

The Owatonna Public Utilities Commission met in regular session in the Morehouse Room. Present were Commissioners Schreiner, Kottke, Stansberry, Cosens and Simon. Also present were General Manager Fritsch; City Administrator Busse; Director, Financial & Administrative Services Fondell; Director, Engineering Johnson; Director, Field Operations & External Relations Warehime; Manager, HR, Safety, Risk & Loss Control Madson; Executive/HR Assistant Schmoll; and new Accounting Clerk, LaVonne Sedivy.

Manager, HR, Safety, Risk & Loss Control Madson led the Pledge of Allegiance.

Minutes

The Minutes from the regular meeting of September 23, 2014 were presented to the Commission. Commissioner Simon moved to approve the Minutes as presented. Commissioner Stansberry 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 \$4,613,650.77. They also approved four Work Order additions totaling \$12,000. To date, 49 work orders have been closed coming in approximately 12% under budget.

Personnel Committee: Commissioner Stansberry reported the Personnel Committee met on October 9th and received a staffing update including an update on the recruitment of an Electrical Engineer. He noted the Accounting Clerk position had been filed with LaVonne Sedivy and a few other positions remain open and we are not recruiting for those positions at this time. In the tidbit it was reported there have been 9 different General Manager's at the Owatonna Public Utilities since its inception 90 years ago. Commissioner Stansberry concluded by noting the tentative date for the repurposed building Open House is March 26, 2015.

City Administrator's Report

City Administrator Busse noted an agreement has been reached with the Public Works, Streets and Parks department for their 2014 union contracts. A wage increase of 2% was given for 2014. There are still other contracts that are not settled and will be going to mediation. City Administrator Busse also reported the City is wrapping up their budgeting process.

Four Season's Centre

General Manager Fritsch presented, and recommended approval of, a resolution for the OPU Commission to authorize Contributed Services be provided for utility services to the Four Seasons Centre in accordance with Section 9.16 of the City Charter up to \$100,000. He noted 77% of the use of the Four Seasons Centre is by City of Owatonna residents. 77% of the annual utility costs is approximately the \$100,000. The agreement will renew annual. However, if the Commission or City Council wishes to terminate the agreement, written notice must be provided to the County and will become effective the following fiscal year. General Manager Fritsch noted, if utility services are no longer provided as Contributed Services, the Four Seasons Centre would have to significantly raise rental rates for the use of the building. Typically, sports centers cannot charge what they need to cover expenses and need to be subsidized. As part of this agreement, OPU will conduct an annual review of the Four Season Centre's financial statements to ensure the \$100,000 remains the appropriate amount for Contributed Services. After discussion, Commissioner Kottke moved to approve the resolution as written with the understanding OPU will review the financial statements of the Four Seasons Centre on

an annual basis. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the motion passed.

Aerial Device Bid Tabulation

The attached bid tabulation was presented to the Commission for the purchase of an aerial device in the electric department. Director, Financial & Administrative Services Fondell noted several bid packages were sent out, however, only one company submitted a bid. Staff is recommending approval of the evaluated bid from ABM Equipment & Supply in the amount of \$139,939.00. Mrs. Fondell noted the budget amount for this device was \$160,000. After further discussion, Commissioner Kottke moved to accept the bid from ABM Equipment & Supply for an aerial device in the amount of \$139,939. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the motion passed.

Water Service Line Protection Program Policy

Director, Field Services and External Relations Warehime presented the Water Service Line Protection Program Policy, #602.35, to the Commission. Commissioner Schreiner inquired about the customer communication and education program surrounding this program. Mr. Warehime noted, the exact plan has not been finalized; however, work is on-going on the marketing plan to ensure customers know, not only what the program is and what it covers, but also their options regarding participation in the program. After discussion, Commissioner Simon moved to approve the Water Service Line Protection Program policy. Commissioner Stansberry seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of September 30, 2014 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

Staff updated the Commission on changes to the September scorecard. A notable change was in the operational area, specifically Electrical Reliability. Director, Engineering Johnson explained, the CAIDI numbers jumped significantly due to six outages over the past month whereby four of them were over four hours and three were underground burn-offs which require a longer amount of time to fix.

General Manager/Staff Report

General Manager Fritsch provided an update on the repurposing project. He noted work is continuing on finishing up the parking lot and the south customer entrance.

General Manager Fritsch updated the Commission on the SMMPA Annual Meeting, as well. He noted SMMPA is planning for a 4% rate increase in 2016. He further reported the air permit for the new generation plant in Owatonna is moving forward.

General Manager Fritsch also noted, the Pipeline to Hope project has been brought back to OPU for consideration. Costs are being put together to be presented to Central Valley to determine if they are still willing to move forward with the project.

Director, Financial and Administrative Services Fondell reminded the Commission of the special budget meeting scheduled for November 18th at 4:00 p.m.

Manager, HR, Safety, Risk & Loss Control Madson reported interviews were conducted for the Gas/Water/Maintenance Serviceworker this week with hopes of selecting a candidate by the end of the week.

Commission Roundtable

Commissioner Simon – Nothing.

Commissioner Stansberry – Nothing.

Commissioner Cosens – Nothing.

Commissioner Kottke – Nothing.

Commissioner Schreiner – Nothing.

Adjournment

There being no further business to come before the Commission, Commissioner Cosens moved to adjourn the meeting. Commissioner Simon seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:07 p.m.

Respectfully submitted,

Tammy Schmoll
Executive/HR Assistant

BID TABULATION

Project: 47' Combination Telescope/Articulating Aerial Device **Project #:** EO392XC118
Date/Time of Opening: October 2, 2014, 1:00 p.m. **Budget #:** 14-4100-0227
Budget Amt: \$160,000.00
Project Amt: \$160,000.00
Acct. Number: 1-00-10100-3920

Vendor	Bid Security	Signed Contract	Amount Bid
ABM Equipment & Supply, LLC	Yes	Yes	\$139,939.00 **

** - Apparent Low Bidder

Bidders List

Project: 47' Combination Telescope/Articulating Aerial Device

List of Firm Furnished Bid Documents:

**ABM Equipment & Supply, LLC
Dueco, Inc.
Altec Industries, Inc.**

List of Ineligible Bidders:
