

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Zirngible, Rossi, Doyal, Johnson and Vetter. Also present were General Manager Warehime; City Administrator Busse; Director, Finance & Administration Olson; Manager, Gas & Water Operations Prokopec; Executive, Communications & Administration Coordinator Schmoll; Key Accounts & Energy Conservation Officer Hendricks; OPU employees Lori Jerpbak, Brian Riggelman, and Shanda Meier. Other guests included Brian Maciej, Lime Valley and customer, Roger Wacek.

President Zirngible called the meeting to order and led the Pledge of Allegiance. He then asked for any changes to, and/or approval of, the agenda and consent agenda. The consent agenda items consisted of the Minutes from the May 28, 2024 Commission meeting and the contributed services report as of May 31, 2024. Commissioner Rossi moved to approve the agenda and the consent agenda items. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Johnson reported the Finance Committee met, reviewed and approved disbursements totaling \$5,415,548.92. He further reported four work orders were closed and one was cancelled. Year-to-date 12 work orders have been closed at approximately 10% below budget. All three utilities are looking good.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met. Mr. Rossi reported they received a safety update, noting 244 days without an OSHA recordable incident and a new MMUA Safety Coordinator; two positions are currently open and active recruitment is ongoing. One position is for an IT Operations Engineering and one for the Manager, Electric Operations.

City Administrator's Report

City Administrator Busse reported the City is currently assessing damages from all the rain received. She noted the water is receding from the parks and trails and they are asking residences to report any damages they experience. She reported the City was notified they are selected as a distinguished budget award winner from the GFOA, Government Finance Administration. It's the first time the City has received the award and is based on materials and documents developed about our budget. She further reported 740 surveys were received regarding a Community Center with about 30 applications being received for citizens wanting to serve on the task force for that project. Fourteen to sixteen people will be selected. She concluded stating the City's budgeting process for 2025 is continuing.

Rates Policies

Director, Finance & Administration Olson presented two policies to the Commission. He discussed the current residential electric heat credit, proposed changes to that credit, plans for notifying and transitioning electric heat customers, and asked for the Commissions approval of the changes. The policies submitted for changes included Policy #501.27 Residential Time-of-Use Rates and Policy

#501.81 Residential Electric Rates. Changes included transitioning electric heat customers to the time-of-use rate at a lesser winter on-peak and critical peak rate effective October 1, 2024. On average, electric heat customers savings will be very close to the current electric heat credit. Affected customers will receive notification over three months. One of the primary reasons for this change is to simplify our rates and eliminate complexities in our billing system. This change will affect approximately 207 customers. Electric heat customers will have the option to opt-out of the time of use rate, but it will be in their best interest to move to the time of use rate. After discussion, Commissioner Rossi moved to approve the changes to policy #501.27 Residential Time of Use Rates and policy #501.81 Residential Electric rates. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

OPU Logo Redesign

Brian Maciej, President Lime Valley, presented several more logo concepts to the Commission for the consideration. Mr. Maciej discussed each new concept and opened it up for discussion. After discussion, Mr. Maciej will consider all suggestions and come back to the Commission next month with different variations of the Commission's favorite.

Letter of Intent – Bridge St. Building

General Manager Warehime refreshed the Bridge St. building proposed project to the Commission and asked the Commission's approval to sign a letter of intent for the purchase of the building. Mr. Warehime noted a couple changes made to the letter since the release of the agenda packet. One changed was regarding a contingency on the seller's part, they included information in the original letter carried over from a different building they were working on selling. The second change was in regard to the earnest money being non-refundable versus refundable. After discussion, Commission instructed Mr. Warehime to include a contingency clause based on the ability to reach a satisfactory agreement with the current tenant to mutually share the space. Commissioner Rossi moved to approve General Manager Warehime's signing of the letter with the proposed changes. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Report

Director, Finance and Administration Olson reported a 3-year proposal from Abdo for the audit was received and asked President Zirngible to sign the agreement. Commissioner Doyal moved to authorize Mr. Zirngible to sign the contract. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager Warehime thanked Commissioner Rossi for this involvement with the reviewing of the history book.

Commission Roundtable

Commissioner Rossi shared he is on the time-of-use rate and is saving some money each month. He encouraged the other Commissioners to make the switch.

Audience Comments

Customer Roger Wacek complimented OPU on the cyber security article in the June 2024 newsletter. He thought it was an excellent article. He further discussed a presentation on PBS called “The Ethics of Cybersecurity” and encouraged the Commission to watch the presentation, as well.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 5:16 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications & Administration Coordinator