

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room. Present were Commissioners Stansberry, Simon, Kottke and Rossi. Absent was Commissioner Cosens. Also present were General Manager Fritsch; City Administrator Busse; Chief Financial Officer Fondell; Director, Field Operations Warehime; Executive, HR & Administration Coordinator Schmoll; and Marketing/Energy Conservation Officer Hendricks.

Commissioner Kottke led all present in reciting of the Pledge of Allegiance.

### **Minutes**

The Minutes from the June 28, 2016 meeting were presented to the Commission. Commissioner Kottke moved to approve the Minutes as submitted. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, except Commissioner Simon who abstained, the motion passed.

### **Committee Reports**

Personnel Committee – Commissioner Stansberry reported the Personnel Committee met on July 20<sup>th</sup> and received staffing updates regarding the electrical engineer.

Finance Committee – Commissioner Simon reported the Finance Committee met, reviewed and approved vouchers for June and July 2016 in the amount of \$4,297,038.47 and \$4,142,329.05 respectively.

### **City Administrator Report**

City Administrator Busse reported the budgeting process is in full swing. Staff will be recommending a 6% levy increase to the Council. The increase will help cover such items as infrastructure improvements and recommended changes from the compensation study. Each department will be presenting separately to the council. Once the proposed levy is acted on by the Council, the levy could be decreased, but not raised over the 6%. The budget will be adopted in December at their first Council meeting. City Administrator Busse further reported an agreement has been reached with Charter Communications.

### **SMPA Agreement Amendment & Resolution**

General Manager Fritsch presented and discussed the amendment to the Southern Minnesota Municipal Power Agency (SMMPA) agreement. He noted the changes to the agreement were as discussed previously including the ability to have members partner with SMMPA for certain projects only; different voting weights and redesign of the permanent board seats. Commissioner Rossi inquired what members would do for power if they left the agency. General Manager Fritsch noted they would be on their own to purchase power. In these situations, size matters. Commissioner Stansberry inquired if SMMPA would be restructured if two of the largest cities were no longer members. General Manager Fritsch replied, SMMPA would be looking to pick up new members as well as the growth of existing members would hopefully help fill the gap. Restructuring has not been discussed. After discussion, Commissioner Kottke moved to accept the amendment to the Southern Minnesota Power Agency agreement as presented. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

**Contributed Services**

The Contributed Services reports for the months of June and July 2016 were presented to the Commission. The Commission signed the reports.

**Operations/Scorecard**

Staff updated the Commission on changes to the scorecard.

**General Manager/Staff Report**

General Manager Fritsch gave an update on the hiring process for a new electrical engineer. He noted we have interviewed 2 candidates and are looking at steps to move forward with hiring one of the candidates.

Mr. Fritsch updated the Commission on staff's upcoming strategic planning session for 2017, changes to the budgeting process, and announced OPU received a System Operational Achievement Recognition award from the American Public Gas Association.

Chief Financial Officer Fondell reported the vacant accountant position had been filled by an internal candidate, LaVonne Sedivy who was an Accounting Specialist. This vacated position will be advertised for soon.

Director, Field Operations Warehime reported work is continuing on the Water Automation project. He noted we will be moving ahead with installation in October. He further reported MnOPS was in-house and due to the order of the field records, they were here less than a day and gave credit to the Supervisor, Operations for his orderly records.

Marketing/Energy Conservation Officer Hendricks reported on the OPU booth at the Steele County Free Fair.

**Commission Roundtable**

Commissioner Kottke inquired if there were any flooding issues with all the rain we received. General Manager Fritsch reported we did have water issues; however, it was from water coming up through the floor due to some sumps drains not working properly. There was about 5" of water on floor. It drained like it was supposed to and cleanup will begin when it is dried out. Commissioner Kottke further complimented staff on how they resolved issues from a few phone calls he had received.

Commissioner Stansberry added the fair was successful and the OPU booth continues to be a nice place to visit.

**Adjournment**

There being no further business to come before the Commission, Commissioner Stansberry moved to adjourn the meeting. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:35 p.m.

Respectfully submitted,

Tammy Schmoll  
Executive, HR & Administration Coordinator