

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Doyal, Johnson, Kottke and Rossi. Commissioner Keilman attended via phone. Also present were General Manager Warehime; City Administrator Busse; Director, Finance and Administration Olson; Director, Engineering and Field Operations Fenstermacher; Manager, Human Resources Madson; Supervisor, Accounting Linders; Supervisor, Meter Services Johnson; Executive, Communications & Administration Coordinator Schmoll; Energy Conservation/Key Accounts Officer Hendricks; employees Joe Cadorette, Lance Diderrich, and Lori Jerpbak. Special guests included Mark Mitchell, SMMPA and customer, Roger Wacek.

President Doyal called the meeting to order and led the Pledge of Allegiance. Mr. Doyal asked for approval of the agenda and the consent agenda. The consent agenda items included the Minutes from the June 29, 2021 meeting as well as the Contributed Services as of June 30, 2021. Commissioner Rossi moved to approve the Consent Agenda, as submitted. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Finance Committee – Commissioner Kottke reported the Finance Committee met, reviewed, and approved Vouchers totaling \$5,865,579.03. He further reported overall everything looks favorable and reported the work orders for the 5 to 50 lb. conversion project will show one being under and the other being over, but overall, they should even out close to budget.

Personnel Committee – Commissioner Rossi reported the Personnel Committee met. He further reported there were 5 positions open, two of them have been filled leaving a Meter Serviceworker, a Lead Gas/Water Serviceworker and the Director, Information Services positions open. At the time of the meeting, there were only two employees who had turned in remote working policies and there were not any OSHA recordables.

At the April 27th meeting, Mr. Rossi had reported staff had negotiated and reached a successful, within budget, contract with the unions. He moved to have the President and Vice President sign the union contracts. Commissioner Kottke seconded the motion. All Commissioners voting Aye, the motion passed.

City Administrator Report

City Administrator Busse gave an update on the projects going on around town. She noted, the Streetscape project continues to move along and noted work will move into the 200 block early to mid-August. The intersection of 26th St and State Ave., will be closed for construction beginning the end of July and she discussed the detour route as well as the scope of the project. She further discussed the work being done on Bridge St. and noted it was anticipated Phase I would be completed mid-August.

Ms. Busse concluded by reporting second rounds of interviews are being conducted the first week of August for the new Communications Manager and the Director of Human Resources. Lynn Gorski is moving on in her career to become an assistant city administrator.

SMMPA Presentation

Mark Mitchell, Director of Operations & COO of SMMPA, presented to the Commission on the joint ownership (with Xcel Energy) and operation of the Sherco 3 plant in the MISO market. Mr. Mitchell discussed the background of the unit and explained how it is operated in the MISO market. He discussed historical hedging strategies and noted owning your own generation serves as an economic hedge against high market energy prices and helps provide cost certainty. He discussed changes in how the Sherco 3 plant is going to operate going forward as far as the market is concerned. He noted it will go from a “must run” plant to an

“economic commitment” and discussed the pros and cons for the change. He concluded by discussing changes to where SMMPA purchases coal from and what SMMPA may look like post 2030. The Commission thanked Mr. Mitchell for his presentation.

Mission Statement Policies Cancellation

General Manager Warehime presented the cancellation of the Organization, Electric, Water and Natural Gas Mission Statements to the Commission. He noted these policies were date back to 1998 and were replaced with the Organizational Directives Policy Statement approved at the last Commission meeting. Commissioner Kottke moved to approve the cancellation of the Organization, Electric, Water, and Natural Gas Mission Statements. Commissioner Keilman seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Report

There were not any notable changes to the OPU Scorecard. General Manager Warehime introduced, Joe Cadorette. Joe is on the gas/water crew and serves at the President of the Safety Committee. Joe presented and discussed each section of the Safety Committee Scorecard. Commissioner Kottke inquired as to what takes place at a job site audit. Joe explained a Safety Committee member, along with the Safety Coordinator, visit a job site to look for positive safety related items each crew is doing. Joe also explained the job briefing form which is used to identify as many of the hazards as possible before the job begins.

General Manager Warehime reported The Energy Authority will attend the August meeting to present a new risk mitigation strategy to the Commission.

Energy Conservation/Key Accounts Office Hendricks updated the Commission on water conservation messages due to the drought that OPU is putting out in the Community. He discussed the large volume of water that is being pumped each day and noted there will be an article in the August newsletter.

Commission Roundtable

Commissioner Kottke expressed his appreciation for the Safety Committee and SMMPA reports.

Commissioner Rossi asked for an update on the proposed Trail and Bridge being discussed by Building #4. General Manager Warehime noted, there was not anything new to report. Mr. Rossi also opened a discussion regarding mandating the COVID19 vaccination. After discussion, it was agreed the topic would be brought before the Safety Committee for discussion and consideration.

Audience Comments

Customer Roger Wacek discussed electric vehicles noting there is more and more interest in them. He inquired if there will be enough electricity to run them and asked when the first electric cars or buses would become part of the fleets of local governmental agencies.

Adjournment

There being no further business to come before the Commission, Commissioner Kottke moved to adjourn the meeting. Commissioner Rossi seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:11 p.m.

Respectfully submitted,

Tammy Schmoll
Executive, Communications and Administration Coordinator