

MINUTES OF THE  
SHAKOPEE PUBLIC UTILITIES COMMISSION  
April 18, 2022  
Regular Meeting

1. Call to Order. Vice President Krieg called the April 18, 2022 meeting of the Shakopee Public Utilities Commission to order at 5:00 PM. Vice President Krieg, Commissioner Brennan, Commissioner Fox, and Commissioner Letourneau were present.

2. Approval of Consent Agenda. Commissioner Brennan asked to pull item (3f) from the Consent Agenda. Commissioner Letourneau asked to pull item (3g). Commissioner Brennan moved approval of all other items on the Consent Agenda: (3a) March 29, 2022 Joint Meeting Minutes; (3b) April 4, 2022 Minutes; (3c) April 18, 2022 Agenda; (3d) April 5, 2022 Warrant List, Account Credit Request/Deposit Refunds; (3e) April 18, 2022 Warrant List. Commissioner Fox seconded the motion. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

For item (3f), Commissioner Brennan asked about pumping amounts exceeding the billing numbers. General Manager Drent explained that factors include a 4-5% line loss, the filling of Tank #8, the number of days in the month, and billing after the close of the month. Water Superintendent Schemel added that construction meters are issued at this time of year and SPU does not get them back until November or December, so they are not billed until then. Commissioner Brennan moved approval of item (3f) Water Dashboard, seconded by Commissioner Letourneau. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

For item (3g), Commissioner Letourneau asked about the exception items in the bid response concerning a potential delay. Mr. Drent explained that the project is on track and quantified the potential increase. Commissioner Letourneau moved to approve item (3g) West Shakopee Substation 115kV Circuit Breaker, seconded by Commissioner Fox. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

3. Liaison Report. Commissioner Brennan noted that City Council approved the final plat for Whispering Waters.

4. Public Comment Period. No public comments were offered.

5. General Manager Report. Mr. Drent noted the provisions in the SPU Governance Handbook concerning the appointments to MMPA. Mr. Drent also noted that the City Council voted to increase the monthly compensation for SPU Commissioners from \$400 to \$500, for Commission President from \$500 to \$600, and for MMPA Alternate to \$100 (Mr. Drent noted that he will not receive any additional compensation as MMPA Representative). He explained that SPU pays this compensation, and that the compensation was last increased in September 2013.

Mr. Drent noted that Commissioners are eligible for PERA. Mr. Drent also highlighted pending projects, including residential electric vehicle rates, long-term planning, Dean Lake Boulevard Extension, employee health care savings, and employee handbook presentation to staff. For the NISC conversion, he noted that the first data pull went well. Mr. Drent also noted an initial meeting with school district representatives concerning solar power options.

6. Water Report. Mr. Schemel reported that the Water Department has completed the valve inspections before resurfacing and special projects. He noted that as the weather improves, the flushing program will begin.

7. West End Lower Bluff Utility Improvements Bid Award. Joseph Adams, Director of Planning and Engineering, reported that the City opened bids for this project on April 5, 2022. He noted that the project includes a lift station, sanitary sewer force main, and a 12-inch trunk watermain, and that Bolt & Menke serves as the Project Manager. Mr. Adams explained that SPU's portion of this project is expected to be \$942,614.39, which is under budget. Commissioner Fox moved to concur with the bid award recommendation for the City Council to award the construction contract, including the 12-inch water main, to Northern Lines Contracting. Commissioner Letourneau seconded the motion. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

8. Electric Report. Brad Carlson, Electric Superintendent, reported that one outage occurred since the last Commission meeting. He also noted pending electric projects, including the second half of the Levee Drive duct bank, reviewing the LTC (Load Tap Changer) at Dean Lake, energizing the Canterbury distribution center, and service at River Bluff Apartments. Mr. Carlson noted that electric crews are looking at transformers in the service territory in Prior Lake to be swapped with MVEC, given the differences in voltage.

9. 2022 Reliability and Outage Report & Certificate. Mr. Carlson reported that SPU received the Certificate of Excellent in Reliability from the American Public Power Association – one of only 209 utilities nationwide. He noted that SPU has received this Certificate every year since 2017. Mr. Carlson presented the reliability information for SPU for 2021.

10. Human Resources. Mr. Drent presented the SPU Drug and Alcohol testing policy for licensed commercial driver's license (CDL) employees. Mr. Drent noted that SPU has historically participated in the MMUA testing program, and desired to formally adopt this policy. He noted that the policy provides that if a CDL licensed employee gets two driving while impaired offenses, the employee will be terminated. Commissioner Letourneau moved to approve the Drug and Alcohol Testing Policy as presented; Commissioner Fox seconded the motion. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

11. Marketing/Customer Service Report. Mr. Drent noted that Ms. Walsh has processed two large rebates of over 250,000 kwh, resulting in rebates of \$27,000. He reported that the final bid package for the AMI project was approved. He noted that SPU staff is meeting with City staff to consider potential community outreach options. Mr. Drent stated that the ribbon-cutting event for the SPU drive-up window went well. He presented a video of the drive-up window construction.

12. First Quarter 2022 Financials. Kelley Willemsen, Director of Finance and Administration, presented the First Quarter 2022 financials. She explained that GASBY requires an analysis of “book” losses, but because SPU did not sell these holdings, no loss was actually realized. Ms. Willemsen also explained the timing difference between one quarter versus an annual budget. Commissioner Letourneau moved to approve the First Quarter 2022 financials. Commissioner Fox seconded the motion. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

13. Adjourn. Motion by Commissioner Brennan, seconded by Commissioner Fox, to adjourn to the May 2, 2022 meeting. Ayes: Brennan, Fox, Krieg, and Letourneau. Nays: None. Motion carried.

  
\_\_\_\_\_  
Greg Drent, Commission Secretary