

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
May 3, 2021

Following the March 13, 2020 Declaration of Peacetime Emergency by Governor Walz (as amended), the Commission is holding its regular meeting on May 3, 2021 at 5:00pm by telephone or other electronic means (Zoom) according to MN Statutes, Section 13D.021. The Commission President has concluded that an in-person meeting is not practical or prudent because of the health pandemic declared under the Emergency Order and according to current guidance from the MN Department of Health and the CDC. The Commission President will be at the regular meeting location for the Commission. The public may monitor the meeting:

Call-In Phone Number: 1-312-626-6799
Meeting Number: 993 8337 5984#
Enter Passcode: 976696#

1. **Call to Order** at 5:00pm in the SPUC Service Center, 255 Sarazin Street.

2. **Communications**

3. **Consent Agenda**
 - C=> 3a) Approval of April 19, 2021 Minutes (GD)
 - C=> 3b) Approval of May 3, 2021 Agenda (KM)
 - C=> 3c) May 3, 2021 Warrant List (JM)
 - C=> 3d) MMPA April Meeting Update (GD)
 - C=> 3e) Proposed Revised Easements – County Road 83 Construction Project (KB)
 - C=> 3f) Update on Transition from COVID Protocol to Standard Process (SW)
 - C=> 3g) Follow-up on Use of Titles in Public Meetings (KB)

4. **Liaison Report** (JB)

5. **General Manager Report**
 - 5a) General Manager Report – Verbal (GD)

6. **Reports: Water Items**
 - 6a) Water System Operations Report – Verbal (LS)
 - 6b) Memorandum No. 3 of the Comprehensive Evaluation for Municipal Water Treatment (LS)

7. **Reports: Electric Items**
 - 7a) Electric System Operations Report – Verbal (GD)

8. **Reports: Human Resources**
 - 8a) Discussion of Semi-Finalist Report for General Manager Position (SK)

9. **Reports: General**
 - 9a) Investment Manager Presentation (JM)
 - 9b) Investment Policy (JM)
 - 9c) Proposed Land Swap with DR Horton (JA)

10. **Items for Future Agendas**

11. **Tentative Dates for Upcoming Meetings**
 - Mid Month Meeting -- May 17, 2021
 - Joint Meeting -- May 25, 2021 at 6PM
 - Regular Meeting -- June 7, 2021
 - Mid Month Meeting -- June 21, 2021

12. **Adjourn to May 17, 2021 at the SPUC Service Center, 255 Sarazin Street**

MINUTES OF THE

SHAKOPEE PUBLIC UTILITIES COMMISSION

Regular Meeting

April 19, 2021

1. Call to Order. President Mocol called the April 19, 2021 meeting of the Shakopee Public Utilities Commission to order at the SPU meeting room at 5:00 P.M.
2. Roll Call. President Mocol, Vice President Fox, Commissioner Brennan, Commissioner Krieg, and Commissioner Letourneau were present.
3. Communications. President Mocol provided an update from Sharon Klump of Baker Tilly as to the General Manager hiring process. She noted that the Commission will consider which candidates to interview at the May 3, 2021 meeting. Ms. Klump suggested that each Commissioner consider proposing a range of 4-6 candidates for interviewing.
4. Approval of Consent Agenda. Vice President Fox moved to approve the consent agenda, removing items 3E and 3D. Commissioner Brennan seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried. Item 3D, April 19, 2021 Warrant List, was discussed. Commissioner Brennan asked about the Larson Data Communications payment. Mr. Schemel explained that it was the water communications company for the SCADA system. Commissioner Brennan moved approval of the April 19, 2021 Warrant List. Vice President Fox seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried. Discussion ensued on item 3E, 2019 CIP Results and 2021 Plan Approval. In response to a question from Vice-President Fox regarding optional investments, Ms. Walsh explained that in 2018 SPU converted street lights to LED, but in 2019 there were no projects of that nature. Vice President Fox moved approval of the 2019 CIP Results and 2021 Plan Approval. Commissioner Letourneau seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried.
5. Liaison Report. Commissioner Brennan noted that the City Council, at its April 6, 2021 meeting, approved the Final Plat for Summerland 1st Addition, on 17th Avenue, east of County Road 83, with townhome and single-family lots.
6. General Manager Report. Greg Drent, Interim General Manager, provided an update. He noted that the joint meeting with the City Council is set for May 25, 2021, at 6 PM. Mr. Drent reported that staff is working on the Energy Information Administration annual report, which is due at the end of the month. Mr. Drent noted several new employees: Jacki Hanson, Sydney Nagel, and Jordan Stocker. Mr. Drent asked Commissioners to let him know if they want to attend the summer conference for Minnesota Municipal Utilities Association (MMUA). Mr. Drent provided an overview of a variety of pending projects.

7. Water Report. Lon Schemel, Water Superintendent, provided the water report. He welcomed Jacki Hanson as an Apprentice Operator. Mr. Schemel noted that five flushes have been completed in the flushing program; each area encompasses 10-20 streets.

Minnesota Department of Health. Mr. Schemel introduced Jessie Kolar, District Engineer from the Minnesota Department of Health. Ms. Kolar noted that the Department will test all of Shakopee's wells this summer. She explained that the testing will include the "forever chemicals" or PFAS seen in Cottage Grove. Ms. Kolar discussed the requirements concerning nitrate levels; the standard for nitrates in infants, adults, and fetuses is 10 mg/liter. Ms. Kolar noted that the Department reviews the Well Policy if there are major changes in operations. She explained that in March 2020, the Department lowered the acceptable fluoride levels from 1.2 mg/liter to .7 mg/liter. Mr. Schemel clarified that in 2015, SPU applied for an exemption; the fluoride levels in Shakopee have been .7 mg/liter since 2015.

Hydraulic Grade Lines. Mr. Schemel delivered a presentation concerning hydraulic grade lines, including the challenges in planning water service with changes in elevation throughout the system. He explained the categories of pressure zones, as well as potential future expansion areas.

West End Water Planning. Joseph Adams, Director of Planning and Engineering, explained that the Commission approved a Comprehensive Water Plan in 2018, as well as an update in 2019, which included the west end of Shakopee. Mr. Adams noted that because the City recently prepared a feasibility study for sanitary sewer service to this area, SPU plans to review the Comprehensive Water Plan and determine any recommended changes for Commission approval.

Water Main Project. Mr. Adams presented on the water main project for Maras Street, 13th Avenue, Hansen Avenue, and Stagecoach Road. He explained that this area is not currently served with municipal sewer and water, except for one water customer; the remaining properties have septic systems and private wells, with some contamination issues. Mr. Adams noted that the City prepared a feasibility study for improvements in the area, including sanitary sewer, water main, and street reconstruction, with water main costs estimated at \$1,436,000. Mr. Adams noted that City staff recommended that the City Council apply a lateral connection charge according to the cost per net developable area, rather than up-front special assessments. Mr. Adams stated that the study estimated the lateral water main connection charge at \$14,802.63 per net developable acre. Mr. Adams explained the challenge of some properties in the City connecting to sanitary sewer, but remaining on private wells, despite an ordinance and SPU policy requiring water hook up when it has been available for three years.

Mr. Adams described the staff recommendations as follows: (1) advise the City that the Commission supports having the water main improvements constructed with the City project; (2) that SPU provide initial funding for the water main from its Trunk Water Fund; (3) that the Trunk Water Fund be reimbursed when the properties hook up and pay the applicable Lateral Water Main Connection Charge from the study (\$14,802.63/net developable acre), with indexing in a manner similar to the sanitary sewer fee; (4) that the Commission defer the Trunk Water Area Charge and Water Capacity Charge until water service is commenced; and (5) request that the City require water service to begin when sanitary service begins. Vice-President Fox moved approval of the

staff recommendation, directing staff to work with the City and SPU's finance department, and Commissioner Brennan seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried.

2021 Street Reconstruction Project (Scott Street Water Main Replacement). Mr. Adams discussed the project, including replacing the 4-inch water main pipe with a six-inch pipe, and extending under the Union Pacific Railroad. Mr. Adams noted that the City has received project bids, including the water main cost of \$341,573.85. He noted that of the 20% of construction costs that SPU typically pays the City for engineering design, project management, and financing costs, the City agreed to waive this cost for two large cost items (setting up boring pits and casing pipe installation). Motion by Vice-President Fox to support the City awarding the 2021 Street Reconstruction contract, including the water main portion and applicable fees. Commissioner Letourneau seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried.

Hansen Avenue Water Main Lining. Mr. Schemel noted that two bids were received for the Hansen Avenue water main lining project: Michels Corporation and Fer-Pal Construction. Mr. Schemel explained that Michels presented the low bid, including SEH cost for engineering not to exceed \$50,000, of \$344,612. Dave Hutton, SEH, discussed the project. Motion by Commissioner Brennan, seconded by Commissioner Krieg, to accept the Michel's Corporation bid of \$344,612. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried.

Magellan Encroachment Agreements. Mr. Adams explained that the water main extension through the Hentges Industrial Park will cross under an existing Magellan oil pipeline. To allow this crossing (and related street and other reconstruction), Magellan has prepared Encroachment Agreements involving multiple parties, including the developer, the City, and, as to the water main, once constructed, SPU. Commissioner Letourneau moved approval of the Encroachment Agreements and directed execution. Vice-President Fox seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried.

8. Electric Report. Brad Carlson, Assistant Electric Superintendent, provided the electric report. He described two outages since the last Commission meeting, and noted coordinated outage for tree trimming. He reported that the circuit switch at Dean Lake Substation has been completed. Mr. Drent highlighted that the American Public Power Association (APPA) awarded SPU a Certificate of Excellence for reliability. Mr. Drent noted that this is the fourth year that SPU has received this honor, and that, nationally, only 186 utilities received this award. Commissioners commended staff. Mr. Drent then presented the 2020 Reliability and Outage Report required by Minnesota Statutes 216B.029.

9. General. Jean McGann, Consulting Finance Director, AEM, presented the first quarter 2021 financial report. Ms. McGann noted the timing difference for budget and actual comparisons, and that as the year progresses, the budget/actual numbers are expected to align.

10. Future Agenda Items. Commissioner Brennan requested further discussion on properties within the City that are not receiving municipal water service.

11. Adjourn. Motion by Vice-President Fox, seconded by Commissioner Letourneau, to adjourn to the May 3, 2021 regular meeting. Ayes: Mocol, Fox, Brennan, Krieg, Letourneau. Nays: None. Motion carried.



Greg Drent, Commission Secretary

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
May 3, 2021

Following the March 13, 2020 Declaration of Peacetime Emergency by Governor Walz (as amended), the Commission is holding its regular meeting on May 3, 2021 at 5:00pm by telephone or other electronic means (Zoom) according to MN Statutes, Section 13D.021. The Commission President has concluded that an in-person meeting is not practical or prudent because of the health pandemic declared under the Emergency Order and according to current guidance from the MN Department of Health and the CDC. The Commission President will be at the regular meeting location for the Commission. The public may monitor the meeting:

Call-In Phone Number: 1-312-626-6799
Meeting Number: 993 8337 5984#
Enter Passcode: 976696#

1. **Call to Order** at 5:00pm in the SPUC Service Center, 255 Sarazin Street.

2. **Communications**

3. **Consent Agenda**
 - C=> 3a) Approval of April 19, 2021 Minutes (GD)
 - C=> 3b) Approval of May 3, 2021 Agenda (KM)
 - C=> 3c) May 3, 2021 Warrant List (JM)
 - C=> 3d) MMPA April Meeting Update (GD)
 - C=> 3e) Proposed Revised Easements – County Road 83 Construction Project (KB)
 - C=> 3f) Update on Transition from COVID Protocol to Standard Process (SW)
 - C=> 3g) Follow-up on Use of Titles in Public Meetings (KB)

4. **Liaison Report** (JB)

5. **General Manager Report**
 - 5a) General Manager Report – Verbal (GD)

6. **Reports: Water Items**
 - 6a) Water System Operations Report – Verbal (LS)
 - 6b) Memorandum No. 3 of the Comprehensive Evaluation for Municipal Water Treatment (LS)

7. **Reports: Electric Items**
 - 7a) Electric System Operations Report – Verbal (GD)

8. **Reports: Human Resources**
 - 8a) Discussion of Semi-Finalist Report for General Manager Position (SK)

9. **Reports: General**
 - 9a) Investment Manager Presentation (JM)
 - 9b) Investment Policy (JM)
 - 9c) Proposed Land Swap with DR Horton (JA)

10. **Items for Future Agendas**

11. **Tentative Dates for Upcoming Meetings**
 - Mid Month Meeting -- May 17, 2021
 - Joint Meeting -- May 25, 2021 at 6PM
 - Regular Meeting -- June 7, 2021
 - Mid Month Meeting -- June 21, 2021

12. **Adjourn to May 17, 2021 at the SPUC Service Center, 255 Sarazin Street**

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

May 3, 2021

By direction of the Shakopee Public Utilities Commission, the Secretary does hereby authorize the following warrants drawn upon the Treasury of Shakopee Public Utilities Commission:

58307 ALL ELEMENTS INC.	215.09
58308 ALLSTREAM BUSINESS US, INC	2499.15
58309 AMARIL UNIFORM CO.	198.70
58310 ANDERSON, SHERRI	500.00
58311 ANDREA AMANDA RAMNAUTH	3718.41
58312 ARROW ACE HARDWARE	98.72
58313 ASTLEFORD INTERNATIONAL & ISUZU	13.76
58314 BEARINGS & PT COMPONENTS	50.80
58315 BORDER STATES ELECTRIC SUPPLY INC	5968.33
58316 BOUTSAVTH, BOUNMALA	500.00
58317 BRYAN, TOM & ERIN	500.00
58318 CARLSON, BRADLEY	30.03
58319 CASE, JESSICA	500.00
58320 CENTURY PROMOTIONAL ADVERTISING LLC	1342.00
58321 CHOICE ELECTRIC INC	3530.28
58322 CITY OF SHAKOPEE	4637.17
58323 CITY OF SHAKOPEE	187000.00
58324 CITY OF SHAKOPEE	1090.00
58325 CONCRETE CUTTING & CORING INC	164.84
58326 COOPER, WADE 8063 SPRING LAKE	1000.00
58327 CORE & MAIN LP	1356.24
58328 CSK AUTO	13.94
58329 DE MATOS, JOAO VICTOR MIRANDA	350.00
58330 DELTA DENTAL PLAN OF MN	4762.36
58331 DEWILD GRANT RECKERT AND ASSOCIATES	12693.64
58332 DUEDE, RACHEL	350.00
58333 FERGUSON US HOLDINGS, INC.	1138.35
58334 FERRELLGAS	12.89
58335 FLYTE HCM LLC	125.00
58336 FRONTIER ENERGY, INC.	8000.00
58337 FURTHER	453.00
58338 GELHAYE, RONALD	100.00
58339 GENERAL ELECTRIC COMPANY	2672.00
58340 GRAINGER	676.16
58341 GRAYBAR ELECTRIC COMPANY INC	3980.66
58342 HACH COMPANY	915.16
58343 HAWKINS INC	16230.12
58344 HD SUPPLY FACILITIES MAINTENANCE LTD	107.42
58345 HEALTHPARTNERS	63322.53
58346 HR SPECIALIST-EMPLOYMT LAW	149.00
58347 INNOVATIVE OFFICE SOLUTIONS LLC	6562.28
58348 IRVINE, EMILY	200.00
58349 JOHNSON, MELISSA	197.99
58350 KEENER, PATRICIA	50.00
58351 LARSON DATA COMMUNICATIONS, INC	121.58
58352 LOCATORS & SUPPLIES INC	593.24
58353 MCGRANN SHEA CARNIVAL	16765.00

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

May 3, 2021

By direction of the Shakopee Public Utilities Commission, the Secretary does hereby authorize the following warrants drawn upon the Treasury of Shakopee Public Utilities

Commission:

58354	MIDWEST SAFETY COUNSELORS, INC.	2217.13
58355	MINN VALLEY TESTING LABS INC	466.00
58356	MINNESOTA LIFE	1082.04
58357	NASCENE, KIM	500.00
58358	NCPERS GROUP LIFE INSURANCE	176.00
58359	NEVILLE, GERRY	227.92
58360	NEXUS A STRATOS COMPANY DBA COMPUTEX	6294.13
58361	NICKOLAY, CINDY	275.08
58362	Principal Financial Group	3297.44
58363	PETERSON, TAMARA	500.00
58364	PLEKKENPOL, DAVID	350.00
58365	PLONSKI, STEPHEN	125.00
58366	POMP'S TIRE SERVICE INC	145.00
58367	ROMANSKY, ROBERT	204.00
58368	SCHMITZ, DAN	200.00
58369	SCHWENGELS, JASON	10.00
58370	SCOTT COUNTY RECORDERS OFFICE	92.00
58371	SERVICE LIGHTING INC	108.48
58372	SHORT ELLIOTT HENDRICKSON INC	13560.70
58373	SOELDNER, CINDY	500.00
58374	SUY, SIVAING	125.00
58375	THAMMAVONG, JOHN	500.00
58376	TISDEL, JODANNE	175.00
58377	TRI-STATE BOBCAT INC.	198.05
58378	VIKING ELECTRIC SUPPLY INC	91.78
58379	WALGREEN CO.	2038.00
58380	WALSH, MICHAEL & SHARON	70.62
58381	WESCO DISTRIBUTION INC	13954.52
58382	WILLIAM, NEVIN	350.00
58383	WONDRA, LAURIE	500.00
58384	XCEL ENERGY	3624.22

TOTAL

\$407,413.95



 Interim Commission Secretary

 Commission President



 Interim Director of Finance & Administration

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

May 3, 2021

By direction of the Shakopee Public Utilities Commission, the Secretary does hereby authorize the following warrants drawn upon the Treasury of Shakopee Public Utilities Commission:

58307 ALL ELEMENTS INC.	215.09	replace 2 frost free flashing on roof
58308 ALLSTREAM BUSINESS US, INC	2499.15	Shak Sub, Pike Lake, S.Sub, and SPU
58309 AMARIL UNIFORM CO.	198.70	Clothing for Bill Rose
58310 ANDERSON, SHERRI	500.00	2021 Res. Cooling & Heating Rebate
58311 ANDREA AMANDA RAMNAUTH	3718.41	May Cleaning service
58312 ARROW ACE HARDWARE	98.72	Water dept. BRS Tee, Hex bushing,coupling, elbow, adapter, clamp, wire strip/cutter
58313 ASTLEFORD INTERNATIONAL & ISUZU	13.76	Elec. Dept. trk Key cut
58314 BEARINGS & PT COMPONENTS	50.80	3JE Sleeve/coupling
58315 BORDER STATES ELECTRIC SUPPLY INC	5968.33	Electric meters, WO#2464
58316 BOUTSAVTH, BOUNMALA	500.00	2021 Res. Cooling & Heating Rebate
58317 BRYAN, TOM & ERIN	500.00	2021 Res. Cooling & Heating Rebate
58318 CARLSON, BRADLEY	30.03	New phone case & charger reimb.
58319 CASE, JESSICA	500.00	2021 Res. Cooling & Heating Rebate
58320 CENTURY PROMOTIONAL ADVERTISING LLC	1342.00	New clothing for the water dept.
58321 CHOICE ELECTRIC INC	3530.28	WO#2461 - \$2,174.42, Pmpps #15 - pull wiring for scales & provide power, WO#2468 - \$153.22- Pmpps #6 install new motor, WO#2461-\$229.10- Pmpps #15, pulled shielded cable for scales, \$799.58 - Pmpps #2-Troubleshoot panel, replace power, \$173.96 - Pmpps #9 - Ground meter & main water line bonded JBox
58322 CITY OF SHAKOPEE	4637.17	April Fuel usage
58323 CITY OF SHAKOPEE	187000.00	May Transfer Fee
58324 CITY OF SHAKOPEE	1090.00	March R.O.W. permits \$790.00, WO#2481 - \$150. and WO#2239- -\$150.00
58325 CONCRETE CUTTING & CORING INC	164.84	18 Bar for Chainsaw
58326 COOPER, WADE 8063 SPRING LAKE	1000.00	2021 Res. Solar Rebate
58327 CORE & MAIN LP	1356.24	3 T-2 Water Meter WO#2451
58328 CSK AUTO	13.94	Water dept. Glass cleaner
58329 DE MATOS, JOAO VICTOR MIRANDA	350.00	2021 Res. Cooling & Heating Rebate
58330 DELTA DENTAL PLAN OF MN	4762.36	Dental Ins. premiums for April
58331 DEWILD GRANT RECKERT AND ASSOCIATES	12693.64	Dean Lake #2 Circuit Switcher Replace WO#2392
58332 DUEDE, RACHEL	350.00	2021 Res. Cooling & Heating Rebate
58333 FERGUSON US HOLDINGS, INC.	1138.35	1 GAL HYDRANT OIL, gloves and smooth jaw wrench
58334 FERRELLGAS	12.89	Rental 3/1-2/28/22
58335 FLYTE HCM LLC	125.00	COBRA SRN - Jan & HIPPA Notice for Feb.
58336 FRONTIER ENERGY, INC.	8000.00	Prof. service thru 1/31/21 - 4/30/21
58337 FURTHER	453.00	April Adm. fee
58338 GELHAYE, RONALD	100.00	2021 WATER SENSE TOILET
58339 GENERAL ELECTRIC COMPANY	2672.00	Server for basic points
58340 GRAINGER	676.16	Frost proof Yard Hydrant WO#2490 \$338.92, Ear plug dispenser, zip ties, grease guns,WO#2490 - \$127.93 elbows, locks for lock out tag out.
58341 GRAYBAR ELECTRIC COMPANY INC	3980.66	WO# 2239-Fiberglass 6 45 deg elbows 60" radius
58342 HACH COMPANY	915.16	SPADNS Fluoride Reagent AccuVac
58343 HAWKINS INC	16230.12	Cylinders of Chlorine,fluoride and Liquid phosphate., fluoride pump, bleed valve, o-ring, tubing, suction valve, injection valve, rebuild kits, hydro ejector rebuild kits
58344 HD SUPPLY FACILITIES MAINTENANCE LTD	107.42	Fluoride Reagent
58345 HEALTHPARTNERS	63322.53	April Health Ins. Premiums
58346 HR SPECIALIST-EMPLOYMT LAW	149.00	HR Specialist 1 year sub.
58347 INNOVATIVE OFFICE SOLUTIONS LLC	6562.28	Chairs for Conference Room & Office supplies
58348 IRVINE, EMILY	200.00	2021 Res. Cooling & Heating Rebate
58349 JOHNSON, MELISSA	197.99	2021 IRRIGATION CONTROLLERS
58350 KEENER, PATRICIA	50.00	2021 Res. Energy Star Appliance
58351 LARSON DATA COMMUNICATIONS, INC	121.58	Sales Tax and shipping fee for Industrial Radio - WO#2392
58352 LOCATORS & SUPPLIES INC	593.24	12 cases Red marking paint for locating
58353 MCGRANN SHEA CARNIVAL	16765.00	\$10590.00 - Municipal & Regulatory Matters, WO#2377 - \$6175.00 - West Sub. - Purchase agreement
58354 MIDWEST SAFETY COUNSELORS, INC.	2217.13	Safety items & Calibration Gas
58355 MINN VALLEY TESTING LABS INC	466.00	Hardness, sodium, iron, mag., copper, zinc
58356 MINNESOTA LIFE	1082.04	April Life Ins. premiums
58357 NASCENE, KIM	500.00	2021 Res. Cooling & Heating Rebate
58358 NCPERS GROUP LIFE INSURANCE	176.00	May Life. ins. premiums
58359 NEVILLE, GERRY	227.92	Miles reimb.

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

May 3, 2021

By direction of the Shakopee Public Utilities Commission, the Secretary does hereby authorize the following warrants drawn upon the Treasury of Shakopee Public Utilities Commission:

58360 NEXUS A STRATOS COMPANY DBA COMPUTEX	6294.13 Elec. dept. SCADA system,6/2-21-6/5/22
58361 NICKOLAY, CINDY	275.08 Miles reimb.
58362 Principal Financial Group	3297.44 L.T.D. for May
58363 PETERSON, TAMARA	500.00 2021 Res. Cooling & Heating Rebate
58364 PLEKKENPOL, DAVID	350.00 2021 Res. Cooling & Heating Rebate
58365 PLONSKI, STEPHEN	125.00 2021 STAR CLOTHES WASHER
58366 POMP'S TIRE SERVICE INC	145.00 Elec. Dept. Vactron Tire Trk #639
58367 ROMANSKY, ROBERT	204.00 Reimbursement for External 10 TB hard drive to retrieve data from old backup cloud
58368 SCHMITZ, DAN	200.00 2021 Res. Cooling & Heating Rebate
58369 SCHWENGELS, JASON	10.00 2021 Res. Energy Star Lighting
58370 SCOTT COUNTY RECORDERS OFFICE	92.00 Rec. of Water Cap Shak Apt. Bldg A & B & Recording of Water Capacity charge for Shak. Apt. Bldg C
58371 SERVICE LIGHTING INC	108.48 Bulbs for Christmas snowflakes
58372 SHORT ELLIOTT HENDRICKSON INC	13560.70 \$1756.37 - WO#2489 Scott St. RR Crossing Assistance, \$1122.00 - WO#2437 - Groundwater Aquifer Monitoring Well, \$8742.11 - WO#2432 - Feasibility Study WT, \$1940.22 - WO#2467 - Am .Water Infrastructure Act
58373 SOELDNER, CINDY	500.00 2021 Res. Cooling & Heating Rebate
58374 SUY, SIVAING	125.00 2021 STAR CLOTHES WASHER
58375 THAMMAVONG, JOHN	500.00 Res. Energy Cooling & Heating
58376 TISDEL, JODANNE	175.00 2021 Res. Energy Star Appliance
58377 TRI-STATE BOBCAT INC.	198.05 blades for chipper - Elec. Dept. Trk 625
58378 VIKING ELECTRIC SUPPLY INC	91.78 500ft roll 18-2 shielded wire
58379 WALGREEN CO.	2038.00 2021 - HVAC/VSD Improvements to Walgreens
58380 WALSH, MICHAEL & SHARON	70.62 Reimb. Important Info. stamps for collections
58381 WESCO DISTRIBUTION INC	13954.52 SPLICING KIT 750MCM/AL 15KV
58382 WILLIAM, NEVIN	350.00 2021 Res. Cooling & Heating Rebate
58383 WONDRA, LAURIE	500.00 2021 Res. Cooling & Heating Rebate
58384 XCEL ENERGY	3624.22 Amberglen service 3/24-4/22/21 , Valley Park Dr. service 3/24-4/22

TOTAL

\$407,413.95

Interim Commission Secretary


Commission President



Interim Director of Finance & Administration



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

To: SPU Commissioners
From: Greg Drent, Interim General Manager 
Date: April 30, 2021
Subject: MMPA April Meeting Update

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on April 27, 2021, via WebEx.

BKD presented MMPA's 2020 financial statement audit. The Board received and accepted the audit report, which is available on MMPA's website www.mmpa.org.

The Board decided to postpone the Agency's 2021 annual summer dinner meeting with city officials to a later date than the usual July meeting.

The Board reviewed and approved an updated load shedding policy that would be used in the event of a system emergency.

The Board discussed MMPA's initiatives regarding electric vehicles.

There was an increase of 4 customers participating in MMPA's residential Clean Energy Choice program from February to March. Customer penetration of the program for residential customers remains at 3.6%.

MCGRANN SHEA CARNIVAL STRAUGHN & LAMB, CHARTERED

MEMORANDUM

To: Shakopee Public Utilities Commissioners
From: Kaela Brennan *Kaela*
Date: April 28, 2021
Re: Proposed Revised Easements – County Road 83 Construction Project

Background

At its November 16, 2020 meeting, the Commission approved the Construction Cooperative Agreement between Scott County and SPU concerning the County Road 83 construction project (the “Agreement”). The Agreement included as exhibits two easements, a Temporary Construction Easement and a Highway Easement.

SPU representatives signed the Agreement and the easements in November 2020. But when the County attempted to record the easements, they were rejected due to an exhibit sticker on the documents. The County has asked that the Commission sign revised easements, without any stickers, for recording. In the meantime, the officers and people who initially signed the easements for SPU have changed. Revised easements – without exhibit stickers and with current officers – are enclosed.

Recommended Action

The Commission should approve the revised Temporary Construction Easement and Highway Easement, with current officers, and authorize signature.

Please feel free to contact me if you have any questions (612-338-2525 or kmb@mcgrannshea.com). I look forward to the discussion at the May 3, 2021 meeting.

TEMPORARY CONSTRUCTION EASEMENT

SP 070-683-014 (CP 83-24)
Parcel No. 25

FOR VALUABLE CONSIDERATION, Shakopee Public Utilities Commission, a municipal utility commission organized and existing under the laws of the State of Minnesota, (“Grantor”), hereby grants and conveys unto the County of Scott (“Grantee”), its contractors, permittees, successors and assigns, a temporary easement(s) for construction purposes for work space, construction operations and to grade and construct slopes, both cuts and fills, associated with construction or reconstruction of a public highway, together with all other rights necessary and convenient for the enjoyment and use of same, over, under and across the real property situated in Scott County, State of Minnesota as described, as follows:

That part of Lot 13, Block 1, VALLEY PARK FIFTH ADDITION, according to the record plat thereof, on file in the Office of the Registrar of Titles in and for Scott County, Minnesota, which is denoted as Temporary Easement Parcel 33 and shown by the symbol (“T.E. 33”) on Scott County Right of Way Plat No. 110, according to the record plat thereof, on file in the Office of the Registrar of Titles, Scott County, Minnesota.

PIN 27-081-013-0

Said temporary easement shall commence on April 1, 2021 and shall terminate on December 1, 2022.

Grantor hereby agrees that all earthen material, other material, trees and vegetation excavated, removed or taken by Grantee from within said temporary easement shall become the property of Grantee.

Upon turf establishment with a grass vegetative cover on disturbed areas per plans and specifications determined by Grantee, Grantor does hereby release Grantee from any claims or damages resulting from the construction of said slopes associated with the road project and all work in connection therewith.

This agreement is binding upon the heirs, successors, executors, administrators and assigns of the parties hereto.

{This Space is left blank}

{Signature page follows on the next page}

EXECUTED as of this _____ day of _____, 2021.

SHAKOPEE PUBLIC UTILITIES COMMISSION

By: _____

Kathi Mocol {Printed Name}

Its: President

By: _____

Greg Drent {Printed Name}

Its: Secretary

STATE OF MINNESOTA)
) SS.
COUNTY OF SCOTT)

On this _____ day of _____, 2021, before me, a Notary Public within and for said County, personally appeared Kathi Mocol and Greg Drent to me personally known, who by me duly sworn did say that they are the President and Secretary of Shakopee Public Utilities Commission. a Minnesota municipal utility commission, named in the foregoing instrument, and that they are authorized by said municipal utilities commission to sign the foregoing instrument as the free act and deed for and on behalf of said municipal utilities commission.

Notary Public

HIGHWAY EASEMENT

SP 070-683-014 (CP 83-24)
Parcel No. 25

FOR VALUABLE CONSIDERATION, Shakopee Public Utilities Commission, a municipal utility commission organized and existing under the laws of the State of Minnesota, (“Grantor”), hereby grants and conveys unto the County of Scott, (“Grantee”), an easement(s) for highway purposes to grade, construct, operate, maintain, use, alter, repair and remove a public highway, trails, sidewalks, bridges, structures, storm sewer, sanitary sewer, other transportation-related use(s), public facilities, utilities, boulevards and appurtenances, including for drainage and utility purposes and uses by Grantee and by other public or quasi-public utilities and appurtenances permitted under Grantee’s Management of Public Right-of-Way Ordinance, including as may be amended or superseded, together with all other rights necessary and convenient for the enjoyment and unrestricted use of same over, under and across the real property situated in Scott County, State of Minnesota, as described, as follows:

That part of Lot 13, Block 1, VALLEY PARK FIFTH ADDITION, according to the record plat thereof, on file in the Office of the Registrar of Titles in and for Scott County, Minnesota, which is denoted and shown as Parcel 33 on Scott County Right of Way Plat No. 110, according to the record plat thereof, on file in the Office of the Registrar of Titles, Scott County, Minnesota.

PIN 27-081-013-0

Grantor hereby conveys to Grantee all grass, shrubs, trees, natural growth, earthen materials, landscaping, improvements and structures existing or that may planted or grown on the easement(s) described herein. Grantor hereby agrees to not damage, destroy or remove any grass, trees, shrubs or natural growth on the easement(s) described herein

Grantor hereby releases Grantee from any and all claims for damages to the premises resulting from the uses and purposes granted herein and lying within the boundaries of the easement(s) described herein. Grantee shall have the right to use and remove all grass, shrubs, trees (including overhanging branches), earthen materials, structures and improvements, which lie within the boundaries of the easement(s) described herein.

To have and hold same, together with all of the rights belonging thereto, all of which shall run with the land and be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

{Signature page follows on the next page}

EXECUTED as of this _____ day of _____, 2021.

SHAKOPEE PUBLIC UTILITIES COMMISSION

By: _____

Kathi Mocol {Printed Name}

Its: President

By: _____

Greg Drent {Printed Name}

Its: Secretary

STATE OF MINNESOTA)
) SS.
COUNTY OF SCOTT)

On this _____ day of _____, 2021, before me, a Notary Public within and for said County, _____ personally appeared Kathi Mocol and Greg Drent to me personally known, who by me duly sworn did say that they are the President and Secretary of Shakopee Public Utilities Commission. a Minnesota municipal utility commission, named in the foregoing instrument, and that they are authorized by said municipal utilities commission to sign the foregoing instrument as the free act and deed for and on behalf of said municipal utilities commission..

Notary Public

GENERAL

SCOTT COUNTY RIGHT OF WAY PLAT NO. 110

County Highway Project No. S.A.P. 70-683-014 C.P. 83-24

THE BOARD OF COUNTY COMMISSIONERS FOR SCOTT COUNTY, MINNESOTA, PURSUANT TO BOARD RESOLUTION NUMBER 2005-173, DATED DECEMBER 20, 2005, IS HEREBY DESIGNATING THE ESTIMATE LOCATION OF THE RIGHT OF WAY OF COUNTY STATE AID HIGHWAY NUMBER 83 FROM U.S. HIGHWAY NO. 169 TO 1100 FEET SOUTH OF COUNTY STATE AID HIGHWAY NO. 101 IN THE CITY OF SHAKOPEE. THAT PORTION OF SAID HIGHWAY IS LOCATED IN SECTIONS 4 AND 9, TOWNSHIP 115 NORTH, RANGE 22 WEST, SCOTT COUNTY, MINNESOTA.

That portion of said County State Aid Highway Number 83 located in Section 4 and 9, Township 115 North, Range 22 West, as shown on this plat affected by the County of Scott, Department of Highways, is hereby certified to be the official plat of that portion of said County State Aid Highway within said sections pursuant to Minnesota Statutes Chapter 160.085 and Chapter 160.14 Subdivision 1.

 Date: 12/29/2008
Marilyn J. Scott, Scott County Engineer
Minnesota License No. 23128

I hereby certify that this plat was prepared by me or under my direct supervision and that I am a duly Licensed Land Surveyor under the laws of the State of Minnesota; that the monuments indicating the boundary lines will be correctly placed in the ground as shown after completion of construction; that all requirements are correctly shown on this plat; and that the right of way boundary lines are correctly designated on this plat.

 Date: 12/29/2008
Jorge Kotosek, Licensed Land Surveyor
Minnesota License No. 45846

NOTES:

Existing prescriptive right of way as defined by Minnesota Statute 160.05 is not shown. For information pertaining to existing right of way widths prior to recording of this plat, contact the Scott County Highway Department.

Parcel boundaries and corresponding parcel acreage have been determined by current deed evidence of record only.

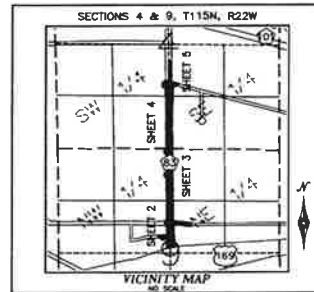
The listing of recorded owners noted in the parcel table was formed from current deeds of record available in Scott County records.

Orientation of this bearing system is based on the Scott County Coordinate System NAD 83 (96 Adjustment).

Existing centerline and proposed centerline are not the same.

Distances shown to Feet (20, 66, etc.) are exact values.

For details concerning this right of way plat, contact the Scott County Surveyor's Office.



DOCUMENT NO. A1115408

I hereby certify that this instrument was recorded in the Office of the County Recorder for record on this 17th day of January, 2009, at 9:55 o'clock P.M.










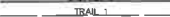




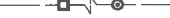




Julie K. Hanson by Vivian Platteau, deputy
Scott County Recorder

DOCUMENT NO. T2161957

I hereby certify that this instrument was filed in the Office of the County Registrar of Titles for record on this 7th day of January, 2009, at 12:58 o'clock P.M.

Julie K. Hanson by Vivian Platteau, deputy
Scott County Registrar of Titles

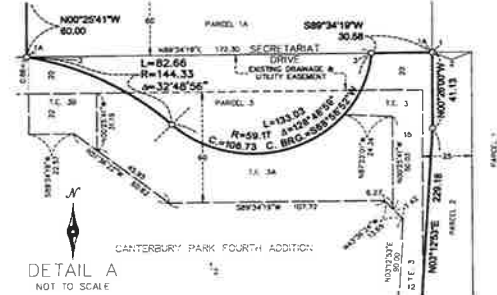
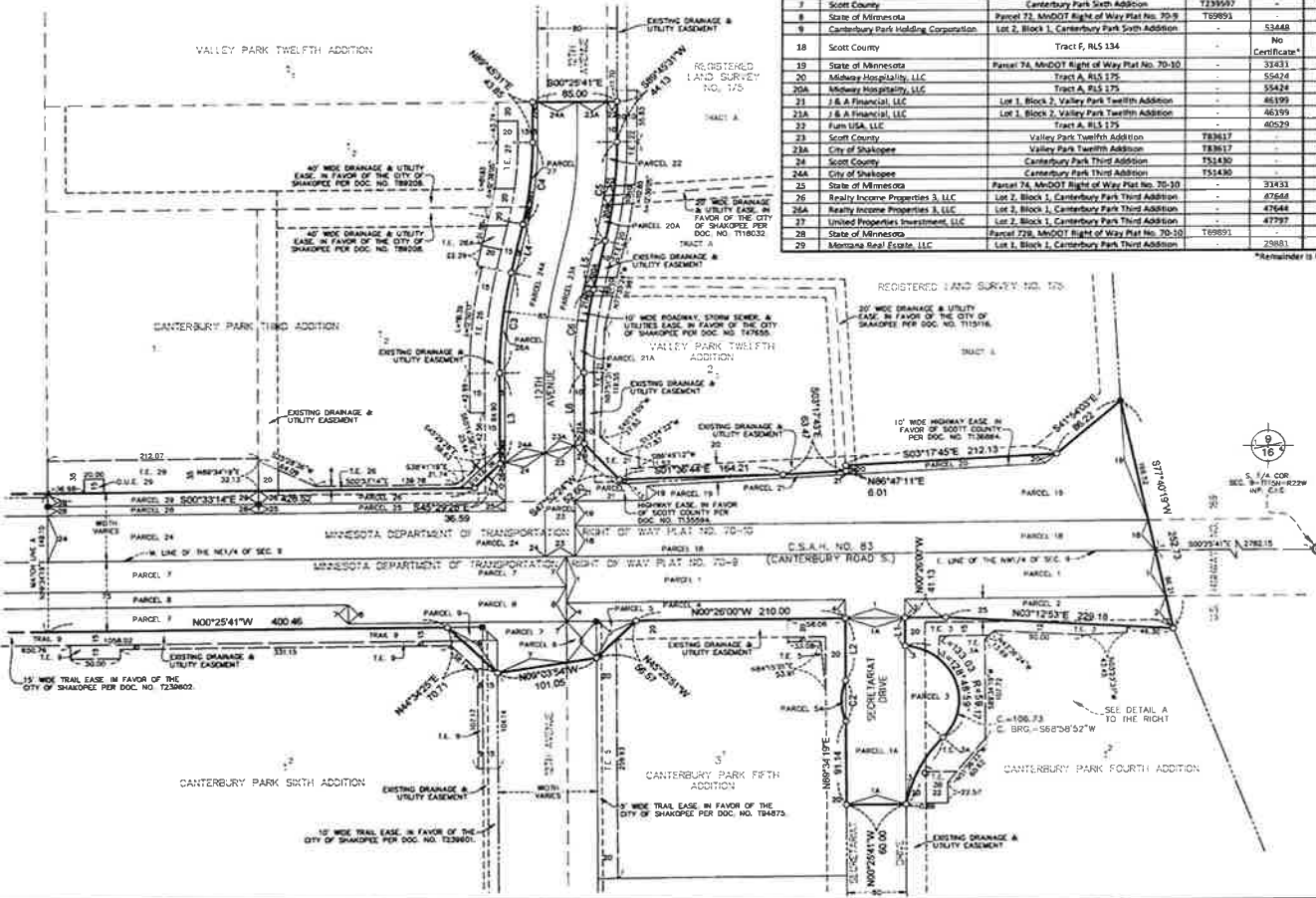
LEGEND:

	SECTION LINE
	QUARTER SECTION LINE
	SIXTEENTH/30TH LOT LINE
	PROPERTY LINE (M&B)
	R/W PARCEL LINE/NUMBER
	EXISTING R/W
	R/W PLAT BOUNDARY
	RAILROAD R/W
	TEMPORARY EASEMENT
	DRAINAGE & UTILITY EASEMENT
	DRAINAGE, UTILITY, & TRAIL EASEMENT
	TRAIL EASEMENT
	SIDEWALK EASEMENT
	EXISTING DRAINAGE & UTILITY EASEMENT
	ACCESS CONTROL
	ACCESS OPENING
	SCOTT COUNTY MONUMENT TYPE AS NOTED
	1-1/2 INCH ALUMINUM CAP ON 14 INCH REBAR TO BE SET AFTER CONSTRUCTION
	FOUND MONUMENT

SCOTT COUNTY RIGHT OF WAY PLAT NO. 110
County Highway Project No. S.A.P. 70-683-014 C.P. 83-24

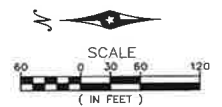
SECTION 9, TOWNSHIP 115N, RANGE 22W				HIGHWAY RIGHT OF WAY (R/W)			EASEMENTS					
Parcel	Owner(s) of Record	Location	Deed Record, Doc No., or Book/Page	Certificate of Title No.	Existing R/W (Sq. Ft.)	New R/W (Sq. Ft.)	Total R/W (Sq. Ft.)	Drainage & Utility Easement (Sq. Ft.)	Drainage, Utility, & Trail Easement (Sq. Ft.)	Trail Easement (Sq. Ft.)	Temporary Easement (Sq. Ft.)	Temporary Easement Expires On:
1	Scott County	Canterbury Park 2nd Addition	T23008	-	11,055	-	11,055	-	-	-	-	-
1A	City of Shakopee	Canterbury Park 2nd Addition	T23008	-	12,172	-	12,172	-	-	-	-	-
2	State of Minnesota	Parcel 71, MNDOT Right of Way Plat No. 70-9	-	25001	6,882	-	6,882	-	-	-	-	-
3	American Group of Properties, LLC	Lot 2, Block 1, Canterbury Park Fourth Addition	50848	-	-	5,484	5,484	-	-	-	2,772	December 1, 2022
3A	American Group of Properties, LLC	Lot 2, Block 1, Canterbury Park Fourth Addition	50848	-	-	-	-	-	-	-	5,915	December 1, 2022
3B	American Group of Properties, LLC	Lot 2, Block 1, Canterbury Park Fourth Addition	50848	-	-	-	-	-	-	-	801	December 1, 2022
4	State of Minnesota	Parcel 74, MNDOT Right of Way Plat No. 70-9	-	31431	5,548	-	5,548	-	-	-	-	-
5	McDonald's USA, LLC	Lot 1, Block 3, Canterbury Park Fifth Addition	58620	-	-	800	800	-	-	-	5,123	December 1, 2022
5A	McDonald's USA, LLC	Lot 1, Block 3, Canterbury Park Fifth Addition	58620	-	-	129	129	-	-	-	-	-
6	Scott County	Canterbury Park Fifth Addition	A415256	-	1,268	-	1,268	-	-	-	-	-
7	Scott County	Canterbury Park Sixth Addition	T239547	-	161,333	-	161,333	-	-	-	-	-
8	State of Minnesota	Parcel 72, MNDOT Right of Way Plat No. 70-9	T09851	-	34,085	-	34,085	-	-	-	-	-
9	Canterbury Park Holding Corporation	Lot 2, Block 1, Canterbury Park Sixth Addition	-	53448	-	17,088	17,088	-	-	22,543	11,004	December 1, 2022
18	Scott County	Tract F, RLS 134	-	No Certificate*	19,126	-	19,126	-	-	-	-	-
19	State of Minnesota	Parcel 7A, MNDOT Right of Way Plat No. 70-10	-	33431	31,963	-	31,963	-	-	-	-	-
20	Midway Hospitality, LLC	Tract A, RLS 175	55474	-	2,059	-	2,059	-	-	-	814	December 1, 2022
20A	Midway Hospitality, LLC	Tract A, RLS 175	55474	-	1,004	-	1,004	-	-	-	-	-
21	J & A Financial, LLC	Lot 1, Block 2, Valley Park Twelfth Addition	46199	-	2,937	843	3,780	-	-	-	2,294	December 1, 2022
21A	J & A Financial, LLC	Lot 1, Block 2, Valley Park Twelfth Addition	46199	-	1,727	-	1,727	-	-	-	-	December 1, 2022
22	Fam USA, LLC	Tract A, RLS 175	46529	-	1,025	-	1,025	-	-	-	1,029	December 1, 2022
23	Scott County	Valley Park Twelfth Addition	T83617	-	3,473	-	3,473	-	-	-	-	-
23A	City of Shakopee	Valley Park Twelfth Addition	T83617	-	11,438	-	11,438	-	-	-	-	-
24	Scott County	Canterbury Park Third Addition	T51430	-	27,253	-	27,253	-	-	-	-	-
24A	City of Shakopee	Canterbury Park Third Addition	T51430	-	15,596	-	15,596	-	-	-	-	-
25	State of Minnesota	Parcel 7A, MNDOT Right of Way Plat No. 70-10	-	33433	2,313	-	2,313	-	-	-	-	-
26	Realty Income Properties 3, LLC	Lot 2, Block 1, Canterbury Park Third Addition	47644	-	4,096	4,096	-	-	487	-	4,101	December 1, 2022
26A	Realty Income Properties 3, LLC	Lot 2, Block 1, Canterbury Park Third Addition	47644	-	1,405	1,405	-	-	-	-	491	December 1, 2022
27	United Property Investment, LLC	Lot 2, Block 1, Canterbury Park Third Addition	47797	-	372	372	-	-	-	-	1,463	December 1, 2022
28	State of Minnesota	Parcel 71B, MNDOT Right of Way Plat No. 70-10	T09851	-	2,151	-	2,151	-	-	-	-	-
29	Montana Real Estate, LLC	Lot 1, Block 1, Canterbury Park Third Addition	29801	-	3,010	3,010	-	-	-	-	7,122	December 1, 2022

*Remainder is Road R/W

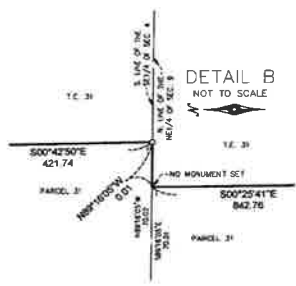
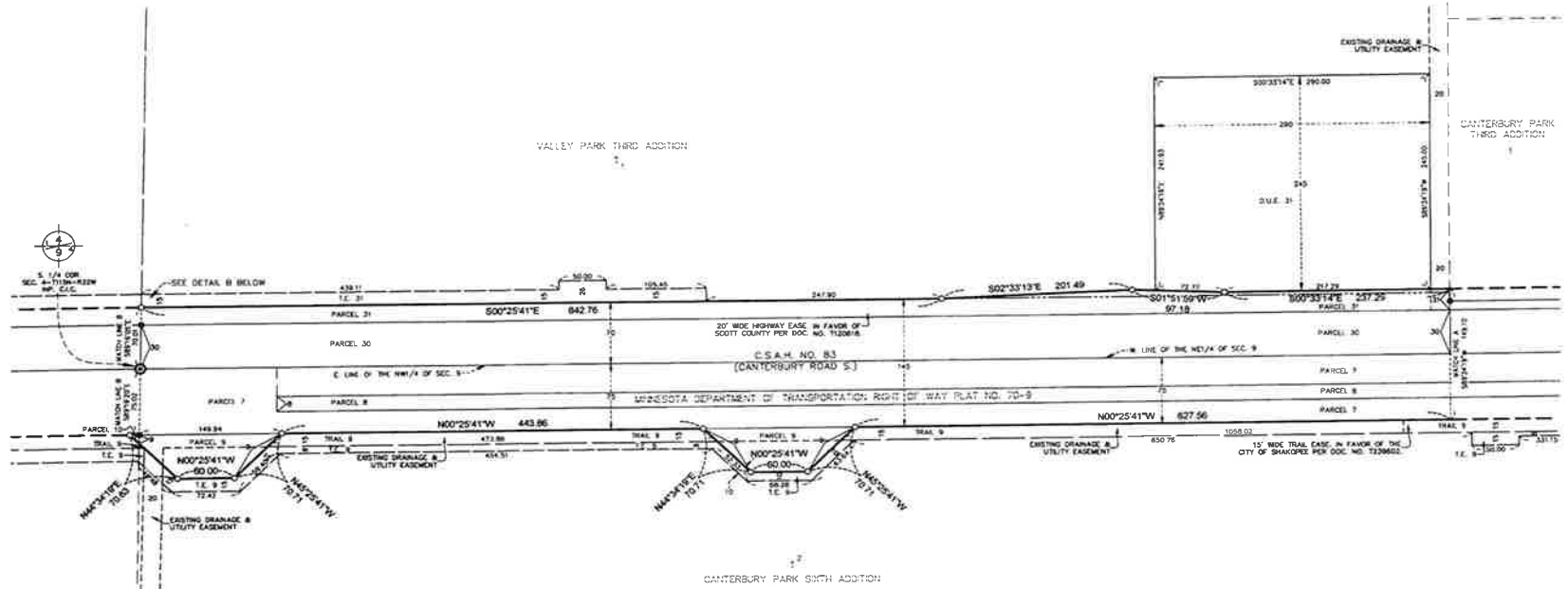


Line #	Length	Direction
L1	30.58	S89°34'19\"/>
L2	67.30	N89°34'19\"/>
L3	92.06	N89°34'19\"/>
L4	53.84	S77°35'24\"/>
L5	53.84	N77°35'24\"/>
L6	78.07	S89°34'19\"/>

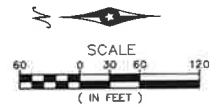
Curve #	Length	Radius	Delta	Chord	Chord Bearing
C1	82.66	144.33	32°48'56\"/>		
C2	45.34	99.17	44°08'03\"/>		
C3	109.66	489.43	12°50'17\"/>		
C4	89.66	406.06	12°39'05\"/>		
C5	108.43	491.06	12°39'05\"/>		
C6	90.62	404.43	12°50'17\"/>		



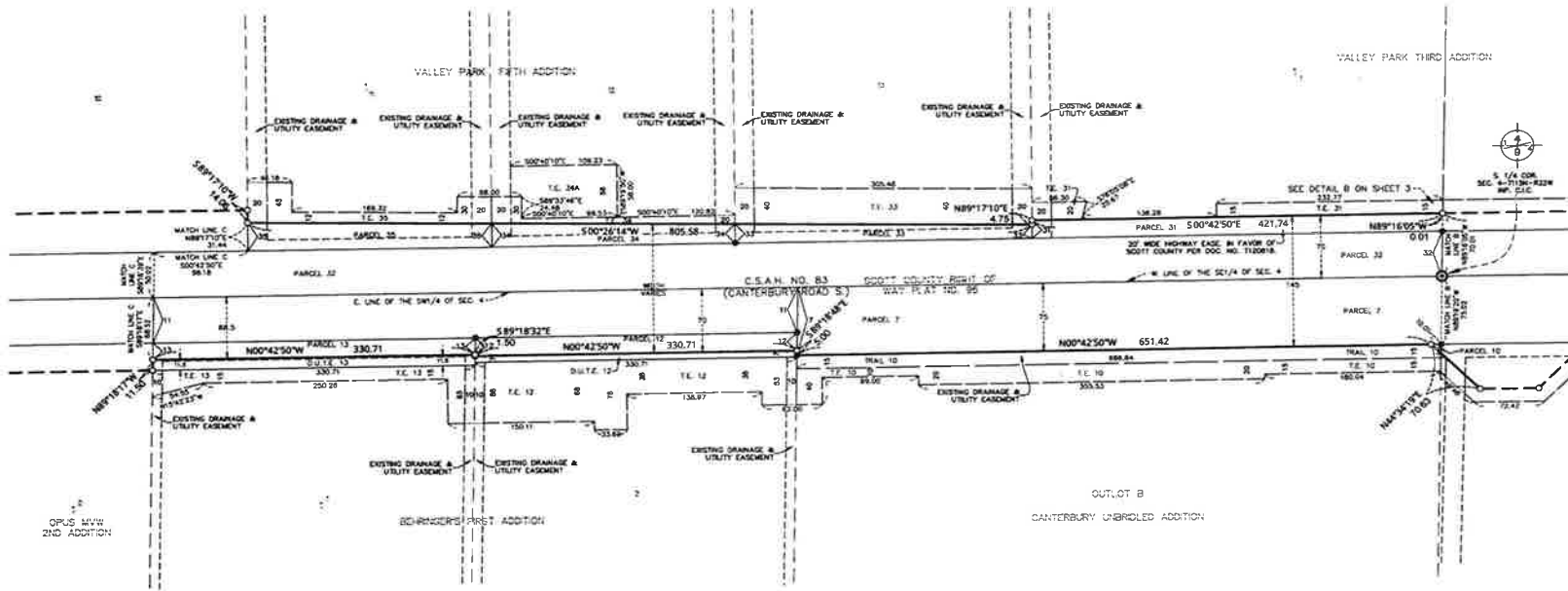
SCOTT COUNTY RIGHT OF WAY PLAT NO. 110
 County Highway Project No. S.A.P. 70-683-014 C.P. 83-24



SECTION 9, TOWNSHIP 115N, RANGE 22W		HIGHWAY RIGHT OF WAY (R/W)			EASEMENTS						
Parcel	Owner(s) of Record	Location	Deed Record, Doc No., or Book/Page	Certificate of Title No.	Existing R/W (Sq. Ft.)	New R/W (Sq. Ft.)	Total R/W (Sq. Ft.)	Drainage & Utility Easement (Sq. Ft.)	Trail Easement (Sq. Ft.)	Temporary Easement (Sq. Ft.)	Temporary Easement Expires On
7	Scott County	Canterbury Park South Addition	T219597	-	161,313	-	161,313	-	-	-	-
8	State of Minnesota	Parcel 72, MnDOT Right of Way Plat No. 70-9	T92892	-	34,085	-	34,085	-	-	-	-
9	Canterbury Park Holding Corporation	Lot 2, Block 1, Canterbury Park Sixth Addition	-	53448	-	12,088	12,088	-	22,541	21,004	December 1, 2022
30	Scott County	Valley Park Third Addition	T18956	-	68,970	-	68,970	-	-	-	-
31	Shanna, LLC	Lot 1, Block 1, Valley Park Third Addition	-	52274	38,004	2,201	38,205	70,938	-	13,563	December 1, 2022



SCOTT COUNTY RIGHT OF WAY PLAT NO. 110
County Highway Project No. S.A.P. 70-683-014 C.P. 83-24

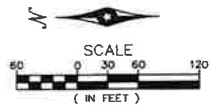
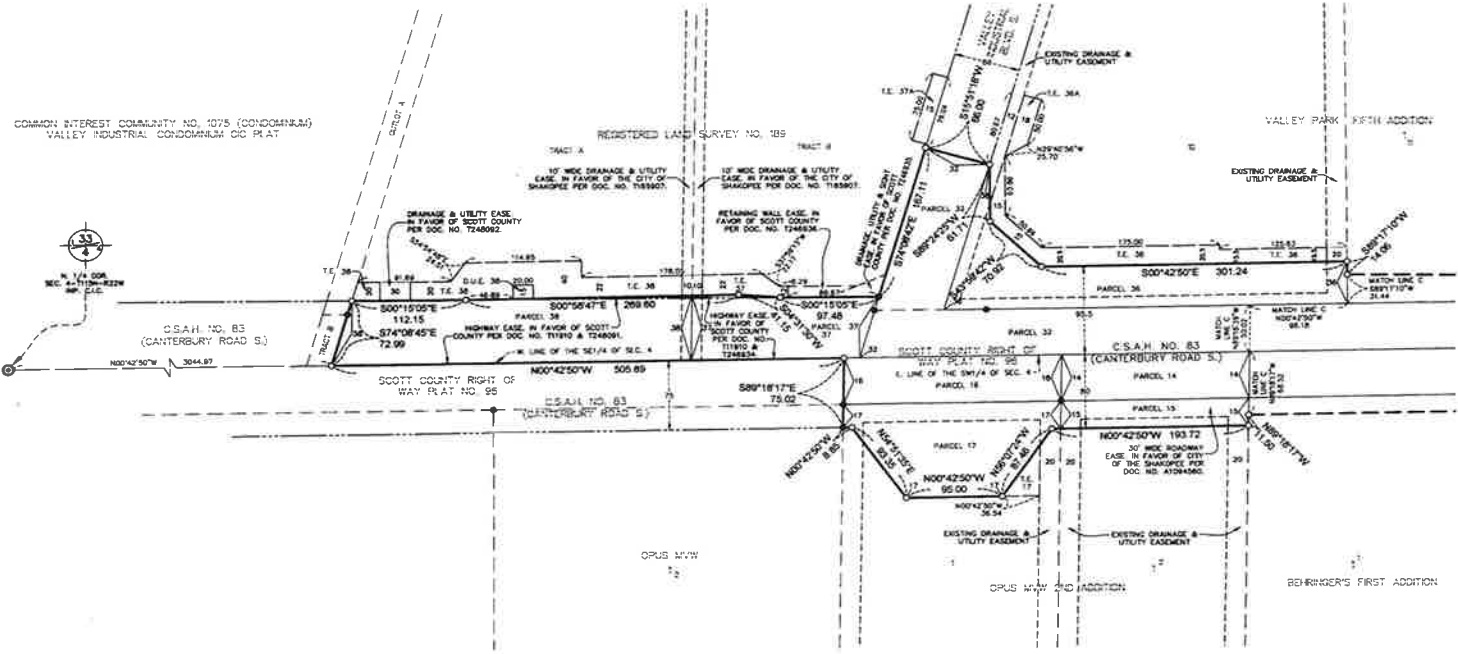


SECTION 4, TOWNSHIP 115N, RANGE 22W				HIGHWAY RIGHT OF WAY (R/W)			EASEMENTS					
Parcel	Owner(s) of Record	Location	Deed Record, Doc No., or Book/Page	Certificate of Title No.	Existing R/W (Sq. Ft.)	New R/W (Sq. Ft.)	Total R/W (Sq. Ft.)	Drainage & Utility Easement (Sq. Ft.)	Drainage, Utility, & Trail Easement (Sq. Ft.)	Trail Easement (Sq. Ft.)	Temporary Easement (Sq. Ft.)	Temporary Easement Expires On:
7	Scott County	Canterbury Park Sixth Addition	T23997	-	161,333	-	161,333	-	-	-	-	-
10	Canterbury Development, LLC	Outlot B, Canterbury Unimproved Addition	A3018470	-	-	49	49	-	-	5,872	11,867	December 1, 2022
11	Scott County	Behringers First Addition	A237466	-	33,071	-	33,071	-	-	-	-	-
12	Scott County	Lot 2, Block 1, Behringers First Addition	A798220	-	-	6,614	6,614	-	2,315	-	16,921	December 1, 2022
13	Canterbury Properties, LLC	Lot 1, Block 1, Behringers First Addition	A470815	-	-	6,118	6,118	-	3,803	-	5,777	December 1, 2022
31	Shalin, LLC	Lot 1, Block 1, Valley Park Third Addition	-	32234	36,004	2,201	38,205	70,938	-	-	13,583	December 1, 2022
32	Scott County	Valley Park First Addition	T11915	-	94,502	-	94,502	-	-	-	-	-
33	Shaloga Public Utilities Commission	Lot 13, Block 1, Valley Park Fifth Addition	-	34887	-	5,596	5,596	-	-	-	10,619	December 1, 2022
34	PVP 057	Lot 12, Block 1, Valley Park Fifth Addition	-	32596	-	5,975	5,975	-	-	-	2,410	December 1, 2022
34A	PVP 057	Lot 12, Block 1, Valley Park Fifth Addition	-	32596	-	-	-	-	-	-	6,066	December 1, 2022
35	PVP 057	Lot 13, Block 1, Valley Park Fifth Addition	-	32595	-	7,231	7,231	-	-	-	4,244	December 1, 2022

ORIGINAL

SCOTT COUNTY RIGHT OF WAY PLAT NO. 110

County Highway Project No. S.A.P. 70-683-014 C.P. 83-24




Parcel	Owner(s) of Record	Location	Deed Record, Doc No., or Book/Page	Certificate of Title No.	HIGHWAY RIGHT OF WAY (R/W)			EASEMENTS			
					Existing R/W (Sq. Ft.)	New R/W (Sq. Ft.)	Total R/W (Sq. Ft.)	Drainage & Utility Easement (Sq. Ft.)	Trail Easement (Sq. Ft.)	Temporary Easement (Sq. Ft.)	Temporary Easement Expires On:
14	Scott County	Kirkwood Valley Park First Addition	A167215	-	9,253	-	9,253	-	-	-	-
15	Canterbury Development, LLC	Lot 2, Block 1, Opus M/W 2nd Addition	A1068130	-	5,551	-	5,551	-	-	-	-
16	Scott County	Opus M/W 2nd Addition	A768554	-	10,753	-	10,753	-	-	1,004	December 1, 2022
17	City of Shakopee	Lot 1, Block 1, Opus M/W 2nd Addition	A1090347	-	-	16,803	16,803	-	-	-	-
32	Scott County	Valley Park First Addition	111915	-	96,502	-	96,502	-	-	-	-
36	Larson Development 4000, LLC	Lot 10, Block 1, Valley Park Fifth Addition	-	52461	-	20,906	20,906	-	-	6,767	December 1, 2022
36A	Larson Development 4000, LLC	Lot 10, Block 1, Valley Park Fifth Addition	-	52461	-	-	-	-	-	1,065	December 1, 2022
37	Larson Development 4000, LLC	Tract B, RLS 189	-	52462	11,696	215	11,911	-	-	1,742	December 1, 2022
37A	Larson Development 4000, LLC	Tract B, RLS 189	-	52462	-	-	-	-	-	1,125	December 1, 2022
38	Helf's Farm, LLC	Tract A, RLS 189	-	48962	23,691	317	24,008	300	-	8,197	December 1, 2022



PO Box 470 • 255 Sarazin Street
 Shakopee, Minnesota 55379
 Main 952.445-1988 • Fax 952.445-7767
 www.shakopeeutilities.com

April 28, 2021

TO: Greg Drent, Interim General Manager 

FROM: Sharon Walsh, Director of Customer Relations and Marketing

SUBJECT: Update on Transition from COVID Protocol to Standard Process

Overview

At the 3/15/21 meeting, the Commission approved steps to transition from COVID protocol to standard operating processes related to collections, including future disconnections for nonpayment.

To date, the following steps have been taken:

1. March and April collection letters were updated with specific directions to setup payments and apply for SPU and government-funded assistance. April's letter indicated the Cold Weather Rule has expired and that payment plans were required to avoid interruption in service in future months.
2. A separate first-class letter was sent to our most critical, high-balance customers the week of April 19th. These customers are to respond to us regarding their high balance by Monday, May 3rd. If they fail to respond, a 2nd letter will be sent that is more direct in nature and notifies them failure to respond will result in interruption in service.
3. Cross training of staff has been completed in anticipation of increased requests for payment plans; and the payment plans are being customized based on the size of the account balance. The goal is an improved customer experience with a one-step resolution.
4. Staff is prepared for the reopening of the service center with new hours of operation.

Future steps to be taken:

1. The May collection letter will be our standard disconnect notice, communicating the date disconnections will occur if no customer action is taken to resolve their past due balances.
2. June will be the first month of disconnects after 15 months of no collection actions. Procedures are being reviewed with staff, including a dry run before we begin the real process.
3. A letter is being sent to SPU medical customers explaining the state statute and SPU practices. The attorney general's office will be contacted regarding this situation to ensure proper practices are followed in advance of contacting these specific customers. There are several medical customers with high-balances that need to be addressed.

Penalties and credit card convenience fees will continue to be waived until further notice.

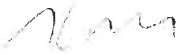
Action Required

No action is required at this time.



MCGRANN SHEA CARNIVAL STRAUGHN & LAMB, CHARTERED

MEMORANDUM

To: Shakopee Public Utilities Commissioners
From: Kaela Brennan 
Date: April 28, 2021
Re: Commission Meetings - Formality of Using Titles

At a recent Commission meeting, the question was raised as to the need to use titles in addressing Commissioners. I researched the issue and wanted to provide a brief update.

Background

In short, *Robert's Rules of Order* states that titles should be used, particularly when addressing the presiding officer. The treatise even provides that it is preferred not to use members' names. "[S]peakers should refer to officers only by title and should avoid the mention of other members' names as much as possible." *Robert's Rules of Order* at 43 (11th ed.). The reasoning is that:



- Titles allow a less personal tone in deliberations, especially "when serious divisions of opinion arise." The intent is to avoid personal comments or personal attacks in debate. *Id.* at 22.
- Titles support impartiality and neutral/objective discussion. "Customs of formality that are followed by the presiding officer and members under parliamentary procedure serve to maintain the chair's necessary position of impartiality and help to preserve an objective and impersonal approach" *Id.* at 22, 377.

Recommended Action

It is recommended that the Commission receive and file this information. This material is provided for your information.



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

TO: Greg Drent, Interim General Manager 
FROM: Lon R. Schemel, Water Superintendent 
SUBJECT: Memorandum No. 3 of the Comprehensive Evaluation for Municipal
Water Treatment
DATE: April 29, 2021

Task 3 of the evaluation was to have the water quality survey completed and have memorandum No. 3 presented to the Commission. This evening, May 3, 2021, members of the team from Short Elliott Hendrickson Inc. will be presenting the memorandum. In virtual attendance are:

- Miles Jensen, Principal/Water Market Leader
- Ryan Hanson, EIT, Process Engineer

There are no staff requests at this time.



Building a Better World
for All of Us™

MEMORANDUM

TO: Lon Schemel
FROM: Miles Jensen
DATE: April 27, 2021
RE: Memorandum 3 - Water Quality Survey
SEH No. 157387 14.00

Dear Lon Schemel,

The following memorandum is submitted to satisfy the Memorandum No. 3 that was proposed for this project. This will be a steppingstone to start future conversations with Shakopee Public Utilities' (SPU) customer about the water quality and the potential for advanced treatment of the water their being provided.

Public Involvement

The public involvement process incorporates citizens and stakeholders in the early stages of the planning process and encourages their participation throughout a project's lifecycle. Collaborating with the public allows policy makers to foster a shared project vision and enjoy a higher level of acceptance among planners, citizens, and other project stakeholders. The planning process can come to life when the community emerges to share their voices. Now, we also recognize there is no single technique that works for all situations. This survey is the first step towards collaboration with SPU's customers about their water quality and the potential for advanced treatment.

Survey Overview

SEH worked with SPU to develop a series of questions to pose to SPU's customers, regarding their satisfaction with their water quality. The survey provides background information on SPU's current water quality, applicable regulatory standards, and health and age based issues. The questions were designed to gauge the customers interest and support for municipal treatment throughout SPU's system. The survey asked customers to weigh in on the following issues:

- Customers' perception of the current quality of water they receive
 - Concerns with taste and odor
 - Comfort with current manganese levels
 - Comfort with current nitrate levels
- Current cost of water service (water rates)
- Customers' interest, or willingness, to pay more for advanced water treatment
- Willingness to pay for municipally softened water

The survey was available online from February to March 2021 and the URL was provided through SPU's website, SPU's water bill (email and letter form), and through a SPU's Facebook post. From the time it was available, it was able to generate 312 complete survey responses and 140 partial responses. This is estimated to be about 2%-3% of the residential homeowners served by SPU (based on approximately 16,500 residential households served). See the attached survey and results in **APPENDIX A**.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St. Paul, MN 55110-3507

651.490.2000 | 800.325.2055 | 888.908.8166 fax | sehinc.com

SEH is 100% employee-owned | Affirmative Action–Equal Opportunity Employer

When reviewing the survey results, it is important to consider that respondents may be more likely to complete an opinion survey if they have complaints than if they are fully satisfied. This survey yielded a balanced mix of comments that give a range of customer opinions and preferences. That being said, this survey should not speak for all of SPU's customers. Further discussions with customers will be required to get a better understanding of what the customer's want. This survey was not intended to make a decision, but to start the conversation of water quality and the potential for advanced treatment of the water they're being provided.

Shakopee Public Utilities Water Quality Survey Results

Water Quality Concerns

Participants were asked about their satisfaction with the quality of their water supplied by SPU. In general, it seems to be about a 50/50 split from the respondents on the satisfaction with their water.

Of the 396 responses:

- 79 (20%) are very satisfied with the quality their water
- 122 (31%) are mostly satisfied with the quality of their water
- 189 (48%) are not satisfied with the quality of their water

The following question asked participants had any concerns or issues with tastes and/or odors with your water in the past 5 years. Of the 51% of respondents from the previous question that we satisfied with the quality of their water, it appears that some of them have experienced some taste and odor issues over the last 5 years.

Of the 393 responses:

- 138 (35%) haven't had concerns or issues with taste/odor
- 126 (32%) have had concerns or issues with taste/odor on occasion
- 118 (30%) have had concerns or issues with taste/odor frequently

Between these two questions, respondents supplied optional comments to backup their answers. The following are some of the frequent comments supplied:

- Bad taste
- Very hard water
- Strong chlorine smell/taste
- Suspended particles
- Occasional staining on toilets

Using the addresses provided by respondents, SPU was able to put together a heat map of water quality satisfaction (**APPENDIX B**). It can be seen that some grouping of respondents who are not satisfied with the quality of their water can be found throughout the distribution system, however most of the responses are intermixed. Some areas with dense grouping of negative responses that should be investigated further are as follows:

- Homes near 17th Ave E and Sarazin St
- Homes near 10th Ave E and Naumkeag St S
- Homes northeast of the Townline Ave and 17th Ave E intersection
- The Hamlet at Southbridge (Co Rd 21 & Co Rd 18)
- Blakewood Estates (Eagle Creek Blvd & Mystic Lake Dr)

Cost of Water

Supplied with the following table, participants were asked their opinion of the current cost of water.

Availability	USAGE CHARGE (per 1000 GALLONS)	PLUS	RECONSTRUCTION CHARGE (per 1000 GALLONS)
RESIDENTIAL SERVICE	1 - 5000 GALLONS \$2.49		
	>5000 GALLONS \$2.98		

Of the 391 respondents:

- 297 (76%) think that their current cost of water is appropriate
- 66 (17%) think that their current cost of water is higher than expected
- 28 (7%) think that their current cost of water is lower than expected

The following are some of the frequent comments supplied, regarding the current cost of water:

- How does the price of water compare to other cities without treatment?
- Price is high for untreated water
- Willingness to pay for better water

Manganese in SPU's Water

Participants were asked about their comfort level with the current manganese levels found in SPU's wells. In particular, this is a complex question. Manganese concentrations in finished water is not enforced by the Environmental Protection Agency (EPA), only recommendations for aesthetic guidelines have been made (0.05 mg/L). In addition to EPA's recommendations, Minnesota Department of Health (MDH) has also put forth non-enforced guidelines for manganese concentrations in finished water (0.1 mg/L for infants, 0.3 mg/L for general public). Although a vast majority of SPU's wells have tested below the EPA's guideline for aesthetic considerations (0.05 mg/L), a couple of the wells have tested at or slightly below MDH's guideline of 0.1 mg/L. In an attempt to communicate this information in the simplest way possible, the information in the following table was presented as part of the survey.

Year	Manganese Concentrations in SPU's Groundwater Wells ^[1]			EPA's Aesthetic Quality Guideline ^[3]	MDH's Health Quality Guideline ^[4]	
	Minimum (mg/L)	Average (mg/L)	Maximum (mg/L)		for Infants (<1 year)	for General Public (>1 year)
2018	<0.005	0.015	0.076	0.05	0.1	0.3 ^[5]
2019	<0.005	0.021	0.118 ^[2]			
2020	<0.005	0.018	0.084			

[1] Does not include two (2) wells that SPU considers as emergency wells and do not use.

[2] Only on one occasion in 2019 did a well exceed the MDH's health quality guideline (0.10 mg/L).

[3] The EPA's Secondary Max Contaminant Levels (SMCL) were developed to assist public water systems in managing their drinking water for aesthetic considerations, such as taste, color, and odor, and are not federally enforceable.

[4] The MDH's health based values (HBVs) were developed to better keep your household drinking water safe.

[5] EPA has set forth a lifetime health advisory value of 0.3 mg/L for manganese.

Of the 338 respondents:

- 101 (30%) are comfortable with the current manganese levels
- 43 (13%) are comfortable with the current manganese levels, but would be willing to pay more to reduce the levels further

- 130 (39%) are not comfortable with the current manganese levels and would be willing to pay more to reduce the levels further
- 57 (17%) answered “Neutral/I don’t know”, which may indicate that more information may need to be provided to make an educated answer.

Nitrate in SPU’s Water

Participants were asked their comfort level with the current nitrate levels found in SPU’s wells. Compared to manganese, this is a simpler question as the EPA has a regulated Maximum Contaminant Level (MCL) of 10 mg/L. This is an enforceable standard that is accepted by the MDH. The EPA and MDH considers any level of nitrate below 10 mg/L to have no known or expected risk to health of a consumer.

In the last 5 years, there hasn’t been a case in any of SPU’s wells with nitrate levels exceeding EPA’s MCL of 10 mg/L, however, a few of the wells have seen values above 5.0 mg/L (maximum of 7.9 mg/L), which may indicate a degradation of ground water quality and requires monitoring to ensure nitrate concentrations do not increase to dangerous levels. In an attempt to communicate this information in the simplest way possible, the information in the following table was presented as part of the survey.

Year	Nitrate Concentrations in SPU’s Groundwater Wells ^[1]			EPA’s Maximum Contaminant Level ^{[2][3]}	MDH’s Health Quality Standard ^[4]
	Minimum (mg/L)	Average (mg/L)	Maximum (mg/L)		
2018	0.6	3.7	7.9		
2019	0.3	3.5	7.4		
2020	0.6	3.5	6.7		

NOTE: Nitrate levels in all of SPU’s wells have been naturally dropping over the past 20 years with decreasing agricultural land in the area.

[1] Does not contain two (2) wells that SPU considers as emergency wells and do not use.

[2] The EPA’s Maximum Contaminant Level (MCL) is an enforceable maximum allowable amount of a contaminant in drinking water which is delivered to the consumer.

[3] The EPA’s Maximum Contaminant Level Goal (MCLG) for nitrate is 10mg/L. The EPA considers any level of a contaminant below which has no known or expected risk to health of a consumer.

[4] The MDH’s Health Risk Limit (HRL) is based off EPA’s MCL.

Of the 333 respondents:

- 123 (37%) are comfortable with the current nitrate levels
- 149 (45%) are not comfortable with the current nitrate levels and would be willing to pay more to reduce the levels further
- 61 (18%) participants answered “Neutral/I don’t know”, which may indicate that more information may need to be provided to make an educated response.

Price to Treat SPU’s Water

As a follow up to the questions regarding manganese and nitrate concentrations, participants were asked how much they would be willing to pay to receive treated water with reduced the levels of manganese and nitrate. A preliminary cost estimate for systemwide treatment determined that rate increases could easily triple (3x) the current cost of water to construct satellite water treatment facilities, and almost quadruple (4x) the current rates to construct a centralized treatment facility.

Of the 320 respondents:

- 101 (32%) are comfortable with their water quality and do not want to pay for treatment
- 47 (15%) are not comfortable with their water quality and would be willing to pay as much as triple (3x) their current rate
- 32 (10%) are not comfortable with their water quality and would pay whatever is necessary

Memorandum 3 – Water Quality Survey

April 27, 2021

Page 5

- 99 (31%) are not comfortable with their water quality, but do not want to pay more
- 41 (13%) opted to supply a write-in answer, rather than one of the supplied answers

This question included many written-out comments. Below are some of the frequent comments supplied, regarding the rate increase to construct systemwide treatment:

- Wanting more information on how rates were calculated
- Wanting a comparison of other cities water quality and price of water
- Require demonstrated improvements to make an informed decision
- Willingness to pay more, but concerned with triple (3x) the cost being too high

Price to Soften SPU's Water

With the anticipation that many of SPU's customers struggle with hard water, participants were asked how much they would be willing to pay to receive municipally softened water. Much like the cost estimate to reduce manganese and nitrate, a preliminary cost estimate was put together to municipally soften SPU's water. The construction of a softening plant requires more capital costs than a conventional water treatment plant. That is why, the only economically feasible option to soften SPU's water would be a centralized treatment facility. The plant would require filtration for particulate and manganese removal, ion exchange (or other) for nitrate removal, and lime softening processes to soften the water. In addition to the treatment processes, a centralized facility would require many miles of water main to be constructed to bring all of SPU's wells to one central location. To pick up these costs, it is estimated that rate increases could easily require water to cost \$13.00 per 1,000 gallons.

Of the 318 respondents:

- 114 (36%) are comfortable with their water hardness and do not want to pay for treatment
- 60 (19%) would be willing to pay up to \$13 per 1,000 gallons
- 23 (7%) would pay whatever is necessary
- 91 (29%) are not comfortable with their water hardness, but do not want to pay more
- 30 (9%) opted to supply a write-in answer, rather than one of the supplied answers.

Below are some of the frequent comments supplied, regarding the rate increase for municipally softened water:

- Wanting more information on how rates were calculated
- Wanting a comparison of other cities water rates with softened water
- Concerns with the financial impact of low-income residents
- Require demonstrated improvements to make an informed decision
- Willingness to pay more, but concerned with \$13 per 1,000 gallons being too high

Public Information Meeting

Based on the survey results, we recommend SPU host a public informational meeting to discuss the survey results and share more information on SPU's current water quality. SPU rarely gets calls and/or complaints regarding the quality of their water, so it is concerning the number of customers dealing with poor water quality or water quality concerns. An open house format would allow SPU to help customers get their questions answered and to work towards potential solutions to issues that face the water users. SEH can supply supplementary drawings and cost estimates to support conversations about the state of SPU's water treatment moving forward. Below are some of the recommended topics to cover, in response to concerns submitted through the survey:

- Comparison of other cities water quality and price of water
- Discussion regarding taste, odor, and/or particulate in customer's water
- Demonstrated improvements that would be required to provide system-wide treatment
- Rate increases and additional cost information to provide treated water

- Information on water softener maintenance
- Required processes to provide municipally softened water, costs, benefits, and downsides

Schedule

- I. *Task 1 – Project Initiation & Data Collection (COMPLETED)*
 - A. Memorandum No. 1 (Water Quality Assessment)

- II. *Task 2 – Water Quality Model (COMPLETED)*
 - A. Prepare Memorandum No. 2 (For February 1, 2021 Commission Meeting)

- III. *Task 3 – Public Involvement (COMPLETED)*
 - A. Public Involvement Process
 1. Water Quality Survey
 - B. Prepare Memorandum No. 3
 - C. Public Open House (TBD)

- IV. *Task 4 – Preliminary Analysis (COMPLETED)*
 - A. Water Treatment Plant layout design.
 - B. Utility site locations.

- V. *Task 5 – Conduct Technical Analysis (In Progress, Due May 12, 2021)*
 - A. Review feasible facility layouts and major process element sizing.

- VI. *Task 6 – Cost Estimates (In Progress, Due May 12, 2021)*
 - A. Finalize cost estimates based on Technical Analysis
 - B. Apply to rate increases

- VII. *Task 7 - Feasibility Report (In Progress, Anticipated May 31 2021)*
 - A. Incorporate customer feedback and previous Memorandums
 - B. Submit draft feasibility report to SPU (For May 17, 2021 Commission Meeting)
 - C. Hold Meeting with the SPU staff to review the draft Feasibility Report
 - D. Update the Feasibility Report following input from SPU
 - E. Transmit the Final Feasibility Report to SPU (Anticipated May 31, 2021)

Attachments

- Shakopee Public Utilities Water Quality Survey Results
- Water Survey Results Map

APPENDIX A

WATER QUALITY SURVEY QUESTIONS & RESULTS



Shakopee Public Utilities Water Quality Survey

Dear SPU Customer,

Thank you for your interest in water quality and providing your feedback. Your response is very important to us.

Please fill out this survey and return to SPU in one of two ways:

- Place it in an envelope **labeled "Water Survey"** and put in the **24-hour drop box** at the SPU Service Center located at: 255 Sarazin Street, Shakopee, MN *(No postage necessary)*
- Add postage and mail to:

SPU, Attn: Water Survey
PO Box 540
Shakopee, MN 55379

Thank you again for your participation.



Shakopee Public Utilities **Water Quality Survey**

We are requesting your feedback to understand what is important to you, and what additional costs you would be willing to support to increase water quality above what we have already achieved. Please take a few minutes to put some thought into the following questions to help us understand what is important to you in your drinking water.

Water System Background



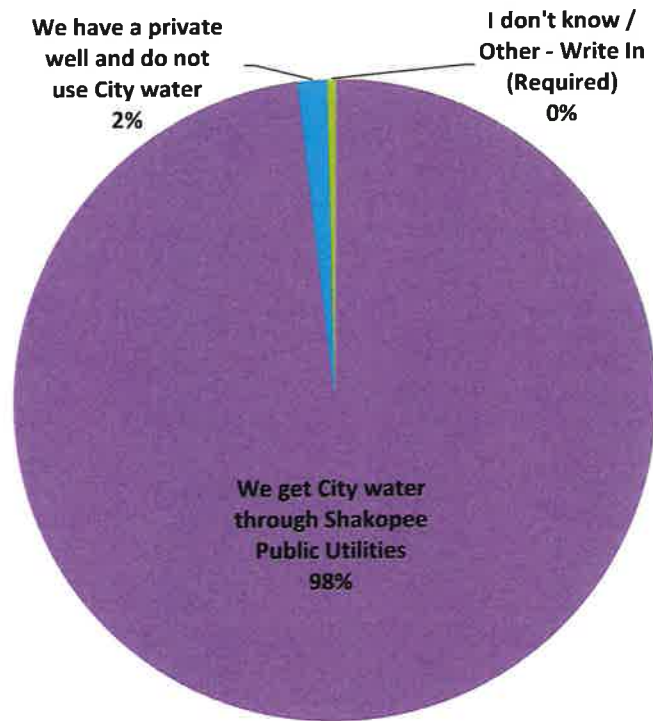
The Shakopee Public Utilities (SPU) supplies water and utilities to the City of Shakopee with water from eighteen (18) groundwater wells throughout the city. Throughout the year, SPU collects and tests the groundwater frequently in order to ensure that it meets or exceeds Environmental Protection Agency (EPA) standards for safety.

SPU is proud to share that our water has consistently tested below levels that would require any filtration. Your drinking water is supplied directly from the naturally clean wells where it is treated with the addition of chlorine for disinfection, and fluoride to prevent of tooth decay.

Nevertheless, because of SPU's commitment to public health and the provision of abundant high-quality water to its customer, SPU is engaged in a comprehensive evaluation of municipal water treatment alternatives.

General Questions

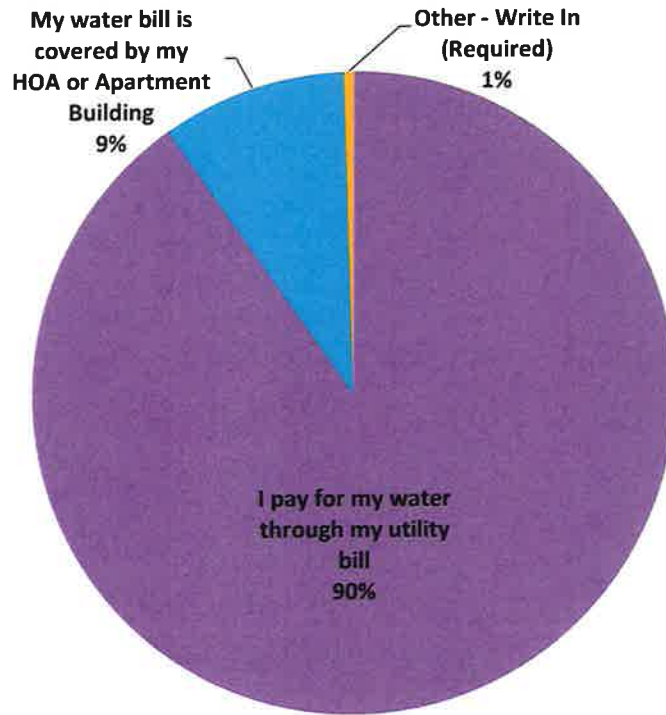
1) How do you get your water? (required)*



Comments:

- Not sure
- Cub Foods water

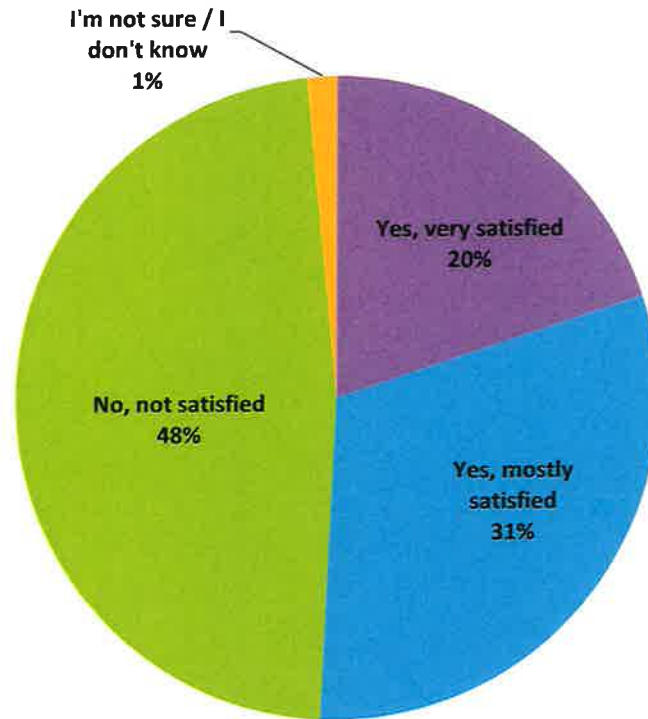
2) How do you pay for your water?



Comments:

- Our townhome charges us 20.00 a month for water

3) Are you satisfied with the quality of your water today?



Comments:

- Too many minerals in the water, bad taste
- While very hard, the water is otherwise great for city water. I use a water softener for most of my inside the house water.
- The taste of the water is not good. My whole household has to drink filtered, bottled or sparkling water. The smell of chlorine is often very strong too
- We've lived in Shakopee for nearly 60 years and have never had a problem with the water quality
- Water is very hard and occasionally smells

- Too many chemicals (always smells and tastes like bleach), the ph is too high for my plants, the water is so hard the pipes have to be replaced ahead of recommended timeline.
- I can for sure taste a difference when the system is shocked. And when they flush the hydrants. But overall. Good.
- Very hard and it tastes/smells like chlorine
- The water is very hard and leaves stains with cleaning.
- I don't feel it filters out enough cancer causing chemicals
- We have some of the hardest water in the nation. The required use of salt and the resulting brine dumped down the drain at every household is not cost effective, efficient, or environmentally friendly. In addition to my water softener I've had to install a whole-home water filter to reduce extreme skin irritation following showers.
- The water is horrible. It gives my dog bladder stones and I have sores from it.
- Extremely hard water.
- Water is very hard.
- The water is very hard and has a chemical taste
- I will not drink tap water, it tastes horrible and usually smelly fishy. It also seems like it's really hard and there is a lot of deposits.
- Could be much better and safer
- The water is so hard I had to replace my water softener. It is set to 20 which is near the highest. I get drinking water from the EP artesian spring
- My main concern is that the nitrates are too high. Nearly every city around us treats their water for nitrates, but Shakopee doesn't. I have a fish tank, and the main reason for changing water in the tank is nitrates that build up from fish waste. There are times when I test my dirty fish tank water and also test the tap water, and find the nitrate levels are the same. So not only does that make it impossible to lower the nitrates in my tank by doing a water change, it also worries me that I'm drinking water that has a level of nitrates that is harmful to fish. I know Shakopee water technically is under the limit for nitrates, but it worries me how close it gets to that limit at times
- Very hard water

- Tastes bad
- It's cloudy and has particles in it
- Too hard. Stinks sometimes
- Have lived in multiple surrounding suburbs, water here is unbelievably hard.
- My water is fine when we use a softener for washing and showering. We don't drink it. It doesn't taste good.
- Sometimes smells like chemicals. Is cloudy on occasion.
- Even after it is filtered, with a filter changed regularly, it leaves a nasty white film on everything. My tub and toilet are also gross. I grew up on well water with high iron content and that was nice and tested better
- Way too hard without a softener. Ruined pipes
- Tastes terrible, even with a water softener and testing the water (yes it's soft) Shakopee water does not clean dishes well and leaves spots. Have to use softener in laundry or clothes smell
- Very hard water even with water softener. Tastes terrible, sometimes almost has a chlorine smell
- We have a filter for drinking water. The water that comes out of the tap does not taste good.
- I've lived in Shakopee for 44 years, and have been drinking it as well. Very good water.
- Bad taste, lots of buildup on faucets and showers/tubs
- The water has far too much calcium and other minerals / hardness
- I am from Eden Prairie and moved to Shakopee last year. The water here tastes dirty and my family and I are forced to buy bottled water.
- Just wish it wasn't so hard and left so many hard water stains even with a brand new water softener.
- Tap water is unpleasant taste
- Water has been excellent.

- The amount of calcium deposits ruin appliances. I need to run vinegar monthly. Sometimes the water smells like a pool coming out of the tap
- Water softener was mush after 6 years. Neighbors too so the quality is killing the softeners.
- The water is fine but I really wish we had a treatment facility and could get rid of these water softeners.
- Would love to have the water softened before it reaches the house. I moved from Bloomington MN and that's one thing I miss.
- Very hard water...I've had to replace toilets, water heater and dishwasher, along with faucet heads due to the lime scale build up. Even with regular cleaning. I'm now looking into a water softener to help prevent this.
- The water leaves residue and some kind of build up on everything.
- Water tastes bad and have to make sure its well filtered to drink.
- Extremely hard water despite our water softener. Our shower and sink are full of stains.
- The water has too much sediment on kettles after boiling it
- I moved here from Chaska so anything would be an improvement. I do find the water here to be very good and I regularly drink tap water exclusively. In Chaska I would only drink bottled water.
- The hardness of the water has caused deposit build-ups on faucets causing a need to replace sooner than preferred. Not everyone can afford a water softener
- I only drink tap water, love it
- I use a water softener, and I keep it supplied with salt for the last 4 years.
- Hard
- Smells like chlorine all the time.
- Extremely hard water despite our softner. Stains in every bath and sink.
- Extremely hard water despite our water softener. Stains on every sink and tub.
- Very hard water

- I brush my teeth so please pass on the fluoride
- The water is too hard and has a chlorine smell
- Its pretty horrible. Hard water..leaves white stuff everywhere and turns my floors completely yellow from washing them from the tap. WE NEED SOFTER WATER PLEASE PLEASE PLEASE.
- I wish it was pre-conditioned so I don't have to use a water softener, like the SMSC does for their water
- Sometimes rhw taste is not the best
- Too hard. Awful taste. I have to buy water to drink and to use in my coffee maker
- I've noticed the taste of the water get worse the past 5 years. I'm actually buying bottled water to drink now. I never thought I would. In the summer, I can taste the chlorine. At other times I can only drink it if it's cold.
- It is hard water if you don't have a water softener, I can tell when my water softener is getting low or happens to run out. We don't drink it we use filtered water
- Water is very hard and easily calcified. I use filtered water for everything.
- Our drinking water is good!
- Quality reads ABOVE safe levels for dissolved particles. I can't even drink if, the taste is not good and tastes like chemicals. Use filters to get lower particles and they don't last low due to quality.
- We've lived in many cities in different states and Shakopee's water is the best tasting water we've had anywhere, certainly the best in the metro area. Because I was Manager of Scott County Environmental Health for 36 years I monitored water quality throughout the County and am very appreciative of Shakopee's water. It doesn't have the iron problems common in other municipal water supplies from other aquifers used in the county. I was instrumental in working with the State to develop the first county-wide geologic atlas in the state to help identify ground water risk areas.
- We moved from Bloomington 4 years ago. Shakopee water sucks.
- SPUC billing rates can be outrageous. Not sustainable for certain households.
- There is a pink reticule from the water
- Build up on faucets even with water softener

- Shakopee water is ridiculously hard even with a new water softener.
- It is very hard and metallic
- Everything in my house that comes in contact with the water is covered in white build-up: sinks, plumbing fixtures, dishes, shower heads, etc. Filters I use for tap water have to be changed more frequently than in previous residences.
- We've lived in Shakopee for more than 40 years, and have always been satisfied with the water quality. We don't understand all of the complaints.
- I have to filter the water because it doesn't taste good from the tap and I don't trust the quality
- Very hard and not treated
- I think it smells like chlorine and I don't like the taste of it. We filter our water through our fridge but want to get a whole house filtration system. Saving up for that.
- Taste funny
- Need water softener and still have water heaters failing early. Also for drinking does not taste the cleanest.
- My water leaves residue on everything, clogs filters and tastes off.
- My water from the faucet Taste's funny, leave residue in my ice and is very hard on my faucets, pipes, fixtures.
- Extremely hard
- Requires a lot of water softening
- Water is very hard. Went through one Water softener.
- Very good
- Taste is awful, it is super hard water, fill up a glass its cloudy even after I run for a minute and after it clears, a bunch of ice at the bottom of my glass
- It tastes gross and the calcium build up is beyond horrible.
- Clear and fresh
- The water is way too hard and causes build up in appliances, damaging them.

- The water is very hard and difficult to treat at home. Requires very high settings and frequent regenerations of water softener which leads to excessive salt usage and waste. Hard on appliances and humidifiers.
- It's a little hard
- Hard water. Ruins toilets, appliance, showers and ice cubes have vehicle floaters
- My water is very hard and has a terrible taste, I don't drink it.
- I don't like the taste of the faucet water
- I'm concerned about nitrates leaking into the water system during the warm months.
- Best water ever
- The taste of the water is horrible and hardness level is way high. We have had to purchase a reverse osmosis drinking water system and a water softener with approximately 50 lbs of salt per week.
- We soften our water and have filtration systems in place. We believe this is the responsibility of the home owner and not the city. The utility company should maintain water safety.
- We have very hard water. Residue on all appliances. Even appliances that are only 1 year old
- The water is awful and I would never drink it. Sometimes it is orange. Can you please test it?
- it tastes yucky
- The water looks and tastes horrible
- I like it, except I do not like the chlorine smell in it :(
- Very satisfied with water. Not interested in paying more for treatment.
- cloudy and tastes old/stale
- Very hard water so keep checking all the time.
- It's black and moldy I toilet bowl tanks, tastes terrible for drinking water even through a clean filter in the fridge. Water softener can't even soften it.

- I don't like the flouride
- I have drank the water fresh from the tap, but it is not the best tasting water. Plus it has an extremely high calcium content, evident by the continued clogging of my coffee pot.
- So hard and I don't have space for a water softener
- Water is hard and leaves white (probably calcium) deposits on dishes, etc.
- The water is far too hard, even though I have a water softener. I have to soak my electric kettle in vinegar every other week due to the mineral build up.
- Very hard water. Water does not taste good at all. The ppm count is on the border of max allowed. Water from the faucet is not drinkable unless ita filtered. Very disappointing.
- I am concerned about nitrate levels and other harmful contaminants in SPU water that are "under the minimum safety standards".. just under the legal limits doesn't mean it is desirable, safe or morally correct. Spend some money and treat the water.
- can smell the chlorine in the summer; so much goopy sedimentation on the bottom of glasses, never use to be like that; cut out the fluoride poison
- We have to buy bottled water because the taste of the water that comes from the faucet is salty, undrinkable.
- Love city water!! I personally think it tastes great. It is better then other well water and great taste in comparison to other towns. I would recommend leaving it as is because it is great water!
- I don't like it calcifying my coffee maker.
- Shakopee is known for very hard water. Wish quality was improved at the city level for those getting it from the city
- It doesn't taste good.
- A little on the hard side.
- I have a water softener, keep it filled, and we have a filter in our fridge. Non-filtered water tastes terrible and we have damage to our glassware due to poor water quality.
- It's a bit hard, and requires softening to prevent eczema for several in our family.
- hard water, bad taste

- I buy bottled H2O and use a PUR Filter and never drink tap water. The ring of sediment on my H2O softener, toilet tanks, icemaker shows me undrinkable. At times there is dirt ring in less used toilet.
- Dislike the taste and the water does not meet standards for pregnant women or an infant and toddlers which are present in my home.
- I wish the water was treated. We have a water softener, but have considered getting a whole-house filter.
- Shakopee has excellent water.
- Water is very hard
- Please get a water treatment plant like all the other cities.
- Hard water, taste at the tap is a bit off but fine.
- It doesn't have a good taste
- I have reverse osmosis to drink, and softener for all other faucets
- I don't like how it washes white clothes (things get dingy and gray very quickly) and it is very, very hard, so I'm constantly battling with hard water deposits
- The water is too hard. It's destroying our appliances
- Little things floating. Really gross
- Water is very hard. No issues with taste
- Water is too hard and doesn't taste good. I have a water filter for drinking. I almost didn't move to Shakopee because of water taste
- The water is hard, has to be filtered and requires a water softener. It leaves deposits that requires water heaters to be consistently replaced.
- The water is very hard in Shakopee. Other than that, we have been happy overall.
- We are finding more deposits in our water
- It smells heavy of chlorine
- Basic pond water.

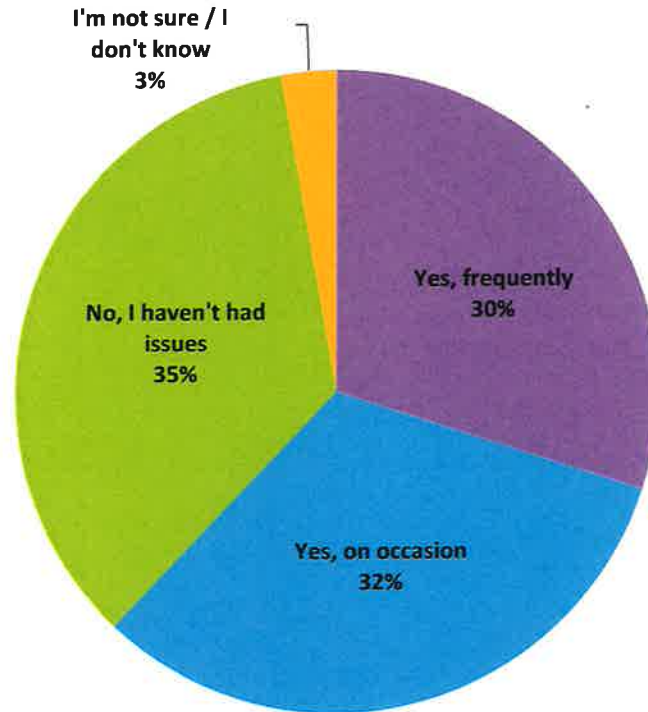
- Smells like chlorine
- Even with water softener, still to hard. White marks on stainless steel pots when boiling water to cook...
- The taste is bad, which makes me wonder what might be in it. Surprised a town of our size does not have a water treatment facility. The extremely hard water seems bad for lawns and pipes... and coffee makers. ;)
- My water is very hard. I even got a new water softener and it's still hard and my hair doesn't always get clean and soap doesn't lather well. Although getting a new water softener was an improvement.
- Hope the hard water level is much lower
- I drink a lot of water and it tastes almost metallic to start the day, like out of a hose most days. It seems to get better throughout the day but it's definitely not good first thing.
- The chlorine taste and smell is overwhelming!
- We use a filter system
- Often tastes too bad to drink
- My water frequently tastes / smells like chlorine
- Would like water treatment plant
- It has many minerals that leave marks on glass and smells of chlorine
- There is too much iron. I used to work for Culligan so I know how the water tests. My water is terrible unless I have an iron filter
- Our water is extremely hard & has an off taste. It is hard on our appliances and fixtures. We spend time and money filtering or purchasing drinking water, constantly cleaning, repairing and replacing fixtures and appliances. Our coffee maker, as a small example, has had to be replaced almost every year we have lived in Shakopee.
- It's ok, hate the chlorine smell and taste
- Other than being very hard- water is ok
- Water is very hard and taste is not desired. We get all our drinking water from the well in EP

- Newly moved here. Taste is good from tap.
- We moved here from Bloomington and in my opinion, no one has better water than Bloomington.
- We don't drink the water we filter it before use.
- It's terrible. I've had to replace multiple faucets because of the corrosion. 3 kitchen sink, 4 shower, 2 bathroom sink. Soon fridge water dispenser.
- Tested the water quality myself 300 times over the limit for sediments. Very not safe. I tested the water in two locations here in shakopee same results by a water company.
- I have been drinking this water for 80 years and never had any problems with the cleanliness or taste.
- Hard water and our water pressure sucks
- It is very hard.
- I would like to see it properly treated to remove nitrates.
- Very hard and bad taste
- Tastes awful
- We have a water softener now so much better
- HORRIBLE HORRIBLE HORRIBLE white film all over every single thing...has wrecked 2 toilets..my dishwasher..I am begging for help
- I'm always having to clean faucet heads bc of calcium build up and the toilets always have a line in the bowl.
- It's extremely hard
- It's very hard and leaves build up if we don't keep up with it. Also, we can't use it on crush appliances, ie coffee maker, because the hard water ends up ruining it.
- Water is extremely hard and damaging to everything it touches. The taste is very bitter and gross.
- Terrible taste, also have to use CLR cleaner almost weekly to clean the excessive amount of buildup off of all my faucets and shower heads. Had to start using distilled water in my coffee maker because it will be clogged in about 2 weeks. Worst water quality I have

ever seen. Me and my family have seriously been considering moving out of Shakopee and the water is a major factor. We all have developed skin problems as well in the last 5 years living here

- Taste to salty and leaves rust in the tub
- Water is hard and full of minerals.
- Tastes awful and I will not drink fluoride
- Very hard water, leaves a lot of stains.
- The water quality is mostly good, but there always seems to be a white residue that is left over when the water dries, or when I water my houseplants a white residue will form on the soil
- Horrible taste and too hard
- Get rid of the lime in the water.
- Too much chlorine/pool water odor.
- The water seems very hard compared to other counties we've been in and it always needs salt or our dishes are covered in thick film of coating hard water.
- Taste has alot of chlorine, you can just smell it when you turn the tap on
- White partials in the water if not filtered.
- I feel like my toilets and sinks are hard to clean. Water tastes ok but not great. I do have a special filter for my sink for drinking water but do use unfiltered water for cooking.
- Water is too hard.
- Damn the water is so "hard" which kills my household appliances.
- Water is horrible. Tastes awful. Very hard water. Seems to be getting wore. One of our considerations for staying/moving is the quality of our water.
- The water is drinkable but we do not like it. We get our drinking water from a spring in Eden Prairie

4) Have you had any concerns or issues with tastes and/or odors with your water in the past 5 years?



Comments:

- We don't drink out of the faucets due to the bad taste.
- We all know, or should know, that city water must be treated to make it safe. I have an inexpensive 3-stage filter under the kitchen sink for drinking and cooking water.
- We have a Culligan system in our home, but when from the tap it tastes terrible.
- The water in Shakopee has a less than desirable taste. I've helped install multiple carbon filters for people to help with this. Shakopee's bad water taste was even brought up during an MPR segment on Appetites on July 11, 2019. Have a listen here (Starting at the 3 minute mark): <https://www.mprnews.org/story/2019/07/11/appetites-tap-water>
- TASTE
- We don't drink the water

- It's terrible and I won't drink it.
- It used to taste fine, but a year or so ago it started tasting bad. I have been using a Britta filter and that helps, but it makes me worried what might be getting through the filter.
- It used to taste fine, but about a year ago it started tasting bad. I've been using a Britta filter, which has helped the taste.
- Sulfur smell.
- Have only lived here for 3 years
- I think our tap water tastes terrible, we always filter or buy drinking water.
- We've run into issues where water has been brown looking and water pressure can be very low.
- Smells like chlorine often
- Yellow at times
- The water taste is horrible.
- Different areas of town are worse, lived on Bluestem and that water wasn't drinkable had to buy bottle water. On Providence the water is better but seems to be getting progressively bad tasting.
- We have to use a water filter the taste is terrible.
- Every once in a while we get a halogen taste that is noticeably different and unappealing but running water for 10 minutes solves it
- I didn't like the taste, and the minerals caused issues with my humidifier and shower heads, so I use a water softener
- Prominent chlorine smell.
- Tastes awful, would not drink it. We use a filter.
- Tastes terrible, have to use a Brita filter.
- I feel like the hardness level of our water fluctuates. We have a softener but still end up with calcium build up, even after making adjustments to the softener

- We go to cub to get our drinking water as well as our water we use to put in our coffee maker and electric tea maker. We are unable to use tap water in anything electric or it destroys the coffee maker or etc. WE NEED CITY WATER TO HAVE SOFTNER IN IT..LIKE ST PAUL OR MPLS. IT DESTROYS HAIR AND SKIN..
- We buy bottled water now. We have a filter on our fridge and the water still doesn't taste good.
- Sulfurous odors
- We filter our water so I am unsure how it tastes, we will not drink it straight from the tap
- Cannot drink it as the taste is off. Drink filtered water only
- Yes-chemically and doesn't taste good
- Shakopee has excellent water quality.
- Taste is so bad and water is so hard that we had to invest in whole house filtration
- Water is very hard & causes havoc on household appliances.
- No issues with odors; however, taste is not great. Also, prefer not to have to chew my water (there are always white floaties).
- when my filter broke and I had to drink tap water. the taste is worse than when it's filtered.
- But I haven't inquired. It's smells like chlorine coming from the tap.
- I trust the SPU
- I have had a full house carbon filter and R.O. drinking water for >5yrs bc I want cleaner and more trustworthy water for my family.
- Turn on the faucet and have drinking water
- Smells skunky at times
- Sometimes I notice the chorine when it's added.
- I run the water through a Brita filter, so I am not really sure how the water is without it.
- We do not drink our water

- rusty water
- There should not be an odor or taste to the water
- only the chlorine
- Occasionally smells almost chlorine like
- Actually all the time, because water is unpleasant for consumption, unless it filtered
- Water is very hard. Taste is not great
- yes smells like chlorine, tastes weird, like heavy metals
- The water occasionally turns brown, I don't use it
- We have been buying water for drinking from the grocery store because our water does not taste good and sometimes stinks.
- Always.
- There has been some white buildup in appliances that frequently use water. Unsure if this is from the softening process from the water softener or residual that could not be resolved with softening/ filtering
- smells when you get a glass of water we stopped drinking it three years ago
- I don't drink my tapwater
- Please get a water treatment plant like all the other cities.
- Taste issue
- Sometimes smells like chlorine. I only drink it filtered through the refrigerator and replace the filters frequently
- Doesn't taste like pure water unless it's run through a filter
- Taste isn't good
- Water always tastes bad. Sometimes you smell chlorine
- I've had to install a water softener to help. Next step is water filtration system.
- Smells like chlorine

- That why we buy water filtered and drink from dispenser
- I switched to a whole house water filtration system and reverse osmosis, that's how bad it was.
- No odors really, but definitely taste.
- Chlorine seems high. I wish there wasn't Fl
- Tastes / smells like chlorine.
- We have installed filtration for drinking water. In past 5 years I believe I recall one notice for this topic. It's not about taste. I want it safe.
- Chlorine. There are "floatys" in the ice too
- I will not drink the cities water
- Taste
- It's just not as good as we were used to
- We have purchased a water softener, dechlorinator and whole house filter, along with a drinking water (Reverse osmosis) system to combat the taste and smell of the water we have had while on city water.
- Way too much chlorine all at once.
- I grew up in Bloomington and always drank the water out of the tap. I wouldn't think of doing that in Shakopee after seeing how gross the filter gets in our in home filter. Also I am not a fan of water softeners at all.
- We use a filter water pitcher
- On occasion it will be rusty or smell bad
- Tastes awful
- City hall micro management
- It tastes so terrible and has wrecked all my glasses and plates due to hardness..tastes so bad I have to go to Cub and fill gallon jugs. How will I do this in a few years? Im 62. Its horrible to do when its super cold out...I HATE THE WATER
- It always tastes HORRIBLE.

- I sometimes smell a strong odor like chlorine.
- I don't like the regular taste. I have an Eco Smart water purifier.
- Literally shit floating in the water
- Salty
- Tastes Bad
- Not very often, but sometimes there is a smell or slight taste of chemicals
- Taste seems off
- Without my water filters I couldn't relay on SPUC water.
- Awful water. Getting worse each year.,
- The water is drinkable but we do not like it. We get our drinking water from a spring in Eden Prairie
- Water seems to be aggressive on my plumbing

Cost of SPU's Water

SPU's 2021 residential water rates are \$2.49 per 1,000 gallons of water plus a monthly service fee of less than \$4.00. Usage greater than 5,000 gallons is billed at \$2.98 per 1,000 gallons.

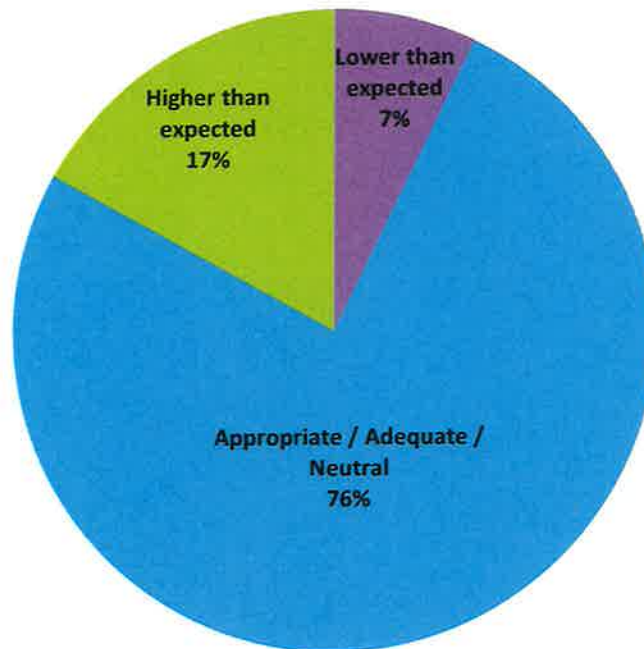
(The average SPU residential customer uses about 2,250 gallons per month per person, which would cost an individual resident approximately \$9.00 per month.)

SPU Residential Water Rates (Effective January 2021)

Availability	USAGE CHARGE (per 1000 GALLONS)	PLUS	RECONSTRUCTION CHARGE (per 1000 GALLONS)
RESIDENTIAL SERVICE	1 - 5000 GALLONS \$2.49		
	>5000 GALLONS \$2.98		

Please refer to [SPU's 2021 Water Rates](#) for more information regarding your water bills.

5) How do you feel about the current cost of your water?



Comments:

- I'd pay more for better water
- I believe the cost has been low as not much filtering or treatment goes into it
- How much more per month would it cost to filter it?
- Way cheaper then living in Bloomington
- Water is included in my rent.
- HOA overs our bill.
- Paid through HOA so I never see the amount. Please dramatically increase the rate above a certain threshold in the summer to discourage lawn irrigation
- People around the nation have to purchase bottled water because their municipal water supplies provide poor tasting or quality water. Shakopee's drinking water is better than bottled water.
- When one considers the required necessity of water softening and filtration the price of shock P water is extremely high.
- SPUC prices are high.
- I would pay more for better water
- Will be nice to know what other cities charge is I can compare.
- Lived in lakeville before. There you only paid for all sewer water and street lights every 3 months. Water was cheaper but the other 3 items were about 1/3 the cost. I feel it is a lower quality water for a very high price! That said I do want it to be clean and safe.
- Seems ok
- Why we pay Sewer to the Met Council?
- This is me just using Google to look at the average price of water in the US.
- I don't have a cost to compare it against. Sometimes I dont even use 1000 gallons a month. I'm satisfied with the cost.

- No increase of fee for over 5000 gallons used. Ridiculous. Question the reconstruction charge as well.
- The cost is too high for the poor quality water that is provided
- it's all the extra fees that are bothersome
- I would pay higher rates for better/safer water
- Paying anything for terrible water is too high. That being said, I would happily pay double for water as good as I had in Bloomington- WITHOUT a softener or filter.
- When I lived in Eden Prairie the cost was much less and better water
- The water rates are too high for water that is not treated with a water treatment plant and can't believe a community this size does not have higher standards for water quality. Yes it meets the bare minimum quality standards but water rates are not significantly lower compared to water rates of communities who provide treatment. Many residents are not even aware there is no water treatment plant.
- Neutral - it is part of my HOA so I'm not sure what the bill would be separate.
- Please get a water treatment plant like all the other cities.
- How would I know what I should be paying? 🤔
- I trust your judgement. I will do more research across the metro
- Only lived here for 8 months
- I grew up in Richfield which has awesome water. No need for softener or filters. Wish we had that here.
- I hate paying for shit water
- Too high for hard water with poor taste
- Higher than it should be for the quality of the water.

Iron & Manganese in SPU's Water



Manganese occurs naturally in rocks and soil across Minnesota and is often found in Minnesota ground and surface water. While a small amount of manganese is essential for human health, drinking water with too much manganese can be a risk to health. Manganese can also cause discoloration and an unpleasant taste in drinking water. It can also stain laundry or cause a brownish-black or black stain on your toilet.

Iron may affect the appearance and taste of water by giving it a slightly red color and a metallic taste that can affect how food and beverages taste. For the most part, however, **iron** does not usually present a health risk. For the purposes of this survey we will focus on manganese as iron would be removed if filtration were installed.

Current Regulatory Agency Guidelines

Parameter	EPA's Aesthetic Quality Guideline ^[1]	MDH's Health Quality Guideline ^[2]	
		for Infants (<1 year)	for General Public (>1 year)
Manganese (mg/L)	0.05	0.1	0.3 ^[3]

[1] The EPA's Secondary Max Contaminant Levels (SMCL) were developed to assist public water systems in managing their drinking water for aesthetic considerations, such as taste, color, and odor, and are not federally enforceable.

[2] The MDH's health based values (HBVs) were developed to better keep your household drinking water safe.

[3] EPA has set forth a lifetime health advisory value of 0.3 mg/L for manganese.

If you would like to learn more about manganese in Minnesota's water sources, please visit the [MDH's page on manganese](#).

Manganese in SPU's Water

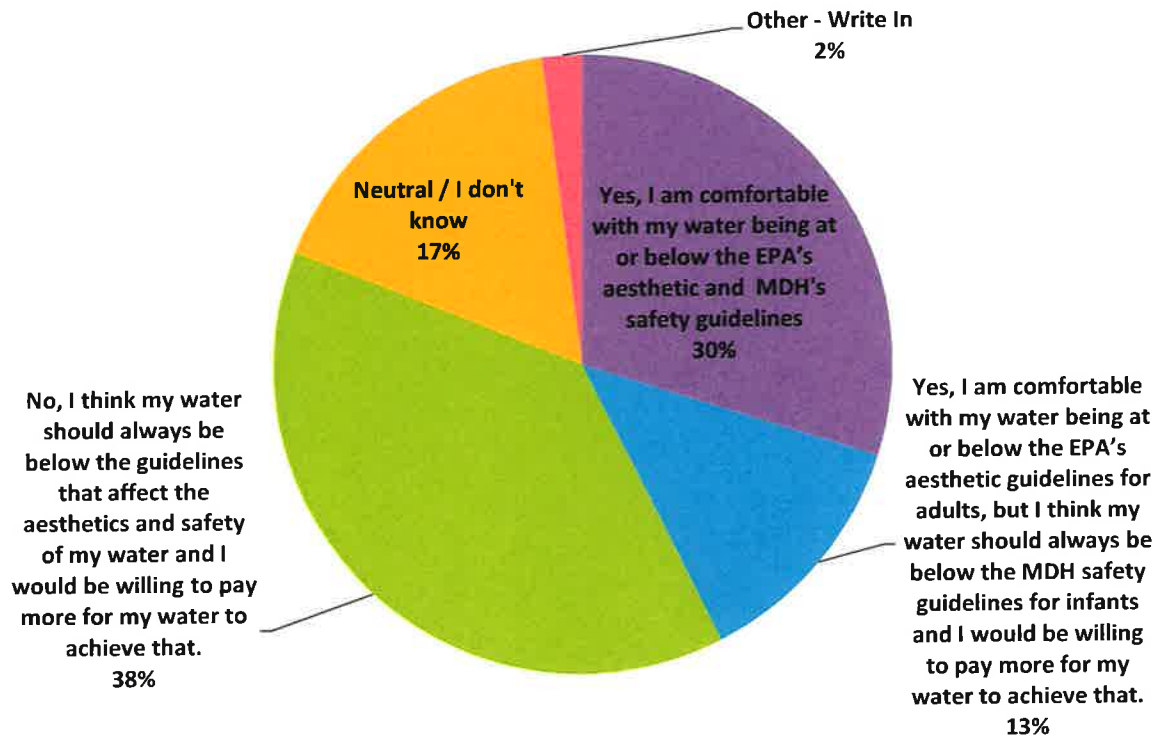
Year	Manganese Concentrations in SPU's Groundwater Wells ^[1]		
	Minimum (mg/L)	Average (mg/L)	Maximum (mg/L)
2018	<0.005	0.015	0.076
2019	<0.005	0.021	0.118 ^[2]
2020	<0.005	0.018	0.084

[1] Does not include two (2) wells that SPU considers as emergency wells and do not use.

[2] Only on one occasion in 2019 did a well exceed the MDH's health quality guideline (0.10 mg/L).

In the last three years, SPU's tested groundwater manganese levels have all been below the MDH's health-based values of 0.10 mg/L (see table above), with the exception of one occasion from one well. That occasion was 0.12 mg/L in 2019. Additionally, the majority of SPU's wells have tested below the EPA's guideline for aesthetic considerations (0.05 mg/L), with a couple of well testing slightly higher (0.09 mg/L).

6) Are you comfortable with the manganese levels in SPU's water?



Comments:

- Already pay for it. Give me without charge
- I don't think you should have to pay more for water to be safe for everyone including infants
- I think it should be safe for infants without charging more.
- I want better quality water but your price is already HIGH!
- No. SPU has rates higher than neighboring cities
- No amount of treatment is going to satisfy everyone. Let those who want top quality tap water install their own treatment equipment rather than charge everyone for city water, much of which is used in toilets and on lawns and gardens.
- Perhaps you should have made the survey mobile friendly so that all charts can be read in full.
- Do not want to pay more. Feel the company can better budget its overhead and not overcharge consumers
- Its not good. Why we have to go with all our jugs and get water at cub. the reverse osmosis water. Its a horrible pain in the butt!!!! HELP. Water quality in Shakopee is horrible its kinda a standing joke basically we live on the wrong side of the river..everyone in st paul and mpls has great water and it does not destroy everything in their home including their skin and hair.
- Are the wells evenly blended to mitigate outliers that occasionally test outside standards?
- I shouldn't have to pay more for my water quality to reach its guidelines. If it was considerably below possibly.
- Iron and manganese are minerals essential to health and common in multi-vitamins. Even when they are high in drinking water, as in some parts of the country, they are aesthetic problems, not health concerns.
- I don't like that these rates are achieved by mixing well water. They should be the same level throughout the system. Build a treatment facility!
- Your watching
- I don't know why people in Shakopee complain
- Well, now I understand what that stain is in the toilet that I can never seem to scrub off, and we just bought new toilets last year.
- I don't really like MDH so I'm not 100% on board with a lot of their health values.

- Owners need to decide for themselves--not the city--if they want levels below safety guidelines. We like RO water but the city would be stupid to try to provide that for the entire city.
- I have those toilet stains
- Not interested in paying more..
- Numbers look good and not wanting to pay more
- wont pay more for quality water that should be in line with the Regulatory Agency Guidelines not less than the recommended levels
- Numbers look good. No need to spend more.
- How is this even a question? We deserve to have the same water quality as other communities.
- My laundry gets yellow stains. And yellow gel like substance builds up in my toilet tank. Maybe there is oil under my house? Haha!
- Please get a water treatment plant like all the other cities.
- However, if it is so close, it should not cost very much
- I dont know if it should or not have I dont know. I would think less is always better.
- I've definitely noticed black staining in all my toilets and it's really hard to clean and looks gross for guests

Nitrate in SPU's Water



Nitrate is a compound that naturally occurs causing low levels of nitrate in drinking water—usually less than 3 mg/L. Higher levels of nitrate in water can be a result of **runoff or leakage from fertilized soil, wastewater, landfills, animal feedlots, septic systems, or urban drainage**. Consuming too much nitrate can affect how blood carries oxygen and can be extremely **harmful to infants (6 months or less)** and can result in methemoglobinemia, or **blue baby syndrome**. Only recently has scientific evidence emerged to assess the health impacts of drinking water with high nitrate on adults.

SPU's nitrate levels have consistently tested below the EPA's MCL (10 mg/L).

Nitrate in SPU's Wells

Year	Nitrate Concentrations in SPU's Groundwater Wells ^[1]		
	Minimum (mg/L)	Average (mg/L)	Maximum (mg/L)
2018	0.6	3.7	7.9
2019	0.3	3.5	7.4
2020	0.6	3.5	6.7

NOTE: Nitrate levels in all of SPU's wells have been naturally dropping over the past 20 years with decreasing agricultural land in the area.

[1] Does not contain two (2) wells that SPU considers as emergency wells and do not use.

Nitrate Regulatory Standards

Parameter	EPA's Maximum Contaminant Level ^{[1][2]}	MDH's Health Quality Standard ^[3]
Nitrate (mg/L)	10	10

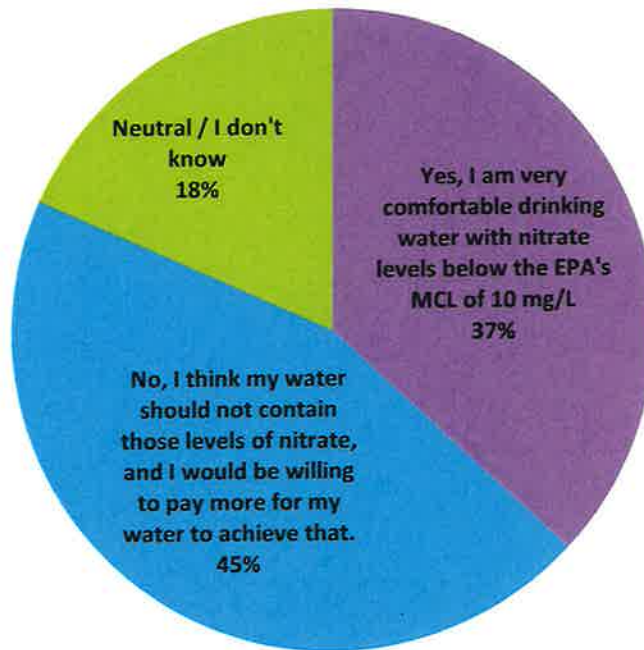
[1] The EPA's Maximum Contaminant Level (MCL) is an enforceable maximum allowable amount of a contaminant in drinking water which is delivered to the consumer.

[2] The EPA's Maximum Contaminant Level Goal (MCLG) for nitrate is 10mg/L. The EPA considers any level of a contaminant below which has no known or expected risk to health of a consumer.

[3] The MDH's Health Risk Limit (HRL) is based off EPA's MCL.

If you would like to learn more about nitrate in Minnesota's water systems, please refer to [MDH's page on nitrates](#).

7) Are you comfortable with your water that meets EPA guidelines for nitrate, or would you like to see the levels even lower?



Comments:

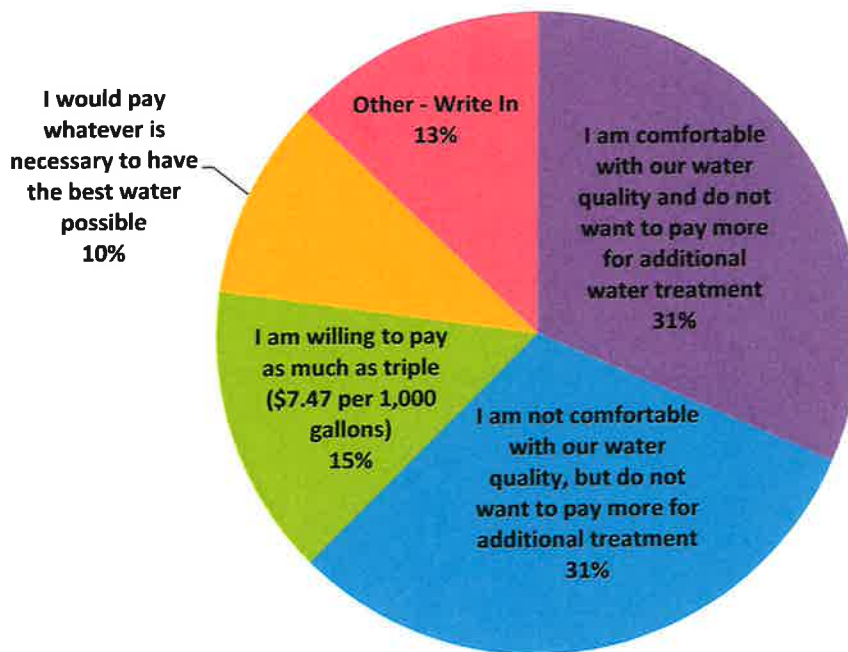
- If I wasn't comfortable with city water I would install a reverse osmosis system or buy bottled water for drinking.
- My main concern is that the nitrates are too high. Nearly every city around us treats their water for nitrates, but Shakopee doesn't. I have a fish tank, and the main reason for changing water in the tank is nitrates that build up from fish waste. There are times when I test my dirty fish tank water and the tap water, and find the nitrate levels are the same. So not only does that make it impossible to lower the nitrates in my tank by doing a water change, it also worries me that I'm drinking water that has a level of nitrates that is harmful to fish. I know Shakopee water technically is under the limit for nitrates, but it worries me how close it gets to that limit at times.
- Why not aim for nitrate levels as low as possible without having to pay more??
- I am concerned that nitrates could be contributing to more issues in people with diabetes or kidney and other disease. Lack of oxygen can lead to serious issues.
- Not wanting to pay more. Be a responsible, ethical company.
- We consume nitrates in many processed foods at much higher rates than from our drinking water. Nitrates are only a concern for infants who are fed water reconstituted dry formula, and only when concentrations are considerably higher than municipal water in Shakopee. In my role as Environmental Manager for Scott County I found and mapped private wells with high concentrations of nitrates primarily the result of poor location and design of wells and old deep septic systems.
- Those rates are achieved by mixing the water in the system. Levels should be uniform throughout the system. Build a treatment facility!
- You cannot please everybody
- You should possibly remove the payment clause on these questions if you were looking for honest answers. There appears to be bias in these questions.
- Numbers look good and not willing to pay more
- Nitrates should be removed and near zero!!!
- Comfortable with guidelines AND would pay more for lower levels.
- Numbers look good. No need to spend more.
- Seriously? We harm our residents because we are ok with terrible water because that is what SPUC has always done?
- The charts above are cutoff and you can't see the reported levels. Was this done on purpose? Shakopee has high levels per MDH.
- Please get a water treatment plant like all the other cities.

- Not happy and not paying
- It would depend on how much more for all of this.
- I want the levels lower without increased cost
- No. The water should be safe. And, not expensive.
- I was unable to see the numbers that went with years 2018-2020 in the last two charts. The right side of my view was cut off.
- It's to high
- Again I don't think we should have to pay more for completely safe drinking water. All families including low income families deserve the same rights to completely safe and clean drinking water.

Filtration Treatment

To supply everyone equally treated water by reducing the iron & manganese, and/or nitrate levels prior to distribution, it can be expected that the cost of water for our customers could see a significant increase.

8) If you currently pay \$2.49 per 1,000 gallons used, how much would you feel comfortable paying for water to have additional filtration and treatment? *



**Note: The increase would only apply to the water portion of your bill and would not increase the cost of electricity, stormwater or sanitary sewer portions of your bill.*

Comments:

- 25% more
- 3.69 per 1,000
- A fair rate comparable other cities with treatment plants.
- Don't think we should have to pay for water when we don't know how much we use in a townhome
- Double
- Fix the problems just do it for the health of the community.
- I already pay privately for filtration of city water. Don't increase cost. If we want cleaner, we can do it on our own.
- I am not comfortable w current water but willing to pay a little more but not triple
- I am willing to pay higher, however water treatment facilities need to be subsidized by the state.
- I am willing to pay more but not triple
- I would be willing to pay 0.50 more per 1000 gallons for treated water.
- I would be willing to pay more...perhaps 25-50% more but triple seem pretty high.
- I would like to know how much it would cost to get safe, drinkable water and be able to get rid of the water softener.
- I would pay more but would need to see what comparable municipalities are paying for the same service.
- I would pay more for better water, but not triple
- I would pay more if the water was drinkable
- I would pay what is reasonable — not whatever is necessary — to have the best water possible
- I wouldn't want to pay triple the cost; I would be ok with a slight increase
- I'd be ok with double so long as there was a notable difference
- I'd pay double.
- Is triple the cost more or less than the necessary amount? I'd be willing to pay more than currently paying for better and safer water.
- Leave it the hell alone, I do not want the Karen's telling me what to pay
- Okay with a small increase
- Reasonable rates in line with what other cities with better filtration systems pay.

- Up to double
- Up to double current rate.
- Willing to pay extra but not sure why tripling the rate is the only option. Could be double to be as effective
- Willing to pay more
- Willing to pay more but not triple the current cost
- Would pay \$4 per 1000 gallon
- You provided no range below tripling the cost. Be more transparent. also how do our rates compare to neighboring communities.
- Maybe you could publish what percentage of city water is typically used for toilets, laundry, lawns, gardens, etc., and ask people if they would like that water to cost as much as the water they drink. If not, the better solution is to treat drinking and cooking water in each residence. Maybe SPU could research and offer such equipment at lower than market cost as opposed to tripling current water rates for everyone.
- I don't see the need to make any changes to our water, as long as it meets the EPA guidelines. As long as individual wells are tested regularly and kept in compliance with the EPA guidelines, I don't see the need to burden the citizens of Shakopee with increased rates, especially when it would prove to be a hardship for many families who are currently experiencing loss of jobs, and are having a hard time providing food & shelter for their families
- I am comfortable paying more. I know there are ways I can cut back on my water usage if it were to become more expensive than I would like.
- Sure I would pay 3x, but commitment to "whatever necessary" is a big step because not everyone is going to agree. I don't want to get gouged, but sharing what other cities pay would let us make an informed decision
- I don't pay for water directly and I plan on moving in the next few years.
- I am a professional engineer in the the water treatment industry. Stop saying filtration. Particulate debris is not in the discussion and your use of it in context of nitrate or hardness reduction is misleading. Almost any treatment you do will lower our water's LSI and I dont want my family drinking corrosion byproducts.
- I am in the process of installing a whole house water filtration system. Water quality has been the one negative or suprise about moving to Shakopee.
- I would be so so willing to pay for my own water here if I had much better quality!!
- I would be willing to pay more if that filtration also included methods that reduce or eliminate in home water softening.

- Money can be better spent by identifying and addressing potential sources of ground water contamination within the well-head protection areas required to be defined by state laws.
- Since I don't trust SPUC to spend our money transparently or wisely I won't offer a price
- If prices were to increase three times that of current prices, what does that say about the quality of our present water?
- this is a flawed question. We need realistic costs with demonstrated improvements to make an informed decision.
- Clean, healthy water is priceless...and helps pipes last longer!
- We filter ALL our drinking-cooking water!
- I think it's a public health issue to make sure that water is safe for everyone without costing a lot of extra money.
- Water bills shouldn't have to be increased if SPUC was managed properly
- Mix it
- Let the "complainer" pay for it
- I don't know why you would need to only have an option for triple the cost. We should be meeting standards.
- The City Council and Manager need to stay out of this. They are over reaching and causing problems where none exist. We have enough conflict as is in Minnesota.
- Not interested in paying more for treatment
- I am unwilling to pay more for water treatment
- The safety of drinking water and the health of my family is worth every dollar. Every other major metro community has water treatment and our community deserves better.
- really pathetic question, why don't you give discounted water filtration systems to customers and let them be in charge of their own water quality since you can't seem to do it right
- Why can't the city figure it out? How do we rate to other cities water quality and price? And why would have to be so much more? What is not being supplied for our residents safety?
- NOT interested in paying more when the water is fine.
- Get it done.
- Using \$2.49 rate is not a good representation. That rate is for less than 5,000 gallons and an average family home should be used at rate of \$2.98 per 1k gallon. Triple rates for a

family would be almost \$9 per 1k and that's is absurd compared to other city water rates. Where is all the money earmarked from all these homes over all these years for a water treatment plant and monies collected with hookup rates? Very upsetting that we would be gouged for this now!

- Please get a water treatment plant like all the other cities.
- **ONLY IF OUR NON DRINKING WATER IS SPLIT OUT FROM OUR DRINKING WATER!**
- I already paid to filter out the smell and funky taste of the water so I'm not interested in paying more for new filtration system.
- I'm willing to pay a little more for better water, but not triple.
- Not enough selectable answers for this question.
- I have trusted you would do the right thing for 9+ years. We have a growing community with lots of manufacturing coming in. I want more than the companies to be benefited to come to our town. Our community must plan for this increase water demand. Chaska, St cloud and others have a water treatment plant. We deserve one too. There has to be some joint collaboration across the metro to support our community to get to a place to understand it's not cheap but that doesn't mean we should be sacrificing our community's safety.
- My grass doesn't need softened water. Filtering all of it is silly.
- I am deeply concerned with how much higher water costs could negatively impact our lower income residents. We must find ways to achieve better water filtration without just simply "passing the cost" on. Access to clean potable water is a human right and we need to figure out a way to make it that way.
- And I would pay **OUT OF MY OWN POCKET EVERY MONTH** to have better water. Our hair and skin are destroyed
- already pay too much

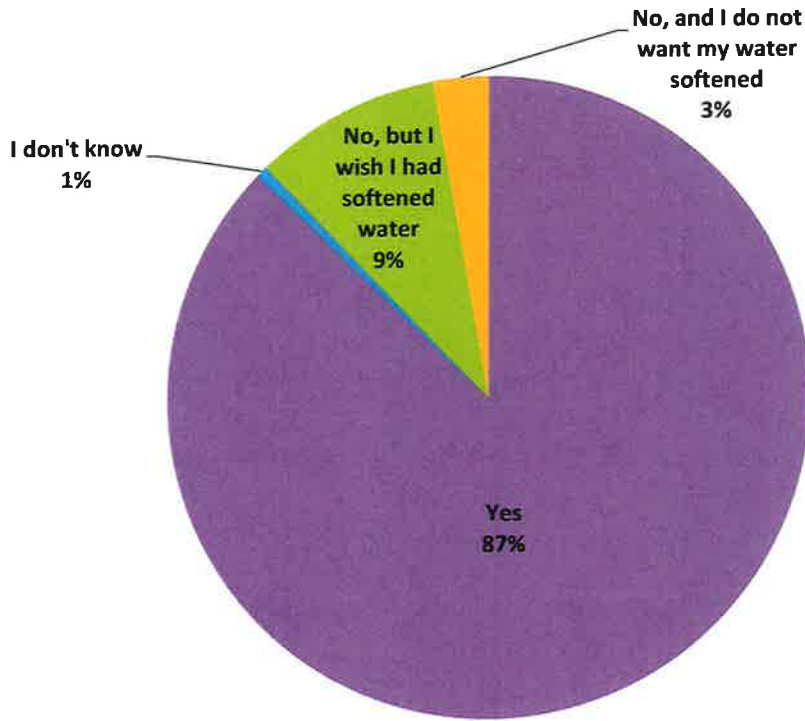
Municipally Softened Water



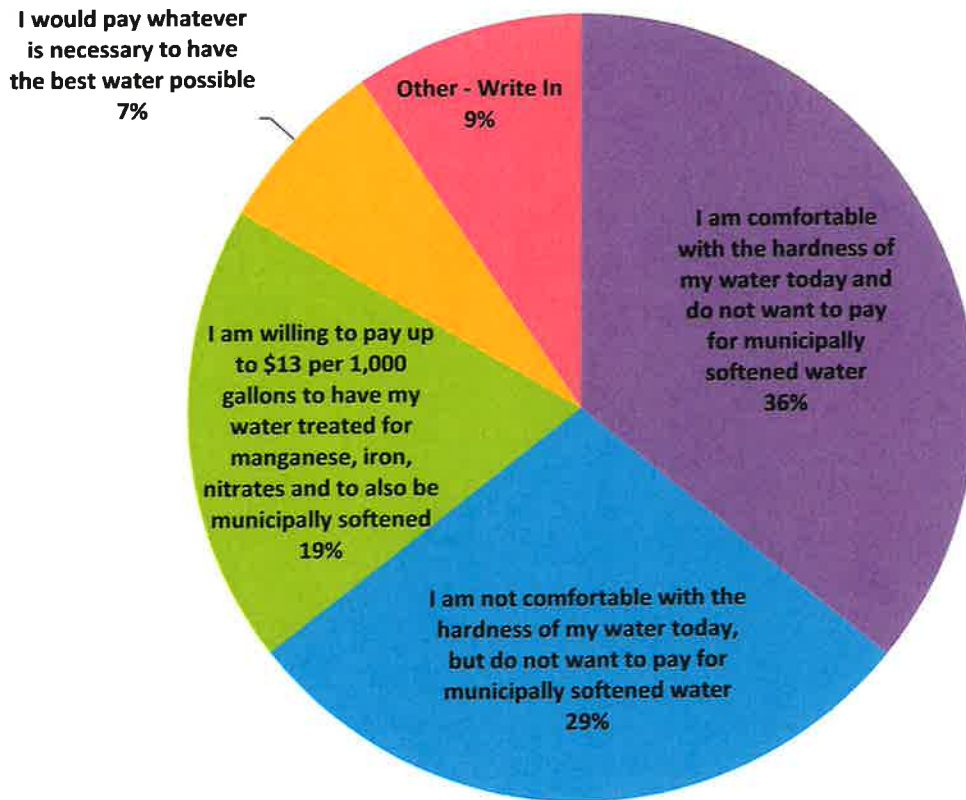
Hardness in water is caused by excess calcium and magnesium ions in the water. Hard water causes scaling on fixtures and can plug pipes. Water above 100 mg/L of hardness is considered hard. The hardness in the water from the SPU wells ranges from 163 mg/L to 446 mg/L, and averages about 350 mg/L. Currently, SPU does not soften water before delivering it to customers.

Some customers choose to soften their water with in-home water softeners, which typically costs about \$1,000 to \$2,500 to install, and \$5 to \$20 per month to run and refill with salt.

9) Do you currently soften your water at home?



10) A centralized filtration water treatment plant would be the only way to soften water for all SPU customers. If you currently pay \$2.49 per 1,000 gallons used, how much would you be willing to pay for water to be softened, in addition to the other filtration treatments noted in Question 8? *



**Note: The increase would only apply to the water portion of your bill and would not increase the cost of electricity, stormwater or sanitary sewer portions of your bill.*

Comments:

- \$4
- I am on a tight budget and would be willing to pay a small increase, but not a large increase at this time
- I don't trust SPUC to spend our money transparently or wisely.
- I don't want hard water but I am not a fan of paying more.
- I have a water system with ion cleaner rather than salted softener. Don't add more salt. It can cause health issues for those with conditions.
- I rent and do not pay for water directly.
- I would like to see municipally softened water, at a reasonable price
- I would need to see what the comparable rate in other municipalities with similar water situations to have an educated amount.
- I would pay \$3 - \$4/1000 gallons for treated water.
- I'd be willing to pay the \$13.00. Hard ti say I'd pay whatever it takes without some sort of range.
- I'm not comfortable with the hardness and would be willing to pay something reasonable. But not "whatever is necessary" — bad survey question response.
- Just fix the issues
- Maybe 20% more
- Not sure
- Okay with an increase
- See comments
- Shouldn't have to pay
- This should be included
- Very few cities soften water it's up to the operator of the owner that receives it
- We do use a water softener but the water is still extremely hard. We have hard water spots in showers that are very hard to clean.
- What is the price necessary for the best water possible? But yes I'm sick of hard water in Shakopee and willing to pay more.
- Willing to pay more but not 5x current rate
- Willing to pay up to \$7 more for the water to be softened

- Would pay for municipally softened water ONLY if it is done in a manner that does not harm the environment or use extra water to do so.
- would accept a moderate cost increase only for water softening
- It depends on method SPU would use to soften the water. If it's like the typical home water softener that replaces calcium and magnesium ions with sodium ions from salt, then that would be a bad idea particularly for lawns and gardens that need watering. Also, the salt gets into the ground and surface water. Road salt is already a problem for that reason.
- Again, the infrastructure to provide a central filtration water treatment plant for the citizens of Shakopee would be a financial hardship for all the citizens, not to mention the challenge of connecting all the wells and the disruption the digging all over town would cause to our daily lives, for who knows how many years.
- Doesn't everyone drink bottled water these days anyway? If I had a concern about the water I drink from the tap I would have a conditioner installed locally.
- Again, a comparison of what other cities with softner systems would be useful.
- I don't know what is average to pay but 13\$ seems incredibly high
- I strongly do not want city softened water
- Stop saying filtration!!!!!!!! Call it the right thing!!!!!!!! Lime soda softening, reverse osmosis, ion exchange. Be honest and present the factual downsides or the city council will win, dissolve SPUC, and take your reserves which you have smartly set aside.
- The water hardness is so unacceptable.
- Please do not soften the municipal water. I have an R/O system and I would be unable to use with softened water.
- \$13 / 1000 is too much but 350mg is too high too. Please find other alternatives. There has to be some way to lower it closer to 100mg so that home softeners would function better.
- Help!! We need better water softner. The softner system we have in our rental unit is horrific and does not work yet we have no choice. Id be so so willing to pay for water to be soft. We cannot use the city water at all to use in kitchen. I ve gone thru 2 toilets it clogs up everything and destroys everything..also has destroyed my washer clothes and my dishwasher... HELP
- Moved from Bloomington. Night and day difference. The water is so heavy here. Would rather have better water instead of over working my water heater and potential pipe issues
- The chemicals used for softening water are less healthful than the calcium and magnesium that would be removed. We do not drink soft water for that reason.

- I would pay the same price as Bloomington
- I do not think that the rate needs to be as high as \$13 to pay for municipally softened water. But I think it's a huge asset for a community.
- another bad question. Water hardness is unique and personal to each person. We should know to what level you're going to soften the water, and the associated cost.
- This will help residential plumbing last longer, please do it. All other neighboring cities soften their water.
- We have a water Softener
- I care most for the water softening benefits
- Since this is cheaper to deal with from home, I'd rather do that. I don't need to soften the water that's going to end up on my lawn.
- I think those that have a water softener should get a credit of some sort should the city choose to municipally soften water.
- I must be ignorant to these costs. How do other places achieve this without a cost increase from 2.49 to 13 dollars? I can't imagine the city of Shakopee is that significantly lower than those that have this system. This makes me unable to answer the question. Maybe make it softer without this system in place.
- After filtration via refrigerator, the hardness of water in my house is 500 ppm (TDS tester) which is extremely high.
- A centralized filtration system would make water no longer affordable for many people in the community. If that is the goal of the City Council, then they should proceed.
- We installed a water softener and accept responsibility for those costs
- i already have a water softener I do not see the point to pay more to do something I have in my home
- Not interested in paying the City to soften water for me
- Softening your water should be a choice and not done for everyone nor should it be expected to make everyone pay for it..
- Please publish in the monthly SPUC letter what the cost for a water treatment facility would require and what each household can expect to pay for treated water. Is this true it would cost \$13 per 1000 gallons for treated water? From the point of building a treatment facility until ??? forever??
- We already have a water softener, and don't want to pay extra for what we already have.
- \$13 per 1000gallons is steep for treated and softened water.. it would make SPU water the most expensive in the metro.. why so expensive? why haven't you planned for this

in the design and layout of your infrastructure over the last 30 years that Shakopee has exploded in growth? I'll pay it, but it's irresponsible you didn't plan for this.

- again offer discounted units to individual households
- Softening water should be the customer's choice. Not willing to pay more so everyone can have it.
- I love going through jugs of CLR to keep our shower working. Also, I love replacing glasses that we received as wedding gifts 4 years ago. That seems normal.
- Water treatment should be provided and paid for by homeowner. Treatment to provide safer water for the health of our residents needs to be the priority!
- Please get a water treatment plant like all the other cities. Screw the staff at the city for trying to take over you, they can't even run the city correctly without issues.
- I would be willing to pay more, but not \$13 per 1000 gallons. I would pay up to \$5 if it meant I would get consistent soft water.
- Would be okay with paying up to \$5.00/thousand for soft water only, not for other treatments.
- Again, major concerns with how this could impact lower income people in the area.
- I only have to buy a coffee maker every 5 months
- Willing to pay \$6.50 per 1000 gal.
- Again there are counties already doing this and there bills do not come in much higher if at all higher.
- I'm curious if my water softener at home is as effective as the proposed city softening and if would give us really soft water to have both in place. I don't want to pay a ton for city softening though since we do have a pretty new water softener at home.



Customer Verification

18) Last question! What is your water service street address? (Required)*

TENNESSEN WARNING NOTICE

This information is used to confirm that survey responses have come from current SPU customers only, and that response data is not being influenced by outside parties or entities. You may choose not to provide this information, however your feedback may not be included in the response summary of verified customers. This information will only be used by the SPU to get customer feedback on water quality, and will not be shared with 3rd parties.



Thank you for taking the survey!

Your response is very important to us.

Please return your survey responses to SPU in one of two ways:

- Place it in an envelope **labeled “Water Survey”** and put in the **24-hour drop box** at the SPU Service Center located at: 255 Sarazin Street, Shakopee, MN *(No postage necessary)*
- Add postage and mail to:

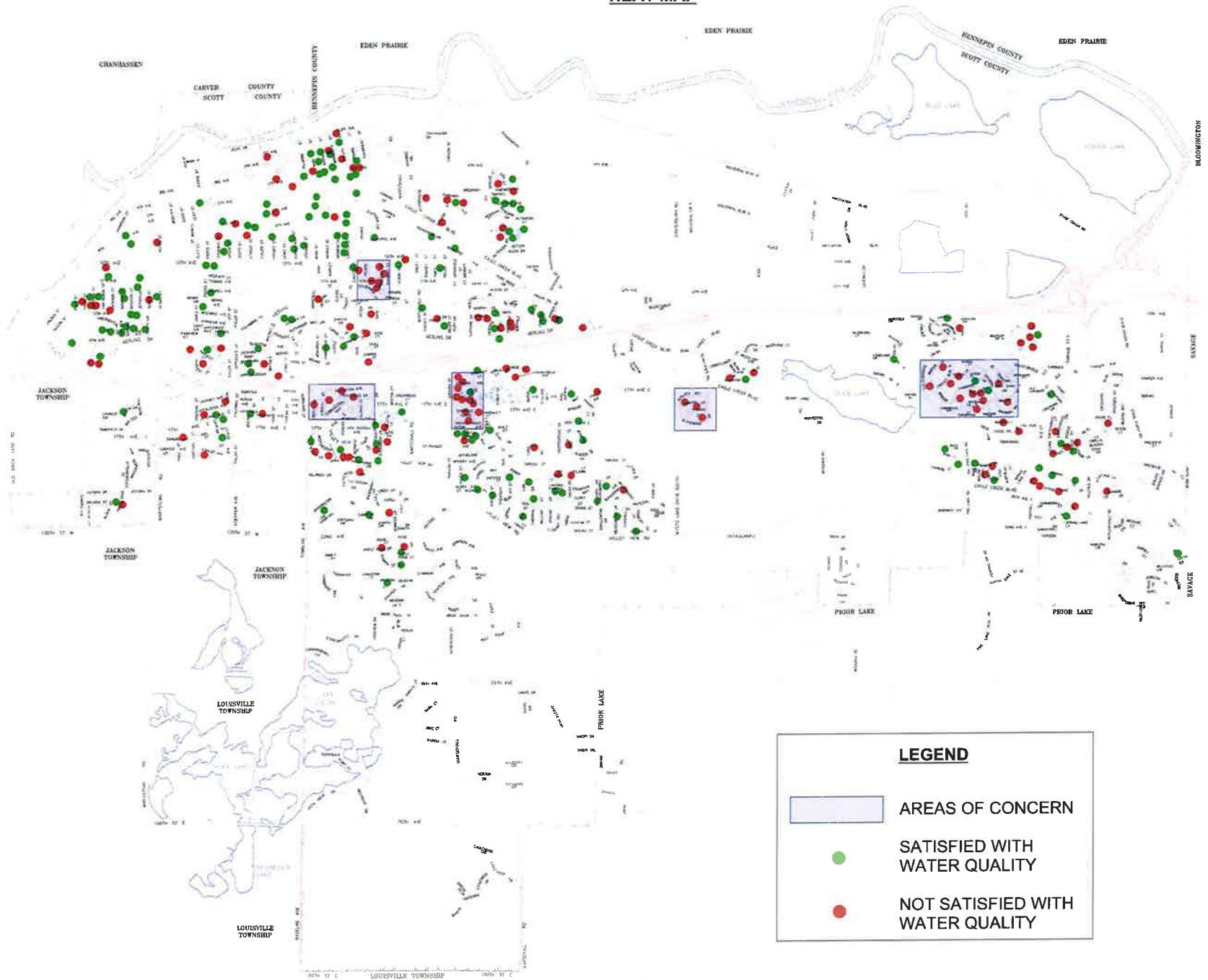
SPU, Attn: Water Survey
PO Box 540
Shakopee, MN 55379

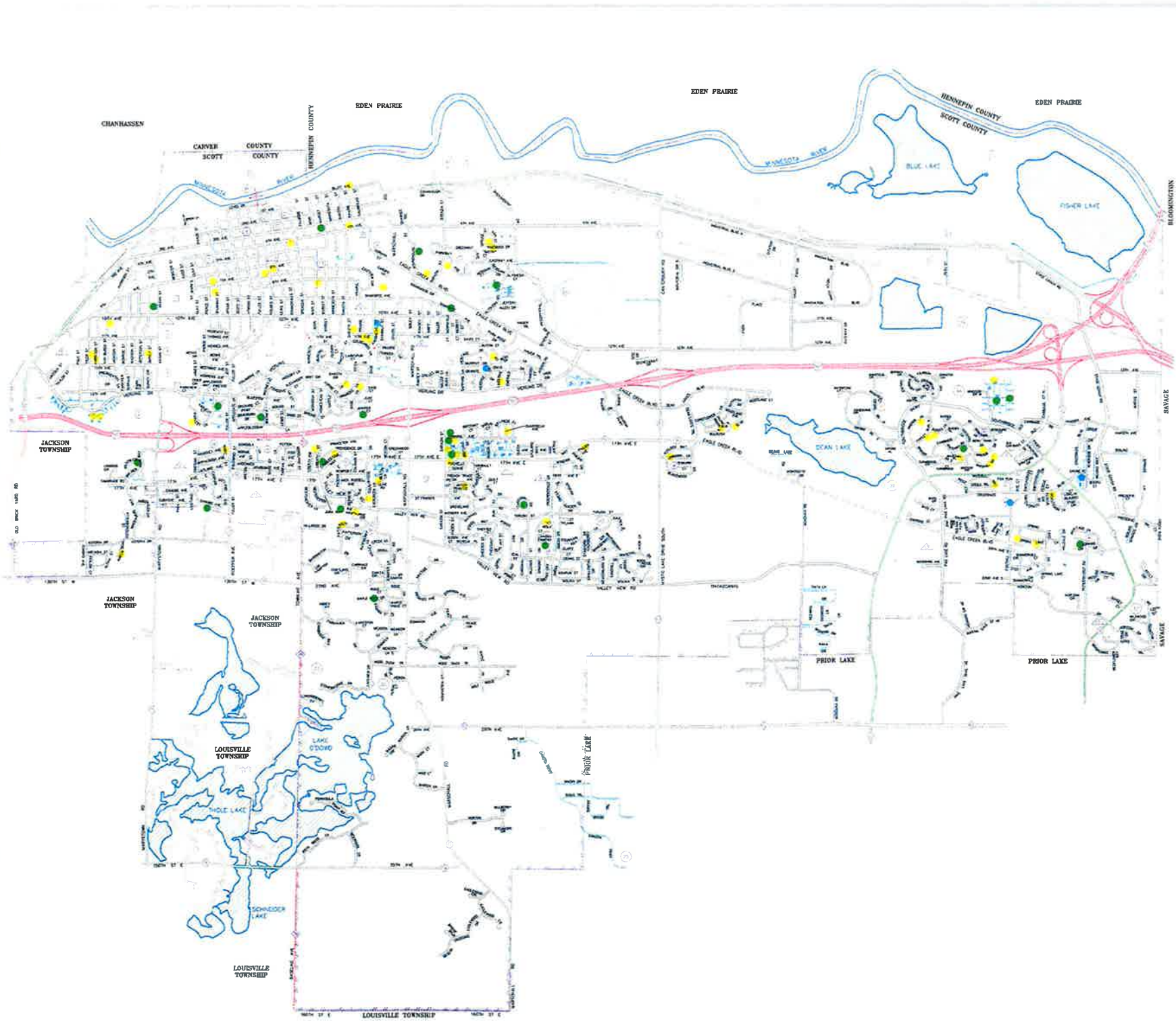


APPENDIX B

WATER QUALITY SATISFACTION HEAT MAP

WATER QUALITY SATISFACTION HEAT MAP







PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

DATE: April 28, 2021
TO: Greg Drent *GD*
FROM: Jean McGann, Consulting Finance Director *Jm*
SUBJECT: Investment Advisor presentation

Background

PFM Asset Management is the Investment Advisor for Shakopee Public Utilities. Representatives are present to share a short presentation designed to provide an overview of allowable investments and discuss investment strategy.



Investment Management Update

Shakopee Public Utilities

Presented By PFM Asset Management LLC

May 2021

PFM Asset
Management LLC

50 South Sixth Street
Suite 2250
Minneapolis, MN 55402

612-338-3535
www.pfm.com

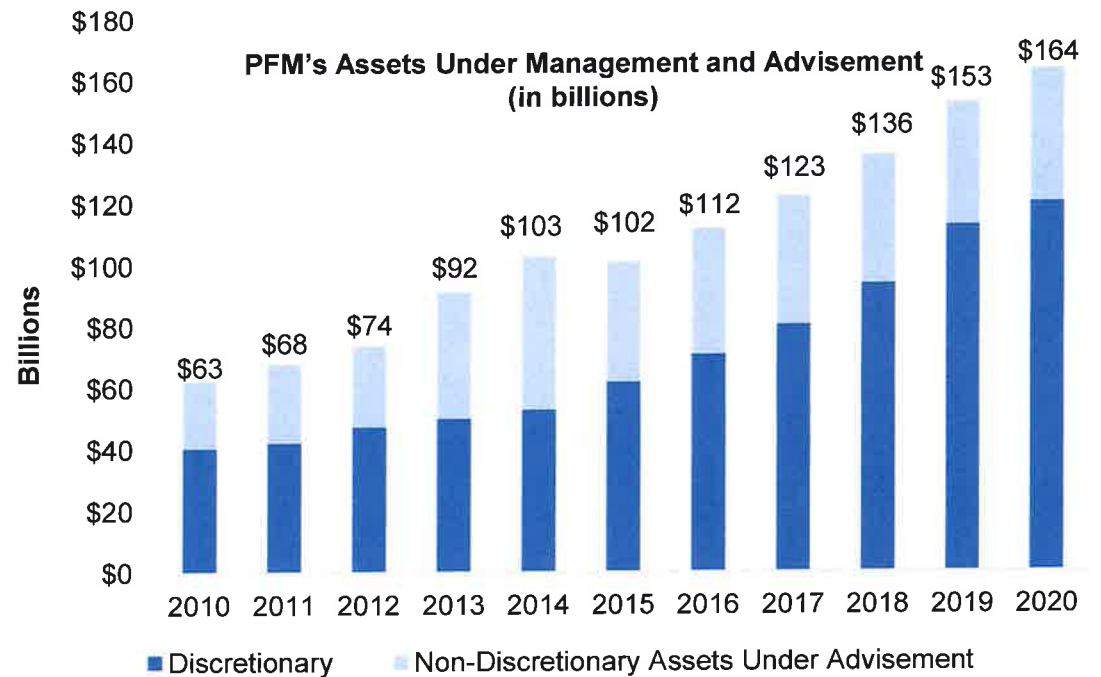


Intro to PFM & Governmental Investing Overview



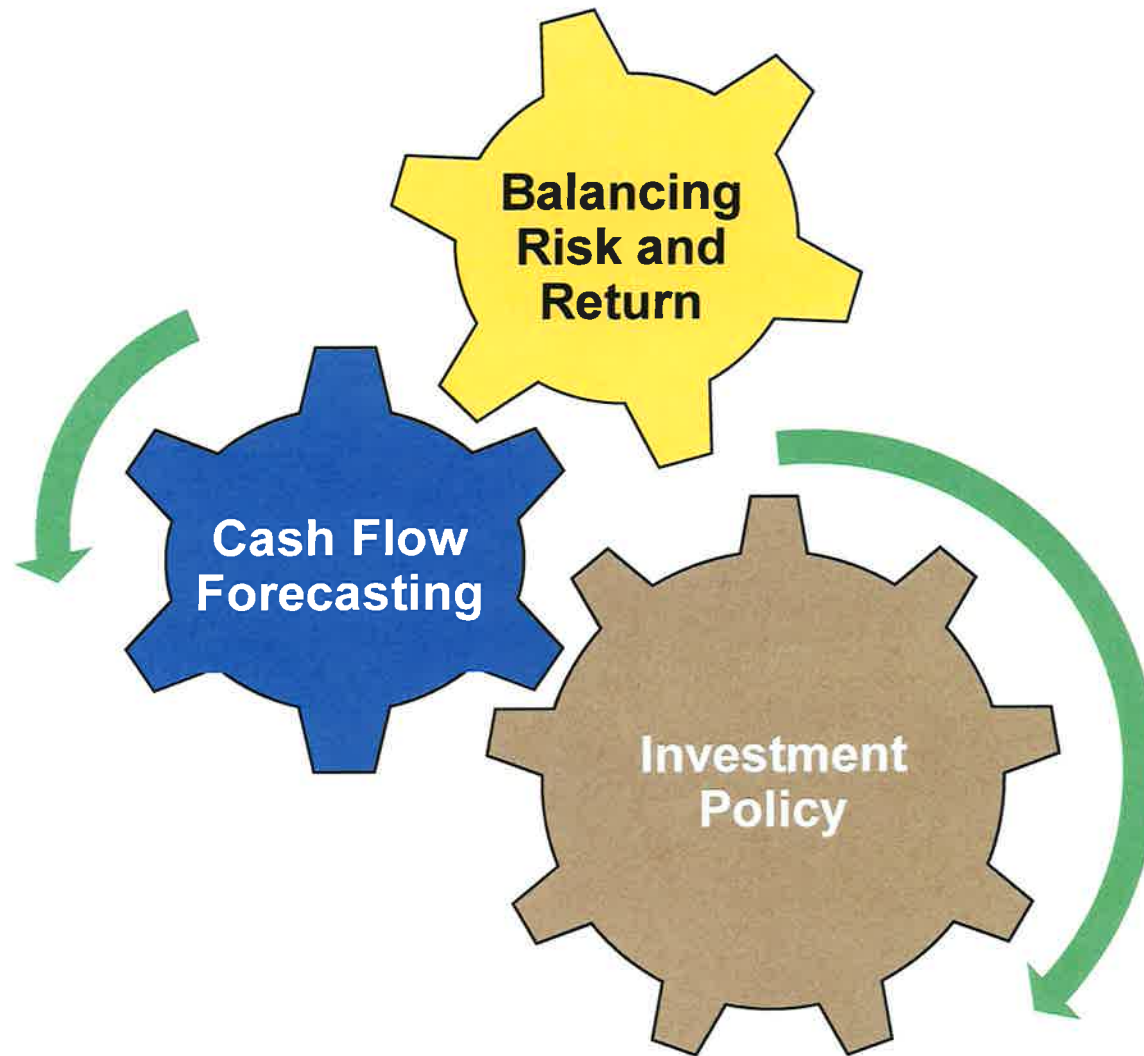
PFM Asset Management LLC

- Our asset management business has 40 years' experience in managing high-quality portfolios
- \$164.0 billion in total assets, including \$120.6 billion in discretionary assets under management and \$43.4 billion in non-discretionary assets under advisement as of December 31, 2020
- Relative value investment manager with a focus on downside protection
- Specialist in high-quality, short and intermediate-duration **fixed-income portfolios**
- Successfully navigated the markets during the credit crisis
 - Completely avoided defaulted credits, structured investment vehicles, subprime mortgages, collateralized debt obligations, auction-rate securities.
- Culture of transparency and risk management





Key Cogs to Investment Management





Investment Objectives

◆ Safety

- Protect principal
- High quality investments

◆ Liquidity

- Provide necessary liquidity to cover both ongoing and unexpected cash needs
- Cash flow analysis

◆ Return

- Provide necessary return, recognizing need for safety, liquidity and restrictions specified by the state statutes and the local governing body

◆ **Compliance with Minnesota State Statutes**

◆ **Compliance with SPU's Investment Policy**





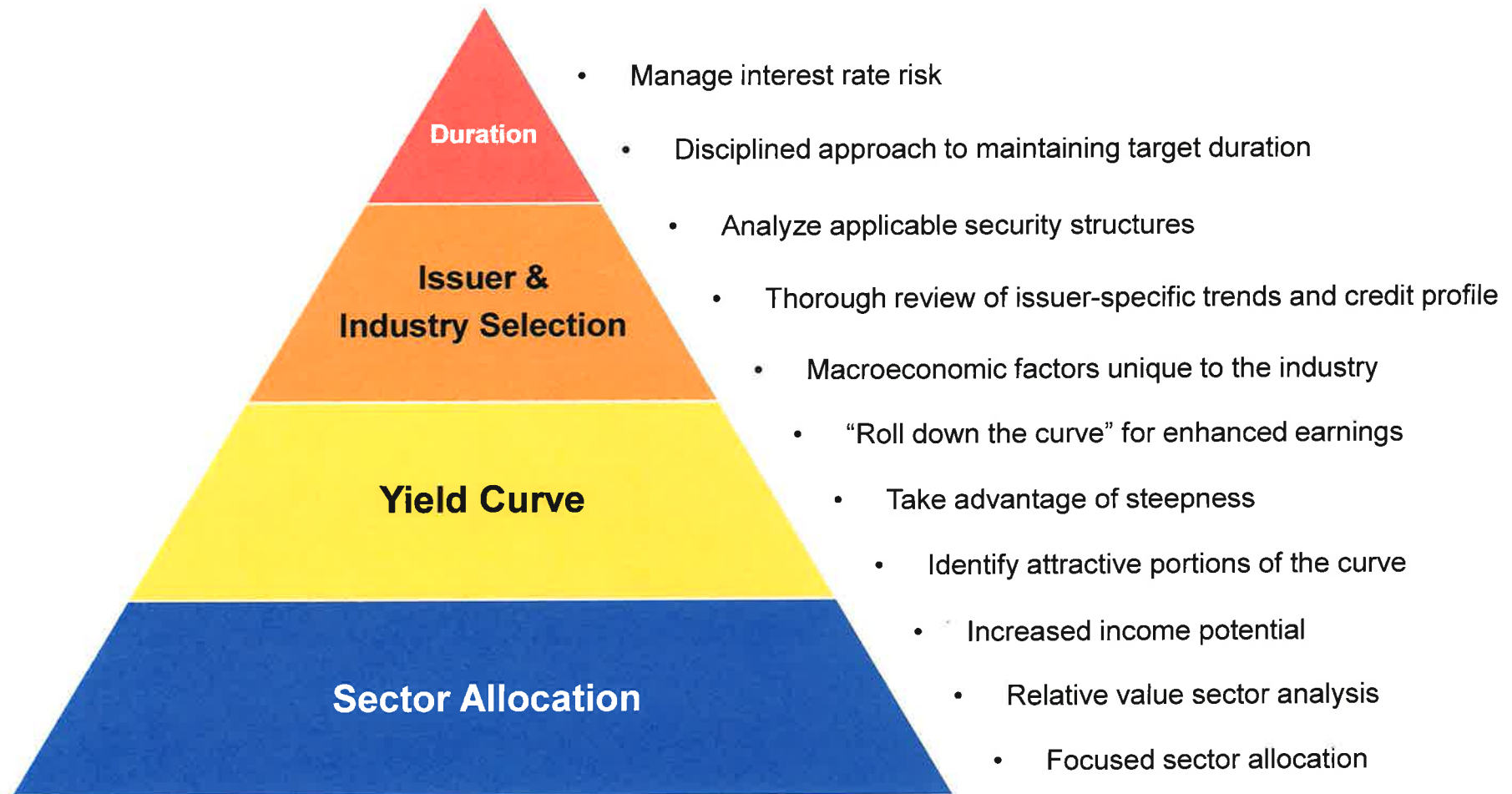
M.S. 118A.04: Permitted Investment Types

118A Subdivision	Examples
United States Securities	<ul style="list-style-type: none"> • U.S. Treasury Securities • Government Guaranteed Issuers • Federal Agencies/Government Sponsored Enterprises (GSE) • Federal Agency/GSE Mortgage-Backed Securities (MBS)
State and Local Securities	<ul style="list-style-type: none"> • General Obligations: issuer with taxing power (rated “A” or better) • Revenue Bonds (rated “AA” or better)
Commercial Paper	<ul style="list-style-type: none"> • CP issuer rated in the highest category by two Nationally Recognized Statistical Rating Organizations (NRSROs) • 270 day maximum maturity restriction
Time Deposits	<ul style="list-style-type: none"> • FDIC Insured/Collateralized Certificates of Deposits • Banker’s Acceptances
Money Market Funds	<ul style="list-style-type: none"> • Money Market funds meeting the requirements of SEC rule 2a-7
Local Government Investment Pool (LGIP)	<ul style="list-style-type: none"> • Shares of a Minnesota joint powers investment trust
Repurchase Agreements	<ul style="list-style-type: none"> • Must meet collateral requirements

¹ As of 4/1/2020 For a full list of permitted investments visit [Minnesota State Investment Statutes 118A.04](#)



Building Blocks of Portfolio Management



Interest rates are the headline, but they are not the foundation



Shakopee Public Utilities' Cash Flow Analysis



PFM's Cash Flow Model

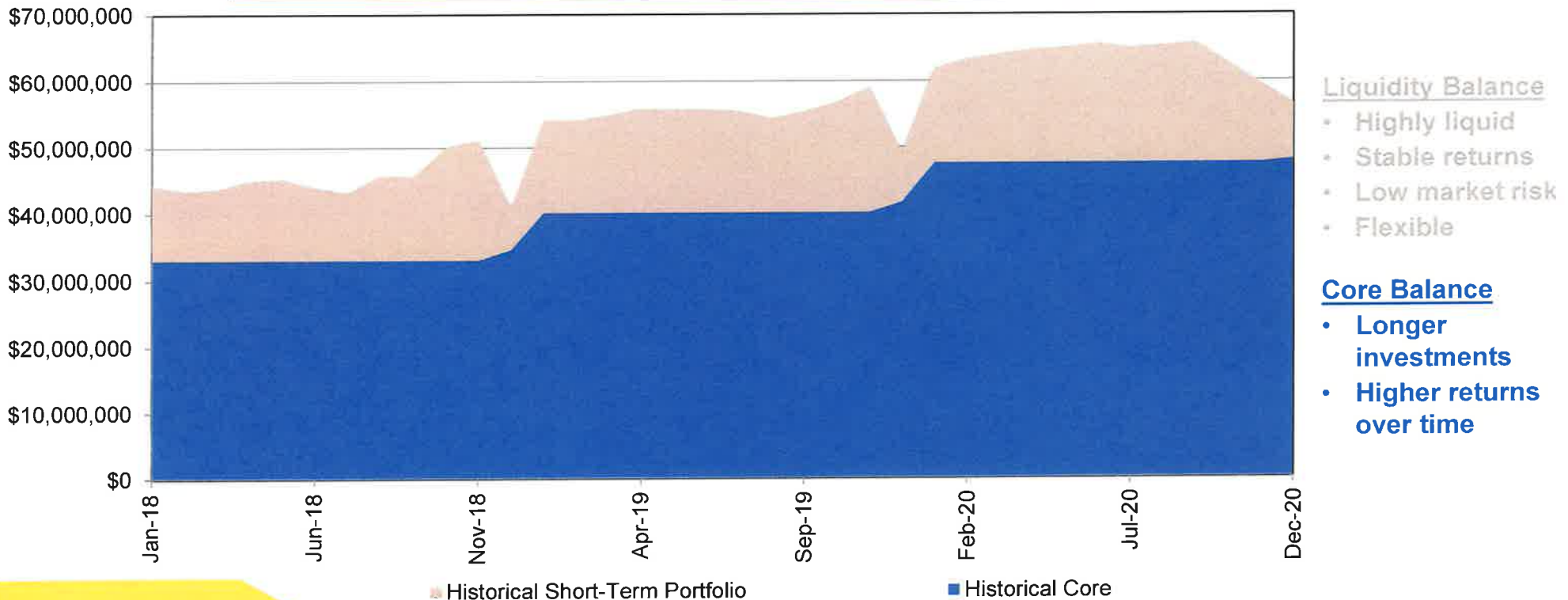
- PFM's cash flow model analyzes historical cash flows to identify overall trends and the "seasonality" of cash flow patterns
- The model is used to allocate funds between a liquidity ("Short-Term") portfolio used to meet on-going cash needs and those funds that can be invested in a longer-term ("Core") portfolio to enhance longer-term returns

Portfolio	Strategy	Uses
Short-Term	Overnight to 12 Months	<ul style="list-style-type: none">• Highly liquid for daily needs and unforeseen expenditures• Funds are meant to cover specific, predictable cash flows (payrolls, debt service)• Can be lower during periods of net cash inflow• Comprised of short-term money market instruments (e.g., bank deposits, money market mutual funds, etc.)
Core	Longer Duration Strategy	<ul style="list-style-type: none">• Funds not expected to be spent in the near-term• May be disbursed in extraordinary circumstances• Can be invested in longer-term securities



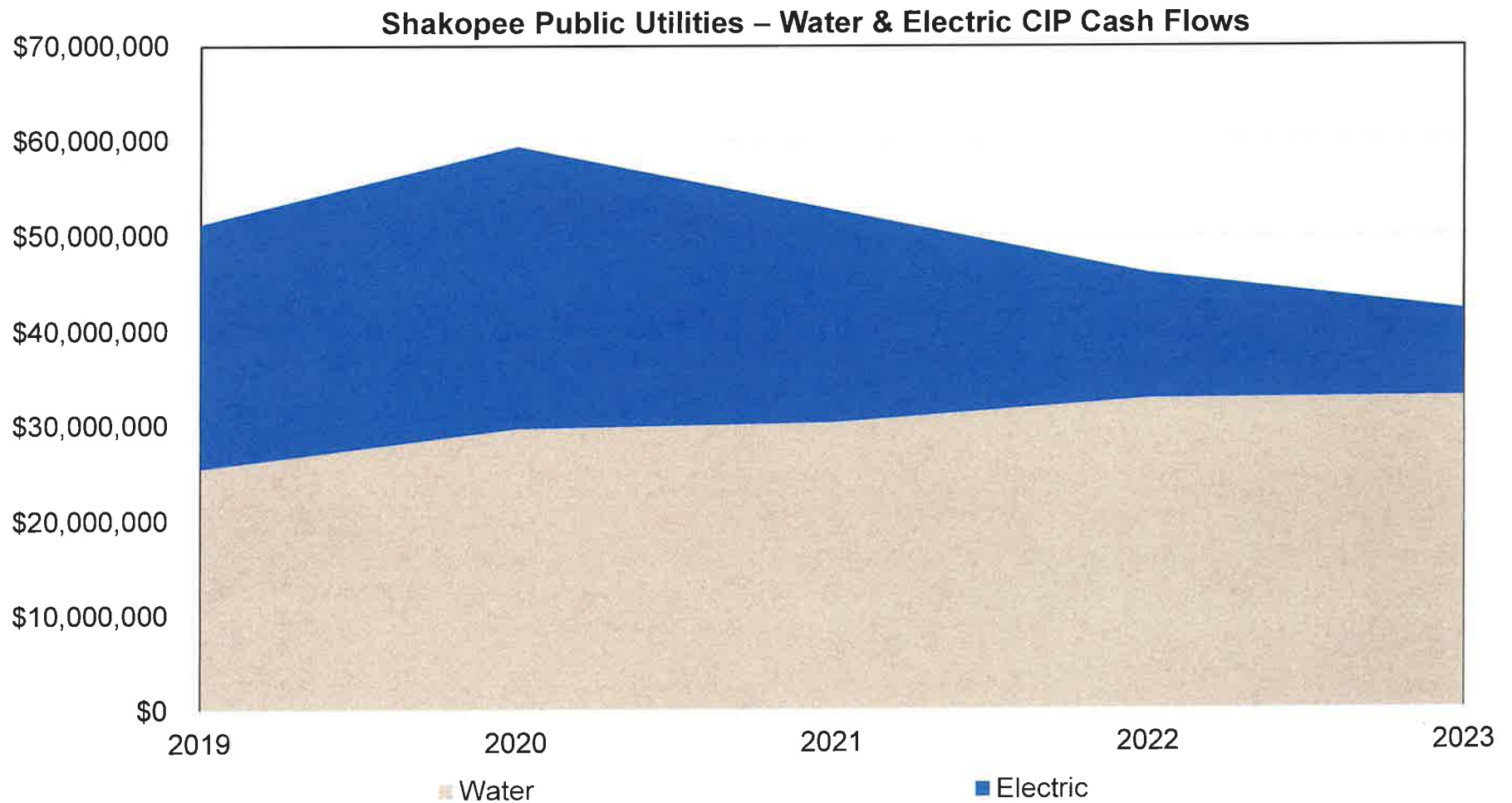
Shakopee Public Utilities' Historical Portfolio

Shakopee Public Utilities Historical Cash and Investments (January 2018 – December 2020)	
"Core" Funds	\$48,010,620
Short-Term Funds	\$8,472,462
Total Portfolio	\$56,483,083





SPU Capital Improvement Plan Cash Flows



For illustrative purposes only. Total end of year balances includes summary cash flows for the Water and Electric capital improvement plans.



Selecting a Benchmark



Fixed Income Total Return Benchmark Options

- Longer duration strategies have historically resulted in higher returns
- But, longer duration also carries greater volatility
- Investing in non-government securities has also historically resulted in higher returns over time

Risk/Return of Various Investment Strategies 10 Years Ended December 31, 2020				
Benchmark Index	Duration (years)	Annualized Total Return	Cumulative Value of \$50 Million	Quarters With Negative Return
3-Month Treasury Bill	0.25	0.63%	\$53,267,526	0 out of 40
1-Year Treasury Index	0.99	0.93%	\$54,846,448	4 out of 40
0 – 3 Year Treasury Index	1.46	1.14%	\$56,017,454	6 out of 40
1 – 3 Year Treasury Index	1.90	1.30%	\$56,888,425	7 out of 40
0 – 5 Year Treasury Index	2.18	1.57%	\$58,458,497	9 out of 40
1 – 5 Year Treasury Index	2.66	1.79%	\$59,702,976	9 out of 40
1 – 10 Year Treasury Index	3.88	2.52%	\$64,133,551	12 out of 40

Source Bloomberg, ICE BofAML indices; Based on historical results – future results may vary. For illustrative purposes only, actual portfolio size will be determined after thorough review of cash flows and risk tolerances.



2021 Strategy: Establish Core Portfolio

● Money Market Fund (0 – 12 months)

- Funds for immediate and near-term liquidity needs
- Also provides a liquidity cushion to cover unforeseen expenditures

● “Core” Portfolio (0 – 5 years)

- Funds that are not expected to be needed over an intermediate-term horizon
- Available for longer-term investment with the potential to generate a higher return
- Utilize full range of permitted investments
- Invest only in securities with active secondary markets so they can be sold if necessary
- Investment maturities typically 0 – 5 years



Important Disclosures

This material is based on information obtained from sources generally believed to be reliable and available to the public, however PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some but not all of which are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue, and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. No representation is made as to its accuracy or completeness.



Thank You!



pfm



PO Box 470 • 255 Sarazin Street
 Shakopee, Minnesota 55379
 Main 952.445-1988 • Fax 952.445-7767
 www.shakopeeutilities.com

DATE: April 28, 2021
TO: Greg Drent 
FROM: Jean McGann, Consulting Finance Director 
SUBJECT: Consideration of Investment Policy

Background

Over the past several months Shakopee Public Utilities has been reviewing the investment policy and analyzing existing investments and how investments are managed. As part of this review and analysis, Shakopee Public Utilities did a request for proposal for Investment Advisor and has contracted with PFM Asset Management LLC.

We have been working with PFM Asset Management to review the existing investment policy, analyze cash flows and develop a strategic plan for investments. The existing investment policy was adopted in May 2012. Best practice state that the investment policy should be reviewed on an annual basis. This does not mean that changes will be made on an annual basis but rather the component of the policy are reviewed to determine if any updates are necessary.

While the existing investment policy contains the basic components we believe the updated policy addresses areas that are important for the strategic planning of managing investments. Outlined below are specific areas of the investment policy where we are recommending changes.

Credit Risk – additional language has been added to allow an investment advisor assist with investments and allowing the investment advisor to utilize their own approved list of broker-dealers and security issuers provided they are in compliance with the criteria in the investment policy.

Interest Rate Risk – the existing policy indicates that investments will be held to maturity. We recommend striking this language as there may be a time when it is beneficial before maturity. This is possible to monitor due to active management of the investment portfolio.

Liquidity – we are recommending eliminating the duration clause in the existing policy as this limits the maturity to five years or less.

Delegation of Authority – additional language is needed to designate duties of the external investment advisor.

Authorized investment and collateralization – diversification parameters have been added to the policy so that there is a minimum ratings requirement on qualified investments under Minnesota statute.

Performance standards – the benchmark information has been updated for the fixed income portfolio.





PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

Recommendation

The Commission is requested to consider adoption of the investment policy.



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

SHAKOPEE PUBLIC UTILITIES INVESTMENT POLICY

As of May 28, 2021

Supersedes policy dated May 7, 2012

I. PURPOSE AND NEED FOR POLICY

It is the policy of the Shakopee Public Utilities Commission to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow requirements of the Shakopee Public Utilities Commission and conforming to all state and local statutes governing the investment of public funds. The purpose of this Policy is to develop an overall program for cash investments, designed and managed with a high degree of professionalism, worthy of the public trust; to establish that appointed officials and employees are custodians of a portfolio which shall be subject to public review; to establish cash investment objectives, delegation of authority, standards of prudence, internal controls, authorized investments, selection process for investments, and broker representations.

II. SCOPE

This Policy applies to the investment and deposit of all funds of the Shakopee Public Utilities Commission.

A. Pooling of Funds

Except for cash in certain restricted and special funds, the Shakopee Public Utilities Commission will consolidate cash and reserve balances from all funds to maximize investment earnings and to increase efficiencies with regard to investment pricing, safekeeping and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

III. OBJECTIVE

At all times, investments of the Shakopee Public Utilities Commission shall be in accordance with Minnesota Statutes Chapter 118A and amendments thereto. The primary objectives of the Shakopee Public Utilities Commission's investment activities shall be in the following order of priority:



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

A. Safety

Safety of principal is the foremost objective of the investment portfolio. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit risk, interest rate risk, and custodial risk.

Credit Risk: Credit Risk is the risk of loss due to failure of the security issuer or backer. Thus, designated depositories shall have insurance through the FDIC (Federal Insurance) or the SIPC (Securities Investor Protection Corporation). To ensure safety, it is the policy of the Shakopee Public Utilities Commission that when considering an investment, all depositories under consideration be crosschecked against existing investments to make certain that funds in excess of insurance limits are not made in the same institution unless collateralized as outlined below. Furthermore, the Shakopee Public Utilities Commission will approve all financial institutions, brokers, and advisers with which the Shakopee Public Utilities Commission will do business. If Shakopee Public Utilities chooses to engage an investment advisor, that investment advisor may choose to utilize any broker-dealer that it deems prudent. Qualified investment advisors assisting the Utilities in the management of its overall portfolio may purchase and sell investment securities in accordance with this policy and may utilize their own approved list of broker-dealers and security issuers; however, the list shall fully comply with the criteria maintained in this policy.

Interest Rate Risk: Interest Rate Risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. The Shakopee Public Utilities Commission will minimize Interest Rate Risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations.

Custodial Risk: The Shakopee Public Utilities Commission will minimize deposit Custodial Risk, which is the risk of loss due to failure of the depository bank (or credit union), by obtaining collateral or bond for all uninsured amounts on deposit, and by obtaining necessary documentation to show compliance with state law and a perfected security interest under federal law.

B. Liquidity

The investment portfolio shall remain sufficiently liquid to meet projected disbursement requirements. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Generally, investments shall have “laddered” maturities so that money becomes available on a regular schedule. Liquid funds will allow the Shakopee Public Utilities Commission to meet possible cash emergencies without being penalized on investments.



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

C. Yield

The investment portfolio shall be designed to manage the funds to maximize returns consistent with items A and B above and within the requirements set forth in this Policy. The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall generally be held until maturity with the following exceptions:

- A security with declining credit may be sold early to minimize loss of principal
- A security swap would improve the quality.
- Liquidity needs of the portfolio require that the security be sold.

IV. DELEGATION OF AUTHORITY

Responsibility for the investment program is hereby delegated from the Shakopee Public Utilities Commission to the Utilities Manager and/or the Director of Finance and Administration. Authority to conduct actual investment transactions may be delegated to the Utilities Manager, and/or the Director of Finance and Administration, who shall act in accordance with procedures as established with this investment policy. The authorized individuals, when acting in accordance with this Policy and exercising due diligence, shall not be held responsible for losses, provided that the losses are reported immediately and that appropriate action is taken to control further losses.

Shakopee Public Utilities may utilize SEC-registered investment advisory/management firms (External Investment Managers) to invest segments of the portfolio. Managers shall be selected through an RFP process. The External Investment Managers will operate within the constraints of this Investment Policy and an executed Investment Advisory Agreement. The External Investment Managers shall have discretion over the assigned segment of the portfolio. All External Investment Managers shall purchase and sell securities in accordance with Minnesota Statute 118A, this Investment Policy, and the Investment Advisory Agreement. External Investment Managers must be registered under the Investment Advisers Act of 1940 and be licensed and registered to do business in Minnesota and registered as an investment advisor through IARD (Investment Advisor Registration Depository) in Minnesota.

V. PRUDENCE

The standard of prudence to be used by investment officials shall be the “prudent investor”, and shall be applied in the context of managing the investments. All investment transactions shall be



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

made in good faith with the degree of judgment and care, under the circumstances, that a person of prudence, discretion and intelligence would exercise in the management of their own affairs. This standard of prudence shall mean not for speculation, and with consideration of the probable safety of the capital as well as the probable investment return derived from assets.

VI. INTERNAL CONTROLS

Internal controls are designed to prevent loss of public funds due to fraud, error, misrepresentation, unanticipated market changes, or imprudent actions. Before the Shakopee Public Utilities Commission invests any surplus funds, competitive quotations shall be obtained. Written quotations from local financial institutions shall be obtained via fax, email or other form of written documentation, with all of them receiving the exact same rate request. Verbal quotations shall be received from all other brokers, along with a subsequent confirmation. If a specific maturity date is required, either for cash flow purposes or for conformance to maturity guidelines, quotations will be requested for instruments that meet the maturity requirement. If no specific maturity is required, a yield analysis will be conducted to determine which maturities would be most advantageous. Quotations will be requested from financial institutions for various options with regard to term and investment type. The Shakopee Public Utilities Commission will accept the quotation, which provides the highest rate of return within the maturity required and within the limits of this Policy.

The Utilities Manager and/or Director of Finance and Administration will report periodically to the Shakopee Public Utilities Commission on the total of all funds invested and the total interest received on all securities year to date.

VII. AUTHORIZED INVESTMENTS AND COLLATERALIZATION

All Shakopee Public Utilities Commission investments and deposits shall be those allowable by Minnesota Statutes Chapter 118A and amendments thereto. In accordance with Minnesota Statutes 118A, collateralization will be required on all demand deposit accounts, including checking, savings, and money market accounts, and non-negotiable certificates of deposit in excess of federal deposit insurance.

State law defines the types of securities that a financial institution may pledge as collateral for public deposits. These securities include:

- United States Treasury Issues
- Issues of US Government Agencies and Instrumentalities
- Obligations of State and Local Governments
- Time Deposits (Certificates of Deposits fully insured by the federal deposit insurance company or federal agency).



PO Box 470 • 255 Sarazin Street
 Shakopee, Minnesota 55379
 Main 952.445-1988 • Fax 952.445-7767
 www.shakopeeutilities.com

Since the amount a public entity has on deposit will vary from time to time, the financial institution needs sufficient amounts of pledged collateral to cover 110% of the uninsured amount on deposit during peak deposit times.

State law permits investment in the following types of securities:

- Federal Securities – Treasury bills, notes and bonds, as well as bonds and notes issued by or guaranteed by U.S. Government Agencies such as the Small Business Administration or GNMA, or by U.S. Government instrumentalities such as FNMA, Federal Home Loan Bank, or Federal Farm Credit Bank or FHLMC (Freddie Mac)
- State and Local Securities – Bonds and other debt instruments issued by cities, counties, states or other governmental units subject to rating requirements as defined under Minnesota Statutes 118A.
- Commercial Paper – Rated short term debt issued by U.S. corporations or their Canadian subsidiaries
- Guaranteed Investment Contracts
- Certificates of Deposit – Issued by U.S. Banks fully insured by FDI
- Bankers’ Acceptances – Issued by U.S. Banks
- Money Market Mutual Funds – Subject to certain rating
- Government Investment Pools, including the 4M Funds, the Liquid Asset Fund, MAGIC Fund, and MN Trust

The following diversification parameters have been established and will be reviewed periodically by the Utilities General Manager for all funds:

Sector	Sector Maximum	Per Issuer Maximum	Minimum Ratings Requirement
U.S. Treasuries	100%	100%	N/A
Federal Agencies	75%	40%	N/A
Federal Agency Mortgage-Backed Securities (MBS)	50%	40%	N/A
Municipal Bonds	50%	5%	General obligation bonds must be rated “A” or better by a NRSRO; revenue obligation bonds must be rated “AA” or better by a NRSRO
Commercial Paper	50%	5%	Rated in the highest quality category by at least two NRSROs
Certificates of Deposit	50%	5%	None, if fully collateralized
Bankers’ Acceptances	50%	5%	Highest short-term rating by two NRSROs



PO Box 470 • 255 Sarazin Street
 Shakopee, Minnesota 55379
 Main 952.445-1988 • Fax 952.445-7767
 www.shakopeeutilities.com

Money Market Mutual Funds	100%	100%	Highest fund quality and volatility rating categories by all NRSROs, if rated
Local Government Investment Pools	100%	100%	Highest fund quality and volatility rating categories by all NRSROs, if rated

Additional Portfolio Guidelines:

- Bonds must be rated by at least by one Nationally Recognized Securities Rating Organization (“NRSRO”). If the downgrade of a single bond forces the holding below the lowest rating allowed for that security, the advisor will notify Shakopee Public Utilities within a reasonable timeframe, the holding will be discussed, and a decision made based on valuation by the Advisor whether to hold or sell the bond with consent of Shakopee Public Utilities.
- Individual holdings of obligors other than those backed by the U.S. Government, its agencies, or its instrumentalities are limited to 3% of the total market value of the portfolio at the time of purchase.
- Investment managers shall purchase or sell securities through firm(s) offering the best price and execution, unless otherwise directed by the Client.
- All fixed income investments will be U.S. dollar denominated.
- The percentage of the overall portfolio to be invested in certificates of deposit, commercial paper, bankers’ acceptances, or municipal bonds shall be limited to a maximum of 50% for each security type.
- Any percentage limits, maturity length, rating requirements, or other investment parameters will be calculated and/or evaluated based on the original cost of each investment at the time of purchase, based on the settlement date, of the security in determining compliance with these investment guidelines.

An investment purchased by a public entity can only be held in safekeeping with:

- a Federal Reserve Bank,
- a United States bank with corporate trust powers,
- a primary reporting dealer to the Federal Reserve Bank of New York (primary reporting dealers), or
- a broker dealer having its principal executive office in Minnesota

VIII. DIVERSIFICATION

The Shakopee Public Utilities Commission will attempt to diversify its investments according to type and maturity. The portfolio, as much as possible, will contain both short-term and long-term investments. The Shakopee Public Utilities Commission will attempt to match its



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

investments with anticipated cash flow requirements. Extended maturities may be utilized to take advantage of higher yields.

IX. REPORTING

A. Methods

Investment Advisors will provide monthly reporting on the status of the current investment portfolio and individual transaction executed over the last month. The report will include the following:

- Listing of individual securities held at the end of the reporting period
- Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities one-year duration that are not intended to be held until maturity
- Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks.
- Listing of investments by maturity date
- Percentage of the total portfolio which each type of investment represents
- The market value of the portfolio shall be calculated and issued monthly

B. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken and the benchmark shall have a similar weighted average maturity as the portfolio.

Stated Benchmark for Fixed Income Portfolio: Barclays Capital 0-3 Year Government Index

Stated Benchmark for Short Term Cash Portfolio: Barclays 3 Month T-Bill

C. Marking to Market

The market value of the portfolio shall be calculated and updated in the financial reporting for Shakopee Public Utilities at least quarterly.



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

X. CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.

XI. BROKER REPRESENTATIONS

Municipalities must obtain from their brokers certain representations regarding future investments. Pursuant to Minnesota Statutes 118A, the Shakopee Public Utilities Commission shall provide each broker with the Shakopee Public Utilities Commission's investment policy, and the securities broker shall submit a certification annually to the Shakopee Public Utilities Commission stating that the officer has reviewed the investment policies and objectives, as well as applicable state law, and agrees to disclose potential conflicts of interest or risk to public funds that might arise out of business transactions between the firm and the Shakopee Public Utilities Commission. All financial institutions shall agree to undertake reasonable efforts to preclude imprudent transactions involving the Shakopee Public Utilities Commission's funds.

XII. APPROVAL OF INVESTMENT POLICY

The investment policy shall be formally approved and adopted by the governing body of the Shakopee Public Utilities Commission.

This policy shall be reviewed on an annual basis. Any changes must be approved by the Shakopee Public Utilities Commission.



PO Box 470 • 255 Sarazin Street
 Shakopee, Minnesota 55379
 Main 952.445-1988 • Fax 952.445-7767
 www.shakopeeutilities.com

TO: Greg Drent, Interim General Manager *GD*
 FROM: Joseph D. Adams, Planning & Engineering Director *JDA*
 SUBJECT: Proposed Land Swap with DR Horton
 DATE: April 28, 2021

ISSUE

DR Horton is planning the development of the remaining La Tour property adjacent to Tank #8 and proposes to swap land rights with the Commission to benefit both parties.

BACKGROUND

The Utilities Commission is developing water facilities in the 2nd HES district continuing with the construction of an elevated water storage tank #8 west of Zumbro Avenue on a 6.8-acre site purchased from the La Tour family. This site is also able to support future water supply wells and a potential water treatment facility as shown in the 2018/2019 Comprehensive Water Plan and Supplement.

The initial access to the tank site which is located on high ground on the west side of the parcel comes off of newly constructed Zumbro Avenue located on the east side of the parcel. This results in a very long driveway of over 1,200 feet. The intent was for this to be temporary and have a new shorter drive be located on a future city street along the west side of the parcel.

A test well was installed on the site to gauge the expected water quality and water volume that can be expected at this location. Based on the results our consulting geologist with Sambatek is recommending spacing wells out 500 feet to limit influence during high demand periods and pressure on the aquifer in this area. This limitation would allow up to a max of 3 water supply wells across the site.

DISCUSSION

Due to the natural topography and drainage patterns, DR Horton has determined it would be advantageous for their development of the adjoining parcel to the south to install some of their required ponding area on the SPU site. In exchange they propose to deed to SPU an oversized lot of equal size area for the location of a future well and control house. This will maintain the 3



PO Box 470 • 255 Sarazin Street
Shakopee, Minnesota 55379
Main 952.445-1988 • Fax 952.445-7767
www.shakopeeutilities.com

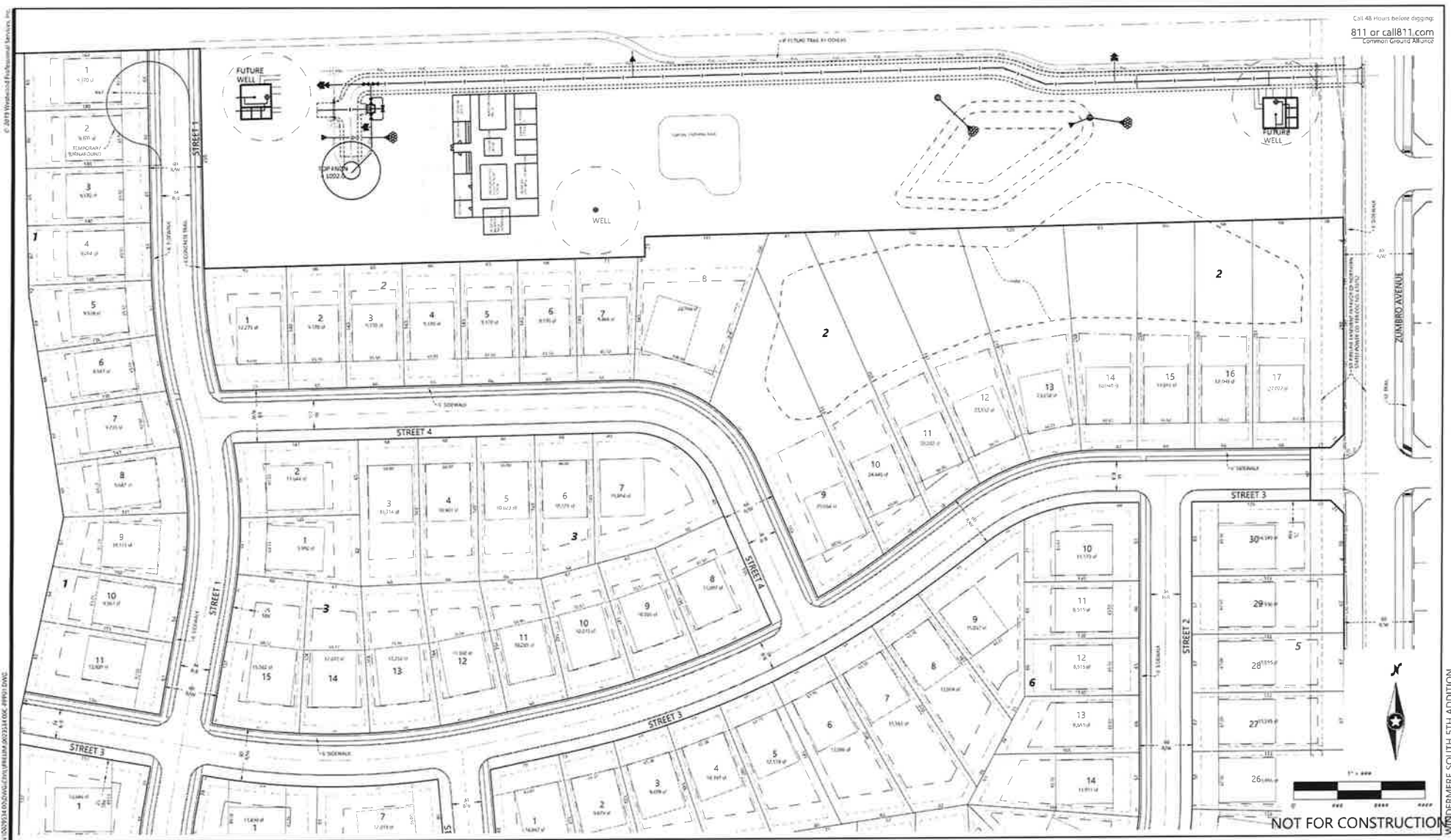
well scenario with adequate spacing. It would also allow for a shorter driveway access thru the proposed lot to the tank and future facilities. Again based on the existing topography and plans for street elevations for 17th Avenue/CR 16 extended nearby, a future driveway from the west would require an extensive retaining wall and an undesirable switchback design. The driveway coming up south from the proposed lot into the SPU site would be much better for a permanent access.

RECOMMEDATION

Staff is recommending the Commission consider the proposed land swap as a win win for both the developer and the utilities. DR Horton will draft an agreement to effect the land rights swap and staff and legal counsel will review it before bringing a final version for Commission approval.

REQUESTED ACTION

Staff requests the Commission approve by motion the preparation of a formal agreement to accomplish the above described land rights swap.



© 2013 Westwood Professional Services, Inc.
A: 0029534.002/AVG/LEV/PLAT/PLM/0029534.00C-PP01.DWG

REVISION	DATE
1	04/02/21
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	
29	
30	

PREPARED FOR:
DR HORTON, INC. - MINNESOTA
2080 KENRIDGE COUNTY, SUITE 100
LAMBVILLE, MINNESOTA 55044

DESIGNED BY: JEFFREY A. WELLS, INC.
DATE: 04/02/21
PROJECT NO.: 53526

WINDERMERE SOUTH 5TH ADDITION
SHAKOPEE, MN

Westwood
Professional Services, Inc.
2025 5th Street, Shakopee, MN 55082
Phone: (952) 487-8888
Fax: (952) 487-8888
www.westwoodps.com

PRELIMINARY PLAT
DETAIL A

SHEET NUMBER:
4 OF **38**

PROJECT NUMBER: 0029534.00 DATE 04/02/21

