

MINUTES
OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
(Regular Meeting)

President Amundson called the regular session of the Shakopee Public Utilities Commission to order at the Shakopee Public Utilities meeting room at 5:00 P.M., May 18, 2020.

MEMBERS PRESENT: Commissioners Amundson, Meyer, Mocol, Brennan and Fox. Utilities Manager Crooks. Finance Director Schmid, Planning and Engineering Director Adams, Water Superintendent Schemel, Electric Superintendent Drent, Marketing/Customer Relations Director Walsh, as well as Commissioners Meyer, Mocol, Brennan and Fox attended via WebEx.

Motion by Meyer, seconded by Mocol to approve the minutes of the May 4, 2020 Commission meetings. Motion carried.

There were no Communication items to report.

President Amundson offered the agenda for approval.

Motion by Meyer, seconded by Fox to approval the agenda. Motion carried.

There was one item on Consent Business for the agenda; Item 11b: April 2020 Financial Report.

Motion by Mocol, seconded by Meyer to approve the Consent Business. Motion carried.

The warrant listing for bills paid May 18, 2020 was presented.

Motion by Fox, seconded by Mocol to approve the warrant listing dated May 18, 2020 as presented. Motion carried.

Commissioner Brennan presented the Liaison report. SPU Commissioners continue to receive the City Council minutes via the intergovernmental mail. Ms. Brennan also stated the City of Shakopee will not open the Splash Pad and the Sand Venture Park in 2020.

Water Superintendent Schemel provided a report of current water operations. Water pumpage has averaged 3.4 million gallons per day (GPD) in May, thus far. A typical summer day averages 5.1 MGD. Crews remain healthy. A water main break occurred on May 13 and was quickly repaired. Flushing will remain on hold during the beginning of the construction season.

Planning and Engineering Director Adams reviewed the 2020 water projects for SPU. The Commission was pleased with the report and offered that the resolution be higher on the mapping, the DNR restrictions be addressed, that the SAC units be converted to gallons of water and the SAC units be reflected in dollars. Staff will also coordinate with the City of Shakopee and determine if the list is up to date with authorized projects.

Electric Superintendent Drent provided a report of current electric operations. There were two electric outages reviewed. Construction updates were provided.

Mr. Adams reviewed the 2020 electric projects for SPU. A similar discussion took place as with the water projects reviewed earlier in the meeting. Commission direction was to present both the water and electric projects for 2020 on a quarterly basis for updates and review.

Steve Wischman with BerganKDV presented information on the Audited Financial Statements for 2019. It was explained the audit needs to be filed with the State by June 30 and that the audit needs to be released to the City of Shakopee to include in their 2019 financial audit.

Motion by Meyer, seconded by Fox to accept the 2019 audited financial statements for Shakopee Public Utilities, with the correction to transposed figures in page 11 and a statement concerning the pending legal review of the Utilities Manager's salary cap issue. Motion carried.

Item 11b: April 2020 Financial Report was received under Consent Business.

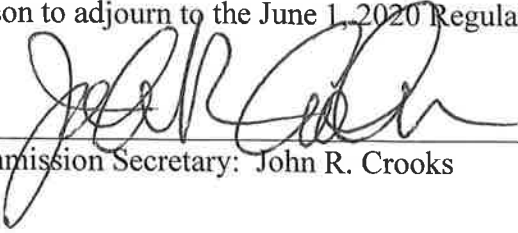
Utilities Manager Crooks reviewed the process for the Commission to set Goals and Objectives for the Utilities Manager. A discussion took place reviewing the 2019 Goals and Objectives. Mr. Crooks will bring back the 8 items brought forth by the Commission members for approval at the June 1 meeting. The 8 goals as discussed were: to review internal controls for SPU, examine lowering fees and charges for economic development, by September complete a feasibility study on the need for a water treatment plant, to set up a quarterly meeting (with representatives the Commission, Council, developers and planning staff from each body) to discuss development issues in Shakopee, to develop a plan for joint economic development efforts between the City and SPU, conduct a banking analysis for SPU, examine financial relief for customers struggling with issues related to COVID-19, and a legal review of all rules and regulations that SPU is required to comply with.

Finance Director Schmid presented a financial analysis of the impact of COVID-19 on SPU production and sales.

Mr. Crooks reviewed proposed changes with the SPU Governance Handbook. Several other changes were discussed and will be incorporated into the document and approval at a future meeting. The last update was in 2018.

Mr. Crooks presented the SPU attorney's email regarding the requirement of by-laws for SPU. Staff was asked to begin developing a centralized depository for documents defining processes and procedures.

Motion by Mocol, seconded by Amundson to adjourn to the June 1, 2020 Regular Commission Meeting. Motion carried.



Commission Secretary: John R. Crooks