

The Owatonna Public Utilities Commission met in regular session via Microsoft Teams. Present were Commissioners Doyal, Keilman, Rossi and Johnson. Absent was Commissioner Kottke. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Director, Engineering Johnson; Supervisor, Accounting Linders; and Executive, Communications & Administration Coordinator Schmoll. Also present was Mike Brooks, OPU Customer.

### **Minutes**

The Minutes from the regular meeting of May 26, 2020 were presented to the Commission. Commissioner Rossi moved to approve the Minutes as presented. Commissioner Johnson seconded the motion. On roll-call, Commissioners Rossi, Keilman, Johnson and Doyal voted Aye, the motion passed.

### **Committee Reports**

Finance Committee – Commissioner Doyal reported the Finance Committee met, reviewed and approved Vouchers totally \$4,535,377.19. Commissioner Doyal further reported the Committee was given an update regarding the status of work orders. Specifically, there was a discussion around buying meters for the AMI project and it was noted they were not purchased through the normal process. Commissioner Doyal shared slides that were presented regarding the issue. He recapped bidding requirements, and noted 4750 meters were ordered due to the AMI project. Specific models of Badger brand meters were required to match OPU's embedded equipment and the only licensed vendor of Badger water meters in a 5-state area is Metering & Technology Solutions so normal competitive bidding was not possible. Director, Finance & Administration Olson added, we priced meters that were comparable to the Badger meters, and they were \$15,000 more. Mr. Doyal continued, our company auditor has recommended we note this in the minutes of this meeting and the Commission should approve it. Commissioner Rossi inquired, if the 5-state area is a normal purchase area or if we could purchase such things from a national vendor. Mr. Olson replied, it has to do with license area and vendor territories. City Administrator Busse inquired if this had also been run by the City Attorney for his opinion or if this is a time sensitive item. General Manager Warehime, replied, we ran it by our auditors, but not by the City Attorney. Commissioner Keilman inquired if this was the first time we had run into such an issue. General Manager Warehime replied, this is a unique situation whereby this is a portion of the overall project and this particular vendor is the only one who meets the requirements we need. Director, Finance & Administration Olson added, usually if something like this happens it is at much lower level of dollars. The Commission decided to table this issue until an opinion could be obtained from the City Attorney.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met and received a staffing update. He reported on positions that have recently been filled and ones that still need to be filled. He reported, Manager, Human Resources Madson provided the Committee with an update on COVID related cases in Steele County, and noted at the time of the Personnel Committee meeting OPU had gone 57 days without an OSHA recordable injury. Mr. Rossi concluded by reporting OPU has union contract extension agreements with both unions that include a general wage increase of 2.5% and a stipulation that negotiations will begin in January.

Supervisor, Accounting Linders introduced himself and shared his background. He noted, in his opinion, OPU is a preferred company to work for in our area and he was excited to be offered the position.

### **City Administrator's Report**

City Administrator Busse reported the City Administration Building was opened to the public on June 17th and the June 16<sup>th</sup> Council Meeting was in person but socially distanced along with an option for attendees to meet via MS Teams. She further reported Public Works is publishing a weekly blog with updates on street projects, the roundabout on Rose and Grove is open, plans are underway for opening the waterpark in July, and Lake Kohlmeier is open. Ms. Busse concluded by discussing the guidelines that need to be followed to allow the pool to open.

### **Contributed Services**

The Contributed Services report as of May 31, 2020 was presented to the Commission. Commissioner Keilman moved to approve the Contributed Services Report as presented. Commissioner Rossi seconded the motion. On roll-call, Commissioners Rossi, Keilman, Johnson and Doyal voted Aye, the motion passed.

### **Operations/Scorecard**

General Manager Warehime discussed the scorecard and pointed out the different aspects of it.

### **General Manager/Staff Report**

General Manager Warehime updated the Commission on the measures OPU is still taking related to the COVID pandemic. He noted the office is still closed to the public and beginning on July 6<sup>th</sup> we will let customers come in by appointment only. The July Commission meeting will be a hybrid meeting with attendees in the office and attending via Microsoft Teams.

General Manager Warehime updated the Commission on the SMMPA board meeting. He noted, the board was given a 5-year forecast that included the reevaluation of reserve levels which translates into rates. He noted, safety factors have been built into the numbers due to the COVID pandemic, however it still appears the reserve levels can be lowered. He continued, SMMPA is also looking at changing the way SHERCO 3 is bid into the market which will save money, as well. He concluded, SMMPA is not looking at a rate increase in 2020 and may even be looking at a rate decrease in 2021.

### **Commission Roundtable**

Commissioner Rossi inquire if waiving of the late fees and disconnection fees due to the COVID pandemic will cause a financial difficulty for OPU. Director, Finance & Administration Olson replied each month we are losing between \$12,000 to \$15,000 due to not charging late fees and lower interest rates. He noted, it is not anything that would cause us to make any different decisions and we will wait until it is not burdensome for customers before we reinstate these fees.

### **Audience Comments**

Customer, Mike Brooks, reminded the Commission he has interest in electric vehicles and participates in the meetings to see what the utility has going on in regards to electric vehicles and understands things have been put on the back burner due to the COVID pandemic.

**Adjournment**

There being no further business to come before the Commission, Commissioner Rossi moved to adjourn the meeting. Commissioner Johnson seconded the motion. By roll-call all Commissioners voted Aye, the meeting adjourned at 4:37 p.m.

Respectfully submitted,

Tammy Schmoll  
Executive, Communications & Administration Coordinator