

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Simon, Cosens, Stansberry and Kottke. Absent was Commissioner Schreiner. Also present were General Manager Fritsch; City Administrator Busse; Director, Financial & Administrative Services Fondell; Director, Customer Service, Generation & Substations Green; Director, Engineering & Electric Services Johnson; Director, Gas, Water, Energy Management & External Relations Warehime; Supervisor, Financial Services Turnbull; Supervisor, Information Technologies Keltgen; Supervisor, Substations & Generation Deering; Executive/HR Assistant Schmoll and Marketing/Energy Conservation Manager Jared Hendricks.

Commissioner Cosens led the Pledge of Allegiance.

Minutes

The Minutes from the regular Commission meeting of July 23, 2013 were presented to the Commission. Commissioner Cosens moved to approve the Minutes. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Cosens reported the Finance Committee met, reviewed and approved Vouchers in the amount of \$4,366,919.74.

Personnel Committee – Commissioner Stansberry reported the Personnel Committee met and discussed staffing updates, the new performance evaluation program, and position competencies and pending personnel issues. Jared Hendricks introduced himself and gave a brief background. Jared was hired from the Customer Service area into the Marketing area and will serve as the Marketing/Energy Conservation Manager.

City Administrator's Report

City Administrator Busse reported the preliminary levy will be set at zero this year due to additional local government aid. She further reported the pool closed for the year. Mrs. Busse further reported the City is currently in negotiations with Charter for the cable franchise within Owatonna and she explained a little of the process. She further noted the cable franchise does not cover internet.

Repurposing Project Addendum

General Manager Fritsch presented an addendum to the Power Plant Repurposing project to the Commission. The addendum includes the development of a third floor to allow for future expansion. A proposal will need to be received from Rocon. The anticipated addition would add approximately \$500,000 to the total cost of the project. The costs would allow for a shell to be set up; electrical, plumbing stubbed in, but no finishes. After discussion, Commissioner Cosens moved to allow management to move forward with obtaining a proposal for developing a third floor in the project and to leave it up to management's discretion as to what that space is used for. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Airline Travel Credit Policy Cancellation

General Manager Fritsch presented the Airline Travel Credit policy, Policy #320.00, for cancellation. He noted the policy is no longer appropriate or applicable so needs to be cancelled. Commissioner Stansberry moved to cancel the Airline Travel Credit policy. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Deferred Compensation Policy Cancellation

General Manager Fritsch presented the Deferred Compensation Policy, Policy #300.30, cancellation to the Commission. He noted employees have an option to participate in the MN Deferred Compensation program through the State of Minnesota. All employees are automatically part of the Public Employees Retirement Association and the Deferred Compensation program is part of that so there is no need to have the policy. Commissioner Cosens moved to cancel the Deferred Compensation policy. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of July 31, 2013 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

Staff updated the Commission on changes to the scorecard during the month of July, 2013.

Director, Gas, Water, Energy Management & External Relations Warehime presented and discussed the bi-annual rate comparison.

General Manager's Report

General Manager Fritsch reported SMMPA's Annual Meeting is scheduled for October 17-18, 2013 and invited the Commission to attend.

General Manager Fritsch updated the Commission on the SHERCO3 outage.

General Manager Fritsch updated the Commission on the repurposing project. He noted the contaminated soil that was found has been removed from the site and the contractor continues to work on removing water so the footings for the parking garage can be secured. The dewatering has put the project behind about 1 week, but things are continuing to move forward.

General Manager Fritsch reported an appreciation letter was received from the Steele County Free Fair thanking our employees for all they do to help make the fair a success.

Director, Customer Service, Generation & Substations Green reported interviews for the Customer Service Representative position are wrapping up. He further reported a new peak was set the day before the Commission meeting. Customers were asked to control their usage, and load shedding was performed to try to keep it as low as possible.

Director, Gas, Water, Energy Management & External Relations Warehime reported to the Commission on a new rebate program OPU is offering to its customers. It is the Furnace/Boiler Clean & Tune and offers a \$25 rebate to customers to have their furnaces or boilers cleaned and tuned before the heating season. He further reported on a pilot program OPU is participating in regarding cooperative advertising efforts with HVAC contractors.

Director, Financial & Administrative Services Fondell reported the 2014 budgeting process has been launched. She further reported a reverse sales tax audit will be conducted next week and she explained what all the process entails.

Supervisor, Substations & Generation Deering reported he will be conducting interviews for a Substation Utility Technician over the next week.

Commission Roundtable

Commissioner Cosens – Nothing.

Commissioner Stansberry – Nothing.

Commissioner Kottke – Nothing.

Commissioner Simon – Thanked Executive/HR Assistant Schmoll for putting page numbers on the agenda and welcomed Jared Hendricks to the group.

Adjournment

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

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant