

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference room at the Owatonna Public Utilities. Present were Commissioners Johnson, Kottke and Rossi. Absent was Commissioner Doyal. Also present were General Manager Warehime; City Administrator Busse; Director, Finance and Administration Olson; Director, Engineering and Operations Fenstermacher; Manager, Human Resources Madson; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; and Accountant Lori Jerpbak. Other guests included Dave Effertz.

Commissioner Johnson called the meeting to order and led the Pledge of Allegiance. Mr. Johnson asked for approval of the agenda and the consent items. The consent agenda items included the Minutes from the August 24, 2021 meeting, as well as the Contributed Services report as of August 31, 2021. Commissioner Rossi moved to approve the Consent Agenda as submitted. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Commissioner Rossi reported the Personnel Committee met and received a staffing update. He noted there has been one resignation received in the Gas/Water Engineering area and recruitment is still ongoing for the Director, Information Technology. He concluded by stating, messages continue to go regarding vaccinations and as of the date of the Personnel Committee meeting OPU had gone 525 days without an OSHA recordable.

Commissioner Kottke reported the Finance Committee met, reviewed and approved vouchers totaling \$4,959,475.07. He noted three work orders were closed coming in 16% under budget. Year to date 16 have been closed for between 6-7% under budgeted. 39 work orders remain open. He noted the Committee approved a work order addition for additional street lights noting this is being added to an existing work order that will be offset by street light refurbishments. Mr. Kottke concluded by noting the committee discussed 2022 preliminary rates and noted they would be discussed later in the meeting.

City Administrator's Report

City Administrator Busse gave an update on the street projects including an agreement that was reached with the downtown contractor to finish the project next year. She further reported their new communications person will be starting soon.

Additional SMS on Northern Natural Gas Contract

General Manager Warehime pointed the Commission's attention to the memo in the agenda packet and reminded the Commission of the presentation at the last Commission meeting. The letter asked for approval to authorize the acquisition of an additional 5,000 dekatherms/day of SMS (system management services) from NNG for the period of November 2021 through March 2022. He noted this is unbudgeted and would be an addition to the NNG contract for 2021. After discussion, Commissioner Kottke moved to approve the request as submitted. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

PDO Policy

General Manager Warehime presented the updated PDO policy to the Commission. He noted the last time the policy had been updated was 1998 so it was updated to match current practices including updating the recognized holidays and adding two personal days for the management exempt group. After discussion, Commissioner Kottke moved to approve the policy as submitted. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Report

General Manager Warehime stated it is part of the Commission's fiduciary responsibility to ensure the utility has adequate insurance. He noted with the upcoming budget process, it was felt the Commission should know what insurances we have as well as what the mitigated risk is. With that, Mr. Warehime introduced Dave Effertz who presented to the Commission regarding OPU's current insurances. Mr. Effertz began by giving an overview of his company and discussed key insurance coverages. He noted a benchmarking study has been ordered that will tell us how OPU's insurance coverages compare to other utilities. The Commission thanked Mr. Effertz for his presentation.

Commission Roundtable

Commissioner Kottke was thankful for the insurance presentation as well as the rate study presentation given at the Finance Committee meeting. Mr. Kottke concluded by bringing forward an issue from a customer who is having issues with payments getting stuck or jammed in the payment drop box.

Commissioner Rossi noted he feels more insurance is needed and looks forward to seeing the benchmarking study.

Commissioner Johnson was appreciative of the SMS natural gas option and was glad we were able to utilize it.

City Administrator Busse added there has only been one application received for the vacant OPU Commissioner seat and Mayor Kuntz has been in discussions with a few other people.

Adjournment

There being no further business to come before the Commission, Commissioner Kotte moved to adjourn the meeting. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:51 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator