

The Owatonna Public Utilities Commission met in special budget session in the OPU Training Room. Present were Commissioners Truelson, Mayhew, Moen, Schreiner and Noyce. Also present were General Manager Kuntz, Finance Manager Bruno, Electric Supervisor Carsrud, Meter Shop Supervisor Prihoda, Information Services Supervisor Turnbull, Production Supervisor Reese, Engineering Design Supervisor Johnson, and Administrative Assistant Tammy Schmoll. Special guests included William Fahey.

Commissioner Truelson called the meeting to order.

Finance Manager Bruno introduced Mr. William Fahey. Mr. Fahey gave a presentation regarding the bond refinancing. After discussion, it was the consensus of the Commission to move forward with researching the refinancing of the bonds.

### **Capital Budget**

The Commission turned their attention to the remainder of the capital budget.

Page 89 – The interior paint on the ground storage tank in Morehouse park is failing and needs to be repainted. We thought this would last longer than it did.

Page 90 – Odorization at WTBS – Field Services Manager Morgan odorant only needs to be purchased every 4 to 5 years.

Page 91 – Replace Main Office Roofing – Commissioner Mayhew inquired why this item was deleted. General Manager Kuntz replied, this was completed in 2002.

Page 93 – Replace Vehicle #18 in Engineering – General Manager Kuntz distributed a vehicle listing of OPU's current vehicles. He explained any vehicles replaced are taken to Lakeville and auctioned off. Commissioner Moen inquired to the amount of vehicles versus number of employees. Finance Manager Bruno replied, we have performed a vehicle study in the past and it revealed we keep our vehicles 12-16 years. The study recommends replacing after 9.

Commissioner Moen inquired if the purchase of an Aerial Lift Truck is a new vehicle or a replacement one. Field Services Manager Morgan replied, it is a replacement for the one purchased in 1979.

Page 96 – Phone System - Information Services Supervisor Turnbull discussed with the Commission the need for an updated phone system. She reported our current system is 10 years old and we are no longer able to get replacement phones. We have all new wiring in house, so we just need to update the equipment.

Page 97 – Purchase Color Copier – Administrative Assistant Tammy Schmoll discussed the need to purchase a color copier. She stated the amount of money spent with an outside copy firm as well as time spent printing in house more than justifies the cost of a new color copier. Miss Schmoll also added, the copier could be networked so the whole company could use it.

Commissioner Moen inquired about the CIS system. Information Services Supervisor Turnbull replied the CIS system is our whole billing and customer information system. We need to look at either updating or replacing our whole system. Commissioner Moen further inquired as to the reason it keeps getting pushed back in the budget years. Mrs. Turnbull replied, it was an item we put in the budget

when deregulation was a major topic. We need to have a committee look at the needs of OPU before we can determine if we need a new system or can update the one we have.

Page 97 – Imaging/Document Management System – Engineering Design Supervisor Johnson stated this is not something we are looking at doing in the near future, but would like to leave it in the budget. Field Services Manager Morgan added, we would like to see a sprinkler system added to Garage 1 because of the propane tanks being stored there. It was agreed this item will be added to the 2003 budget.

Page 102 – Radio Read Meters – Meter Shop Supervisor Prihoda stated this item includes replacement meters as well as upgrades to existing meters. This fits into the 10 year plan presented previously.

Page 103 – AMR – Interruptible Gas – Meter Shop Supervisor Prihoda stated these are needed to read the propane customers. The current instruments were purchased in 1976. The new instruments are smaller and more reliable.

Finance Manager Bruno covered the questions from the previous budget meeting. Commissioner Mayhew inquired if Mr. Bruno could go back 5 years and compare the actual capital spending amounts to the budget plan.

### **Adjournment**

There being no further business to come before the Commission, Commissioner Moen moved for adjournment. Commissioner Mayhew seconded the motion. All Commissioners voting Aye, the meeting adjourned at 6:07 p.m.

Respectfully submitted,

Tammy Schmoll  
Administrative Assistant