

MINUTES
OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
October 19, 2020

1. Call to Order. President Amundson called the October 19, 2020 meeting of the Shakopee Public Utilities Commission to order at the Shakopee Public Utilities meeting room at 5:00 P.M.
2. Roll Call. President Amundson, Vice President Mocol, Commissioner Brennan, Commissioner Fox, and Commissioner Meyer were present.
3. Approval of Minutes. Motion by Meyer, seconded by Mocol, to approve the minutes from October 5, 2020. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion carried.
4. Communications - Website Domain. Commissioner Fox brought up a website (Friends of Shakopee Public Utilities Commission) that is not an approved source of communication by SPU. It was agreed this website was not affiliated with SPU. Motion by Fox, seconded by Mocol that SPU does not recognize the Friends website as an official source of news or information and disavows it; SPU does not seek to antagonize the City of Shakopee or make unfounded claims. Ayes: Mocol, Brennan, Fox. Nays: Amundson, Meyer. Motion carried.
5. Approval of Agenda. Motion by Fox, seconded by Meyer, to approve the agenda. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.
6. Approval of Consent Business. Motion by Fox, seconded by Meyer to approve the consent business, namely: items (8b) Quarterly Water Nitrate Report; (11a) Monthly Financial Results; (11b) COVID Dashboard Metrics. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.
7. Approval of Warrant List. Motion by Amundson, seconded by Meyer, to approve the warrant list as presented. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.
8. Liaison Report. Commissioner Brennan reported that the City Council discussed the rationale for the referendum on whether the Commission should be abolished. She also noted a new park design for Ridge Creek Park.
9. Water Report. Lon Schemel, Water Superintendent, presented the water report. He provided an update as to the hydrant flushing and the leak repair on Hampton Avenue.
10. Electric Report. Greg Drent, Electric Superintendent, presented the electric report. He described the six outages since the last Commission meeting, as well as current projects. Mr. Drent also reported on animal-related outages after the wrapping of poles by SPU: to date in 2020, 12

animal-related outages have occurred, as compared to 22 in 2019. In 2020, 178 customers were affected by animal-related outages (as opposed to 619 in 2019), a difference of 439 customers, and a decrease of 348 minutes between 2020 and 2019. Motion by Fox, seconded by Mocol, to recognize the success of the pole-wrapping project and to commend Mr. Drent and staff. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.

11. Options for Financial Assistance for Past-Due Accounts. Sharon Walsh, Director of Marketing/Customer Relations, presented options for potential financial assistance for SPU customers with past-due accounts as a result of the pandemic. Ms. Walsh explained the ranges of current overdue amounts by customer type. Ms. Walsh noted the CAP Agency could administer SPU funds to SPU ratepayers. Commissioner Brennan noted that the CHAP program began very recently. Motion by Meyer, seconded by Brennan, to provide a grant up to \$25,000 to the CAP Agency to distribute to SPU residential customers with past-due accounts, subject to guidelines and requirements developed by staff. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.

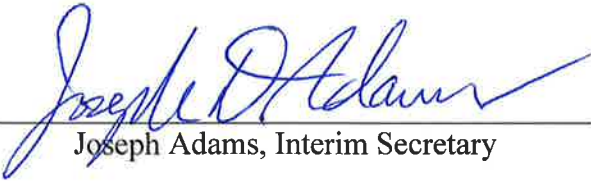
12. Deposit Policy Review. Joseph Adams, Director of Planning and Engineering, presented the current customer deposit policy, which was initially adopted in 1992 and last revised in 2012. For commercial customers, the deposit equals two months of average usage of water/electricity. Interest is determined on an annual basis by the Minnesota Department of Commerce, according to statute 325E.02. Mr. Adams also described a recent survey by MMUA as to municipal utility deposit practices. Mr. Adams noted that a commercial customer requested review of the issue after its deposit was determined for a new point of service; no deposit has been required pending Commission review of this issue. In response to a question about failed businesses by President Amundson, Mr. Adams noted multiple examples, including the Kmart bankruptcy proceeding, when no deposit was on file, which resulted in a \$100,000 loss to SPU. Commissioner Fox commented on the return on investment. Commissioner Meyer questioned why the deposit was held in perpetuity until the account closed. Commissioner Brennan and Commissioner Mocol commented on determining what constitutes a new customer. The Commission gave direction to staff to return with recommendations, including considering: adjusting the term to 4-5 years, the amount of the deposit at two times the monthly payment, further data on the defaults in the last ten years, the length of time for customer accounts, and requiring a second deposit if the first deposit was returned.

13. Resolutions Recognizing Retired Employees. Motion by Meyer, seconded by Fox, to approve Resolution # 1282 recognizing Mary Ellen Baldwin. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried. Motion by Meyer, seconded by Amundson, to approve Resolution #1283 recognizing Renee Schmid. Ayes: Amundson, Meyer. Nays: Mocol, Brennan, Fox. Motion did not pass. Motion by Meyer, seconded by Fox to approve Resolution # 1284 recognizing Sherri Anderson. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.

14. Potential Future Agenda Items. Commissioners discussed a variety of topics, including: the Investment Policy; adding resolutions to a searchable database; adding holidays to the SPU website; access to meeting agendas/packets before 2018; financial information on the website; report from Interim Utilities Manager; Interim Secretary role; process for Commissioner questions

and timeframe for responses; and refining the re-direction from the former SPU website to the current website.

15. Adjourn. Motion by Fox, seconded by Mocol, to adjourn to the November 2, 2020 regular meeting. Ayes: Amundson, Mocol, Brennan, Fox, Meyer. Nays: None. Motion Carried.



Joseph Adams, Interim Secretary