

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at that Owatonna Public Utilities. Present were Commissioners Simon, Rossi, Cosens, Kottke and Doyal. Also present were General Manager Fritsch; City Administrator Busse; Chief Financial Officer Fondell; Director, Engineering Johnson; Director, Field Operations Warehime; Manager, Human Resources Madson; Supervisor, Accounting Sedivy; Supervisor, Meter Services Pelot; Supervisor, Substations & Generation Deering and Executive, Communications & Administration Coordinator Schmoll.

Commissioner Kottke led the Pledge of Allegiance.

Minutes

The Minutes from the special budget meeting of November 14, 2017 as well as the minutes from the rescheduled meeting of October 18, 2017 were presented to the Commission. Commissioner Kottke moved to approve the Minutes as presented. Commissioner Doyal seconded the motion. All Commissioners voting Aye, motion passed.

Committee Reports

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received results from the 2017 Q12 Engagement Survey. The numbers were considerably better than the 2016 survey and the credit goes to the supervisors who discussed different issues with their employees throughout the year. The Committee also discussed a 3.5% wage increase for non-union employees as well as compression issues.

Finance Committee – Commissioner Kottke reported the Finance Committee met, reviewed and approved Vouchers in the amount of \$4,339,051.00. There were not any work orders submitted.

City Administrator's Report

City Administrator Busse reported Lemond Road is complete, negotiations have begun with the Union and the City is officially in charge of their own Public Access Channel. She noted it is on channel 900 on Jaguar and 181 on Charter.

2018 Budget, 2019-2022 Forecast

The 2018 budget, 2019-2022 forecast was presented to the Commission. Commissioner Cosens moved to approve the budget as submitted. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

Excess Flow Valve Policy

General Manager Fritsch presented an Excess Flow Valve policy to the Commission. He noted the valve would shut off excess gas flow to a residence if a gas line ever gets hit or breaks. It is a safety feature to stop the flow of gas, if the line from the street to the outdoor meter is damaged for some reason. OPU already installs these valves on all new or replacement services. The policy gives customers the option to have these valves installed on existing services and meets federal requirements of offering the option to customers. All costs associated with a customer requesting the excess flow valve installed on their existing service will be the responsibility of the customer, as stated in the policy. Commissioner Doyal moved to approve the policy as submitted. Commissioner Cosens seconded the motion. Commissioner Rossi would like to see an estimated range of costs included in

either the policy or the communications to the customers. With the direction to put a range of costs in the notification to the customers, all Commissioners voting Aye, the motion passed.

Contributed Services for Steele County Emergency Management Radio Equipment

Director, Field Operations Warehime thanked Fire Chief Mike Johnson for attending the meeting. He noted, Mr. Johnson was representing Steele County Emergency Management (SCEM) and could answer any technical questions that may arise regarding this issue. Staff is recommending, "waiving" electric costs associated with the SCEM radio equipment and considering it contributed services. Mr. Warehime noted the equipment provides valuable backup communications during emergencies, including Skywarn weather spotters and amateur radio operators. The annual costs are approximately \$202 per year. After a brief discussion, Commissioner Kottke moved to approve the recommendation of having electric costs associated with the SCEM radio equipment considered contributed services. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed.

Contributed Services

The Contributed Services report as of October 31, 2017 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

There were not any questions regarding the scorecard.

General Manager/Staff Report

General Manager Fritsch noted to the Commission at the next meeting he will present an amended restated agreement for the gas turbine. He explained with the new Owatonna Energy Station, SMMPA was indicating that the turbine may not need to operate as much. OPU and SMMPA negotiated for SMMPA to take over the operations of the gas turbine and SMMPA will pay OPU for the capacity. OPU won't need to have staff available to run the unit, thus saving us labor expenses. The amount will be approximately \$200,000 per year until SMMPA no longer needs the capacity. The agreement will come to the Commission for signatures next month.

Commissioner Rossi inquired about the output of the Lemond Solar field. General Manager Fritsch noted it is putting out energy; close to the 5 MW expected. Supervisor, Generation & Substations Deering will bring in a graph next month showing the production of the solar field. It was reported the billboard solar array installed on the south entrance is functioning. Final inspection is still pending. Commissioner Cosens inquired if the blue glass would be extended the whole length of the walkway to help eliminate customers being dripped on and snow piling up. General Manager Fritsch replied, that issue is being looked at.

Executive, Communications & Administration Coordinator Schmoll reminded the Commission the December Commission meeting has been changed to the 20th from the 26th due to the Christmas holiday.

Manager, Human Resources Madson reported a Supervisor, Customer Care has been hired. She reported that Toni Van Esch who is currently a customer service representative will transfer over on December 4th as the new supervisor

Commission Roundtable

Commissioner Kottke thanked everyone for their hard work on the budget.

Adjournment

There being no further business to come before the Commission, Commissioner Cosens moved to adjourn the meeting. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the meeting adjourned at 4:45 p.m.

Respectfully submitted,

Tammy Schmoll,
Executive, Communications & Administration Coordinator