

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference room at the Owatonna Public Utilities. Present were Commissioners Zirngible, Rossi, Doyal (via Teams), Johnson and Vetter. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technologies & Metering Services Baum; Manager, Gas & Water Operations Prokopec; Manager, Human Resources Madson; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; Key Account & Energy Conservation Officer Hendricks; OPU employees Lori Jerpbak, Shanda Meier, and Joseph (Tyler) Haygood. Other guests included Doug Green (via Teams), Baker Tilly; and Brian Maciej, Lime Valley.

President Zirngible called the meeting to order and led the Pledge of Allegiance. He then asked for any changes to, and/or approval of, the agenda and consent agenda. The consent agenda items consisted of the minutes from the June 25, 2024 Commission meeting, and the Contributed Services report as of June 30, 2024. Commissioner Rossi moved to approve the agenda and consent agenda items. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Johnson reported the Finance Committee met, reviewed and approved disbursements totaling \$5,247,485.97. He further reported two works were closed at 13% under budget. Year to date fourteen work orders have been closed and sixty-six remain open. Year to date, closed work orders are 14% under budget.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing report including that several applications have been received for the Manager, Electric Operations position vacated by Ryan Deering.

City Administrator's Report

City Administrator Busse reported the City is busy with budgets. She further reported Rhonda Moen, the City's Finance Director has resigned and is moving to Florida. Her last day is August 1st. The City purchased the other half of the LEC building so they are now total owners of the building. They are actively exploring public safety facilities needs including putting the police, fire and dispatch together. They are touring other communities who have similar facilities. Other projects, including street projects and the Wastewater Treatment plant are on schedule, despite the weather.

Level 2 EV Charger Policy

Key Account and Energy Conservation Office Hendricks discussed changes to the Level 2 Electric Vehicle charging policy. He discussed OPU-owned EV charges and noted, the Tesla chargers previously by Ace Hardware are no longer in service. The other OPU owned chargers are in the movie theatre parking lot and the parking lot of the downtown hotel. Mr. Hendricks stated we are asking for three changes to the policy: changing the tax wording, removing the charge exemption for Tesla charges, and removing the

60-day free charging language. He discussed, the previous charge rate of \$2.00 per hour included tax in the rate because the app used for fee collection couldn't charge tax. Having the tax embedded in the charge caused issues and manual processing for our accounting department. Recently the app has been updated and can now add tax on top of the \$2.00 per hour fee so we are recommending a change to the tax wording in the policy. The second change involved removing the charge exemption for Tesla vehicles. The OPU-owned chargers were vandalized and unrepairable. They have been taken out of service. And finally, the third change recommends removing the 60-day free charging wording. The original incentive was used to increase awareness of OPU chargers. OPU does not currently plan to purchase additional chargers. After discussion, Commissioner Vetter moved to approve the policy changes as discussed. Commissioner Rossi seconded the motion. All Commissioners voting Aye the motion passed.

OPU Logo Redesign Presentation

Brian Maciej, President Lime Valley, presented a few more logo redesign concepts and showed the concepts in different applications, such as on shirts, vehicles, doors and give-away items. After much discussion, the Commission came to a consensus on design #1. Mr. Maciej and his team will move forward with an applications document and brand standard document. The Commission thanked Mr. Maciej for all his work on the logo redesign.

Bonding Process Presentation

Director, Finance & Administration Olson introduced Doug Green from Baker Tilly, the City of Owatonna's bonding advisor. He noted, Mr. Green will provide an overview of the bonding process, discuss the decisions and options related to it. OPU has not had any debt for several years, so this process is new to us, but Mr. Green has a lot of experience with it. Mr. Green provided an overview of municipal bonds and applicable laws; governmental bonds versus private activity bonds; tax-exempt bonds versus taxable bonds; general obligation bonds versus revenue bonds; methods of sale; estimated annual debt service, and other considerations and timing. The Commission thanked Mr. Green for his presentation.

General Manager/Staff Report

General Manager Warehime provided an update on the purchase of the Bridge St. Building. He reported, there is a meeting scheduled with Viracon to see where we are at. OPU has sent a very rough term sheet to Viracon on some of the terms OPU would like to see. Viracon is working on their response to us and there should be a couple of options to look at by the end of the week.

General Manager Warehime further reported a legal opinion has been received stating Commissioner Doyal is no longer able to serve as a commissioner since his official residency is now in Texas even though he continues to own property in Owatonna and live in Owatonna for a portion of the year. This meeting is Commissioner Doyal's last meeting as the opinion also stated he was not able to stay on while a search for his replacement is conducted.

General Manager Warehime thanked Mr. Doyal for his time on the Commission and the expertise he brought to the Board.

Commissioner Roundtable

Commissioner Doyal stated he enjoyed the opportunity to work with everyone on the Commission and at OPU. The other Commissioners also expressed their gratitude to Mr. Doyal for his time on the Commission.

Commissioner Rossi recognized Manager, Gas & Water Operations Prokopec for handling the audit performed by the Environmental Protection Agency.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:34 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator