

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the 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 Services Brase; and Executive, Communications & Administration Coordinator Schmoll. Also present was Mayor Tom Kuntz.

Commissioner Kottke led the Pledge of Allegiance.

Minutes

The Minutes from the February 27, 2018 Commission meeting were presented to the Commission. Commissioner Rossi moved to approve the Minutes as submitted. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing update. He noted a new accounting specialist has been hired and will be starting on April 16th. The customer service representative position has been deferred until after the go-live date of the new customer information system. Interviews will be starting for Apprentice Lineworkers. Mr. Rossi further recognized Marge Madson for her 45 years of service with OPU.

Finance Committee – Commissioner Kottke reported the Finance Committee met, reviewed and approved Vouchers totaling \$5,436,923.81. He further reported the financial statements are in good shape.

City Administrator's Report

City Administrator Busse reported there is a lot going on in the downtown area. The City Council passed TIFF assistance for an apartment building and Torey's Restaurant is continuing forward with moving to the old Arrow Ace Hardware location. A hotel/event center is still being worked on, as well. Mrs. Busse discussed which buildings would be affected. Crews are gearing up for the summer street projects and other improvements including some work at Lake Kohlmeier in the parking lot and entry way. The River Springs Water Park will receive a new water play apparatus geared for 5-8 year olds. Mrs. Busse completed her first session of the MMUA Leadership training and complimented the competency of the instructors.

Mayor Tom Kuntz thanked the Commission for allowing him to represent OPU and the City of Owatonna at the American Public Power Association Legislative Rally. Mayor Kuntz updated the Commission on topics discussed with the legislators while at the conference. He noted, the three main messages to legislators were on Infrastructure, Local Control of Pole Attachments and protecting Western Area Power Administration (WAPA) customers from having Power Marketing Administration's (PMA) transmission assets from being sold. He noted representatives were supportive of the positions. Mayor Kuntz left the meeting.

Communications Equipment on Water Towers Policy

Director, Field Operations Warehime presented the Communications Equipment on Water Towers Policy to the Commission. He noted the policy was last updated in 1998. He noted the major changes include changing the name of the policy from "Antenna Policy" to "Communications Equipment

on Water Towers" policy, clarifying the Contributed Services for Steele County Emergency Management (SCEM) and bringing the lease rates more in line with current market rates. Commissioner Cosens inquired if OPU has any liability for the equipment being placed on water towers. Mr. Warehime noted, no. Commissioner Rossi inquired about contract length. Mr. Warehime noted the contract is for a minimum of 3 years. Commissioner Rossi inquired about the State and Federal issues regarding telecommunications. Mr. Warehime replied, the telecommunications issue is regarding structures on utility poles. This policy is related to devices put on our water towers, which are our property. Utility poles are located more in rights-of-way and are handled differently. Commissioner Rossi inquired about what we require for insurance purposes. Manager, Human Resources Madson replied, certificates of insurance for antennas require liability of \$1 million; \$2 million aggregate. Which is standard requirements. Mrs. Madson noted the bigger liability relates to their workers on our property versus their equipment on our property. After discussion, Commissioner Doyal moved to accept the Communications Equipment on Water Towers policy. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

Water Supply Plan

Director, Engineering Johnson presented the Water Supply Plan to the Commission. He noted the plan states OPU is doing their due diligence as a water supplier in protecting the community's water supply in regards to the level of the aquifer, etc. He noted the Department of Natural Resources (DNR) requires us to present our Water supply plan to them every 10 years. This is the first year we have been asked to bring it to the Commission. After discussion, the Commission acknowledged receipt of the plan and drafted a document with all their signatures on it, stating as much.

Contributed Services

The Contributed Services report as of February 28, 2018 was presented to the Commission. The Commission signed the report.

Operations/Scorecard

The February 2018 scorecard was presented to the Commission. There was not anything out of the ordinary to discuss.

General Manager/Staff Report

General Manager Fritsch presented the Commission a copy of SMMPA's newly developed scorecard/placemat. He further noted the leadership team will be starting their year 2 leadership journey led by Kent Myers. Mr. Fritsch invited the Commission to attend the APPA National Conference in June, the MMUA Summer Conference in August and the SMMPA Annual Meeting in October. Commissioner Cosens added he has had the privilege to attend and encouraged other members to attend if it fits in their schedules.

Director, Operations Warehime announced OPU won the water taste test at the Water School in Rochester.

Chief Financial Officer Fondell reported the Auditors were in house and will be presenting their findings at the April Commission meeting. She further reported sealed bids are being accepted for the 5 to 50 lb. conversion project and the replacement of the digger derrick truck. Those bid tabs will also

be presented at the April Commission meeting. Lastly, Mrs. Fondell updated the Commission on the customer information system conversion process.

Manager, Human Resources Madson reported OPU won two different safety awards for 2017. She noted one is the APPA Safety Award and one is the Governor's safety award.

Director, Engineering Johnson reported the RFP for Engineering Services of the water project have been received and after review staff is confident the company offering the lowest quote is fully competent to complete the task at hand. Mr. Fritsch added, OPU received the APPA Reliability Award again this year.

Executive, Communications & Administration Coordinator Schmoll reminded the Commission of the upcoming Solar Billboard Array dedication on April 24th. She further updated the Commission on the upcoming 3rd Annual Employees Club Easter Egg Hunt and noted staff is working on a history video of OPU.

Commission Roundtable

Commissioner Kottke thanked staff for an excellent and informative meeting and congratulated Marge on her 45 year milestone.

Commissioner Doyal congratulated Marge, as well and stated OPU is an impressive organization to have people stay that long and to continue to receive awards.

Adjournment

There being no further information to come before the Commission, Commissioner Rossi moved to adjourn the meeting. Commissioner Cosens seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:13 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator