

The Owatonna Public Utilities Commission met in regular session in the Commission Room. Present were Commissioners Ihrke, Simon, Stansberry & Cosens. Absent was Commissioner Schreiner. Also present were General Manager Fritsch; Director, Financial & Administrative Services Fondell; Director, Engineering, Electric & Meter Services Johnson; Director, Gas, Water & Generation Green; Manager, Energy Management & External Relations Warehime; Manager, HR, Safety, Risk & Loss Control Madson; Supervisor, Information & Financial Services Turnbull; Executive/HR Assistant Schmoll; and Accountant Teresa Hottman. Also present was Owatonna Peoples Press reporter, Al Strain.

Director, Financial & Administrative Services Fondell led the Pledge of Allegiance.

### **Minutes**

The Minutes from the rescheduled meeting of July 31, 2012 was presented to the Commission. Commissioner Simon moved to approve the Minutes as presented. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the motion passed.

### **Committee Reports**

Finance Committee – Commissioner Simon reported the Finance Committee met, reviewed and approved Vouchers in the amount of \$4,406,019.16. He further reported there was one work order addendum for the purchase & implementation of a software package. The work order spread over a 5 year time frame. There were several things that were added to the project over the time frame. The Commission approved the addendum.

Personnel Committee – The Personnel Committee did not meet.

### **City Administrator's Report**

City Administrator Busse was not present at the meeting to give a report.

### **Backflow Prevention Program**

Manager, Energy Management & External Relations Warehime presented to the Commission on OPU's Backflow Prevention Program. He discussed OPU's legal responsibility, recapped OPU's program, and presented changes for consideration along with pros and cons of each. After discussion, staff was asked to make sure if a customer opts to have their system locked out, there is a procedure to ensure it stays that way for subsequent years. The Commission felt the program, as presented, is fair, in that it requires the customers with irrigation systems to bear the cost of ensuring the annual testing is performed and the water system is protected from the possibility of backflow contamination.

### **Proposed Ordinance – Assessment of Delinquent Utility Charges**

Manager, Energy Management & External Relations Warehime presented & discussed a proposed ordinance for the Assessment of Delinquent Utility Charges that would give OPU the ability to have past due utility accounts certified by the City Clerk and put on the tax rolls to be paid through the county. Previously, mechanical liens were placed against properties,

however, mortgages were placed before the mechanics liens in foreclosure cases. Staff is asking for the Commission's support in presenting this proposed ordinance to the City Council for consideration. Commissioner Cosens moves to allow the Minutes to show the OPU Commission formally supports the proposed ordinance presented which would allow OPU to implement a procedure for certification of unpaid utility accounts against the property receiving the utility services. The OPU Commission recommends the City Council of the City of Owatonna approve the proposed ordinance. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

### **Contributed Services**

The Contributed Services report as of July 31, 2012 was presented to the Commission. The Commission signed the report.

### **Operations/Scorecard**

Staff updated the Commission on the OPU scorecard through the month of July, 2012. Highlights include 3 water main breaks in July, one OSHA recordable accident, revenue recapture and the innovation section continues to climb and the next customer survey is scheduled for October, 2012.

### **General Manager/Staff Report**

General Manager Fritsch updated the Commission on the repurposing project noting a firm estimate as to the costs should be received by the end of September. He noted, we are still waiting on FEMA approval of the repurposing project to move ahead with the demolition.

General Manager Fritsch distributed the order of business for meetings, and noted recommended changes in the audience comment section of the agenda.

Director, Financial & Administrative Services Fondell distributed and discussed the proposed 2013 Budget Schedule. She noted the meeting with the Commission has been set for November 13, 2012 at 4:00 p.m. Commissioner Ihrke commented and thanked Mrs. Fondell for the changes made to various financial reports. He noted they are easier to understand.

### **Commission Roundtable**

Commissioner Cosens – Thanked Mr. Warehime for his update on the Backflow Prevention Program.

Commissioner Simon – Nothing.

Commissioner Stansberry – Inquired on the status of checking into the round up program. Mrs. Fondell will continue research on the program. Mr. Stansberry also thanked staff for their involvement in the Steele County Free Fair.

Commissioner Ihrke – Nothing.

**Adjournment**

There being no further business to come before the Commission, Commissioner Simon moved to adjourn the meeting. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:05 p.m.

Respectfully submitted,

Tammy Schmoll  
Executive/HR Assistant