

The Owatonna Public Utilities Commission met in rescheduled session in the Morehouse Conference Room at the Owatonna Public Utilities. The meeting was rescheduled due to the Christmas holiday. Present were Commissioners Zirngible, Rossi, Doyal, Johnson and Vetter. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering & Field Services Fenstermacher; Director, Information Technology & Meter Baum; Manager, Human Resources Madson; Manager, Facilities, Gas & Water Engineering & Operations Prokopec; Supervisor, Accounting Linders; Executive, Communications & Administration Coordinator Schmoll; Key Accounts/Energy Conservation Officer Hendricks; OPU Employees Lori Jerpbak and Dan Cammock.

President Zirngible called the meeting to order and led the Pledge of Allegiance. He then asked for approval of the agenda and consent agenda. The consent agenda items contained minutes from the November 28, 2023 Commission meeting, and the Contributed Services report as of November 30, 2023. Commissioner Doyal moved to approve the agenda and consent agenda items. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Doyal reported the Finance Committee met, reviewed, and approved disbursements totaling \$5,668,824.20. Two work orders were closed with one going a little over budget. Overall, work order expenditures are 70% under budget.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing update. The position of Business Analyst Engineer is posted, and the open Meter Serviceworker position was filled by former employee, Dan Cammock. Other reports the Personnel Committee received were regarding the Gallup Q12 survey and the upcoming re-evaluation of Hay Points for all positions.

City Administrator Report

City Administrator Busse reported the City Council adopted an 8% levy increase for 2024. In 2023, building permit evaluations totaled over \$108 million in development for the City. Owatonna is recognized as the sixth largest city in greater Minnesota and ranked #6 for the best places to live in Minnesota. Ms. Busse updated the Commission on the traffic light by the plant that was out and discussed the importance of TIFs for businesses. She noted, they help with retaining, and expanding, businesses in Owatonna which in turn helps to increase the tax capacity. OPU's help in developing an appropriate rate helps in the decision for larger customers to develop in Owatonna and is part of the success story.

Renewable Energy Credit (REC) Purchase Program – Commercial **Renewable Energy Credit (REC) Purchase Program – Residential**

Key Accounts/Energy Conservation Officer Hendricks presented the REC program policies for both Commercial/Industrial and Residential to the Commission. He noted there were minor changes needed to indicate the energy credits are taxable. After discussion, Commissioner Rossi moved to approve the Commercial/Industrial and Residential Renewable Energy Credit Purchase program changes. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed for both policies.

Acceptable Use Policy

Mobile Device Policy

Mobile Phone Stipend Policy

General Manager Warehime noted the three policies are being presented for informational purposes. Staff is looking for input from the Commission and will bring them back in January with any changes. Director,

Information Technology & Meter Services Baum discussed the reason for the policy changes and discussed the changes from the existing to the new. He noted, the biggest reason for the changes is for security reasons. With the constant technology changes including the addition of artificial intelligence, and the ongoing expansion of the Authenticator app, language is needed in the policy to cover those security changes. The majority of the changes cleaned up language by simplifying, adding, or replacing outdated language. Other changes included adding data security language to encompass the Authenticator app. The language for the Stipend Policy was removed from the Mobile Device policy and put into its own policy. The Stipend policy language changes from an approval-based opt-in option to an opt-out option for employees and includes language on device security. Mr. Baum explained the reasoning behind the amount of stipend. City Administrator Busse shared how things are handled at the City, noting department heads have to carry two phones. Mr. Baum explained what would happen if an employee's personal device is lost or stolen, and how access to OPU's information would be locked out. The Commission directed staff to use AI to help make the policies even clearer and asked them to bring them back next month. A discussion was held regarding personal and business use of devices.

General Manager/Staff Report

General Manager Warehime shared a potential opportunity to purchase a building for future expansion needs. The building is currently in a guaranteed lease agreement until 2031, but the owner is interested in selling it. If purchased, it could provide potential income until 2031 and then be used for expansion to solve OPU's need for additional space for inventory and equipment, and allow OPU to vacate its facilities along the river on the north side of Bridge St. There is also an opportunity to work with the current tenant so that OPU could use some portion of the space before 2031.

Director, Engineering & Field Services Fenstermacher reported SMMPA is looking at a new 49 MW generation facility site to help meet capacity needs by 2028. They are considering Owatonna for this new facility. Mr. Fenstermacher also reported squirrels remain the biggest driving factor for outages with 29 squirrel related outages in 2023, double our five-year average. Mr. Fenstermacher concluded by giving an update on the grid resiliency grant, noting it is a federal grant program and we didn't get it. 80% of applicants didn't get the grant so the group will be resubmitting for round 2.

Director, Information Technology & Metering Baum updated the Commission on the cameras for the security system, noting the cameras are anticipated to arrive in February and an agreement has been reached with a local contractor to mount the cameras.

Commission Roundtable

The Commission did not have anything further to discuss.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:00 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator