutes from the regular meeting of June 24, 2003 were presented to the Commission. Commissioner Moen moved to accept the Minutes as presented. Commissioner Noyce seconded the motion. All Commissioners voting Aye, the motion passed.

### **Wellhouse #6**

Waterworks Operator Myron Volker showed a video presentation to the Commission including pictures of the new wellhouse and the old wellhouse.

### **CAER Presentation**

Field Services Manager Morgan introduced Mike Johnson, Owatonna Fire Department and Dan Werner, Owatonna Hospital. Mr. Johnson and Mr. Werner gave a presentation to the Commission regarding a Small Business Disaster Recovery Plan. They explained the plan needs some funding and the funds would be used to produce 200 books that would be handed out to small businesses who attend a Disaster Recovery Seminar. After a brief discussion, General Manager Shurts explained it is important for us to stay involved due to Economic Development being business retention and growth. He noted, OPU budgeted \$50,000 for Economic Development and there is \$45,000 left in that fund. \$3,500 will be taken from the Economic Development budget and given to the CAER Board for this project. Commission also directed OPU staff to draft a mission statement documenting what type of organizations will be able to obtain funds.

### **Committee Reports**

Personnel Committee – The Personnel Committee did not meet.

Finance Committee – Commissioner Moen reported the Finance Committee met, reviewed and approved the Vouchers and Financial Statements. There were no Work Orders.

### **SMMPA Change of Member Representative Form**

General Manager Shurts reported he attended his first SMMPA meeting. Currently Tom Kuntz is the member representative. There is a change form that needs to be signed by the Commission President assigning the representative position to Steve Shurts. Commissioner Truelson signed the form.

**Water Rates Policy**

General Manager Shurts presented a Water Rates policy to the Commission. Mr. Shurts explained the original document signed previously had a typo referring to 20 ccf versus 10 ccf. He further explained this is a replacement policy with the correct numbers. All Commissioners signed the new policy.

**Contributed Services**

The Contributed Services report as of June 30, 2003 was presented to the Commission. The Commission signed the report.

**General Manager's Report**

General Manager Shurts distributed a summary of the assessment the Commission completed before the Board training in June. He discussed some of the items on the assessment and the Commission is to bring any comments to the next Commission meeting.

Mr. Shurts noted the retained earnings graphs all the Commissioners received.

Gas Marketing Manager Green gave a natural gas update. He noted about 1/3 of our natural gas has been locked in for this winter. He further noted the biggest factor in the fluctuating natural gas prices is the weather.

Field Services Manager Morgan gave an outage report. He reported a squirrel caused a circuit at the East Owatonna Substation to operate. The operation caused a large fire ball which literally melted two conductors. Approximately 120 customers, including 4 to 5 businesses, were out of power for approximately 4½ hours.

General Manager Shurts reported unit 6 ran for 12 days.

General Manager Shurts reported at the last SMMPA board meeting wholesale rate options were looked at. The two options presented were to 1) keep the rates the same, or 2) take a 2% rate reduction. OPU would like to see the rate reduction. A vote will be taken at the August meeting with more details to follow.

General Manager's Shurts gave a brief update of the Steele Waseca service territory issue.

**City Administrator's Report**

City Administrator Sparks reported the City Council is working on the 2004 budget. He noted there is a substantial reduction due to reduced funding from the State. He further reported the Council is committed to not making any reductions in the police and fire departments. Mr. Sparks noted the Mayor is up for re-election this fall as well as three council members. In closing, Mr. Sparks invited Mr. Shurts to attend the Council meetings at any time.

**Commission Roundtable**

Commissioner Mayhew – When do we look at insurance premiums? HR/Administrative Supervisor Madson replied, the first week of September for health insurance. Unofficially there will be a 10-15% increase in insurance premiums. The rest are looked at in August.

Commissioner Noyce – Nothing.

Commissioner Moen – Nothing.

Commissioner Truelson – The next meeting has been changed to August 28<sup>th</sup>, 2003 at 4:00 p.m.

**Adjournment**

There being no further business to come before the Commission, Commissioner Moen moved to adjourn the meeting. Commissioner Mayhew seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:22 p.m.

Respectfully submitted,

Tammy Schmoll  
Administrative Assistant