

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Schreiner, Emanuelson, Truelson and Noyce. Absent was Commissioner Mayhew. Also present were General Manager Shurts; Director, Finance & Administration Bruno; Director, Marketing & Energy Management Green; Director, Engineering & Field Services Morgan; Manager, HR & Customer Service Madson; Supervisor, Energy Management Warehime and Executive/HR Assistant Tammy Schmoll.

Commissioner Truelson led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of July 25, 2006 was presented to the Commission. Commissioner Truelson moved approval of the Minutes as presented. Commissioner Emanuelson seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Truelson reported the Personnel Committee did not meet, however they are working on the General Manager’s review.

Finance Committee – Commissioner Emanuelson reported the Finance Committee met, reviewed and approved, Vouchers in the amount of \$6,273,000, investments, financial statements and the income statement. General Manager Shurts distributed graphs showing utility revenue and commodity, consumption and budget to actual comparisons. Commissioner Emanuelson reported the electric revenue for July was \$14,977,000 and the net income was \$1,250,973.35; the water revenue for July was \$1,714,000 with a net income of \$447,455.48; and the gas revenue for July was \$15,218,000 with a net income of \$955,048.46. Mr. Emanuelson reported the Finance Committee approved one work order for a new system to read the levels of the propane tanks in the plant. Mr. Shurts added the natural gas blanket will also be removed from the propane tanks so that more companies will be able to fill the tanks making for more competitive pricing of propane.

13th St. Water Main Replacement Bid Tab

The attached bid tab for the 13th St. Water Main Replacement was presented to the Commission. Director, Finance & Administration Bruno reported this was a bid earlier in the year, however we only received one bid. This time we received three and after evaluation, staff is recommending awarding the bid to the low bidder, BCM Construction in the amount of \$79,935.65. After discussion, Commissioner Truelson moved to award the bid to the evaluated low bidder, BCM Construction in the amount of \$79,935.65. Commissioner Noyce seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of July 31, 2006 was presented to the Commission. Commission signed the report.

General Manager/Staff Report

General Manager Shurts reported the SMMPA Board President, Lew Giesking, will be attending the Austion Utilities Commission meeting to talk about the Big Stone II project.

Mr. Shurts also reported he attended the MMUA Annual Meeting and is now a member on the Board of Directors.

Mr. Shurts discussed the Steele Country Free Fair and noted the OPU booth was well attended. We gave out several items and had a lot of good questions and discussions with customers.

Manager, HR & Customers Service Madson reported she has received one quote for Flood Insurance and is awaiting others. She further reported business insurance renewals will be coming in shortly and we are not expecting more than a 10% increase.

Supervisor, Energy Management Warehime distributed and discussed a bi-annual rate comparison study he had performed. He noted, the electrical and natural gas increases implemented by OPU did not have much impact on our ranking against other utilities due to the impact of rates being felt by most utilities in the region.

Supervisor, Energy Management Warehime also reported the Owatonna Public Library retrofit project is scheduled to take place in September. He further noted this should reduce their line item in the Contributed Services report. Commissioner Truelson remarked he would like to see how the Four Seasons Building is affecting the Contributed Services.

Commission Roundtable

Commissioner Noyce – Nothing.

Commissioner Truelson – The budget meeting schedule is out and inquired if we are going to try to conclude the budget study session in one night. General Manager Shurts replied that we will try to conclude in one night.

Commissioner Emanuelson – Thanks to any staff who was involved in making the fair booth a success this year. Discussion ensued about the new peak for 2006 as well as SMMPA’s new peak for the year. It was noted, OPU’s all time high peak was set July 17th of 74.62 mW but SMMPA actually set their annual peak on July 31st.

Commissioner Schreiner – Nothing.

Adjournment

There being no further business to come before the Commission, Commissioner Emanuelson moved to adjourn. Commissioner Noyce seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:53 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: 13th St. Water Main Replacement

WO #: 23300

Budget #: 06-2120-0277

Date/Time of Opening: 8/17/06 1:00 p.m.

Budget Amt: \$206,500.00

WO Amt: \$206,500.00

Est. Budget Portion: \$60,000.00

Acct. Number: 2363.0000

Vendor	Bid Security	Signed Contract	Amount Bid
Niles-Wiese Construction	Yes	Yes	\$84,203.12
BCM Construction	Yes	Yes	\$79,935.65 **
Heselton Construction	Yes	Yes	\$90,948.75

** - Apparent Low Bidder

Bidders List

Project: 13th St. Water Main Replacement

List of Firm Furnished Bid Documents:

**Niles-Wiese Construction
Hodgeman Drainage Co.
Southern Minnesota Construction
BCM Construction
Heselon Construction
Rocon, Inc.
Northern Waterworks
Ellingsen Drainage
Sammon Parker Construction**

List of Ineligible Bidders:
