

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Stansberry, Schreiner, Emanuelson and Cosens. Absent was Commissioner Ihrke. Also present were General Manager Shurts; City Administrator Busse; Director, Financial & Administrative Services Bruno; Director, Gas, Water & Power Production Green; Director, Engineering, Electric & Meter Services Johnson; Manager, HR, Safety, Risk & Loss Control Madson; Supervisor, Gas, Water, Buildings & Grounds Bendorf; and Executive/HR Assistant Schmoll. Other guests included City of Owatonna Mayor Tom Kuntz and Ken Henricksen from the Owatonna Business Incubator.

Tammy Schmoll led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of June 23, 2009 were presented to the Commission for approval. Commissioner Emanuelson moved to approve the Minutes as presented. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

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

Finance Committee – Commissioner Emanuelson reported the Finance Committee met, reviewed and approved the Vouchers in the amount of \$4,006,032.87, cash flows, investment report, balance sheets and income statements. Mr. Bruno noted two work orders were approved for blacktopping at the North Storage Facility and the Central Waterworks.

City Administrator's Report

City Administrator Busse reported the City of Owatonna cut \$538,000 from their 2009 budget. She further noted the City has laid off a full time building inspector due to the down turn in new construction. In addition, a part-time building inspector decided to retire. Also, the City Council is re-evaluating park dedication. Mayor Kuntz added the Park and Recreation Department has been assigned the duty of developing a master plan to indicate where future parks may be developed.

Owatonna Partners for Economic Development

Mayor Tom Kuntz, Ken Henricksen from the Owatonna Business Incubator and City Administrator Busse gave a presentation to the Commission explaining who participates in the Owatonna Partners for Economic Development (OPED) and what its purpose is. Mayor Kuntz thanked the Commission for OPU's participation in OPED. Mr. Henricksen noted 80-90% of community growth comes from existing businesses expanding versus new businesses coming to town, so business retention is a main focus of the OPED group. Mr. Henricksen and City Administrator Busse discussed the state of the economy in regards to the manufacturing sector of Owatonna. They noted 800-900 jobs were lost over the previous 6 months. The unemployment rate for Owatonna is higher than the State average. However, even with these numbers, several Owatonna businesses continue to grow and expand. City Administrator Busse further discussed current business opportunities, developments downtown, transportation, community projects, and sales tax projects. The Commission thanked the group for their presentation.

Contributed Services

The Contributed Services report as of June 30, 2009 was presented to the Commission. General Manager Shurts noted the contributed services water is up slightly due to the new water park. Mr. Shurts distributed and discussed graphs on Contributed Services for the first half of 2009. The Commission signed the report.

General Manager/Staff Report

Director, Gas, Water & Power Production Green reported to the Commission that SMMPA called for OPU to run our unit #6. We also performed the annual URGE (uniformed rating of generation equipment) test while the unit was running to determine the output capacity of the steam plant.

Director, Engineering, Electric & Meter Services Johnson reported OPU is working on lowering and relocating the gas main on 26th St. The relocation of the main will be between Cedar Ave. & St. Paul Road and noted it will be covered in the current budget.

Supervisor, Gas, Water, Buildings and Grounds Bendorf reported, that we need to modify the entrance to the Engineering Building due to safety issues with ice build-up. This project would be an unbudgeted 2009 work order. It needs to be done before we redo the parking lot between the Main Building and the Engineering Building, which will be a 2010 work order. Mr. Bendorf reported the vestibule project is estimated to cost between \$8,000 - \$10,000.

Mr. Bendorf further reported work has been completed on the Red Barn in the West Owatonna Substation stating the work was performed well under budget by between \$10,000 - \$15,000. Commissioner Schreiner inquired about the Building 5 upgrades that have been delayed. Mr. Bendorf reported maintenance on the roof was completed and the rest of it has been put on hold for now. Mr. Bendorf will have the estimate on the rest of the work refigured and will report back to the Commission.

General Manager Shurts mentioned during the regularly scheduled August Commission meeting he will be attending the MMUA Summer Conference and inquired if the August meeting could be changed to Thursday, August 27, 2009. The Commission concurred. Mr. Shurts concluded by adding SMMPA staff will be attending the meeting, as well, to give an update on the organization and the extension of the Power Sales Contract.

Commission Roundtable

Commissioner Schreiner – Nothing.

Commissioner Emanuelson – Thanked the staff for their strong customer service.

Commissioner Cosens – Nothing.

Commissioner Stansberry - Thanked General Manager Shurts for his recent update of his 2009 goals and the ongoing Strategic Planning process. Mr. Stansberry also mentioned he will be attending the wind farm tour on September 8th and extended an invitation to the other Commissioners to ride with him if they choose to attend.

Adjournment

There being no further business to come before the Commission, Commissioner Emanuelson moved to adjourn the meeting. Commissioner Schreiner seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:01 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant