

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
November 21, 2022
Regular Meeting

1. Call to Order. President Mocol called the November 21, 2022 meeting of the Shakopee Public Utilities Commission to order at 5:00 PM. President Mocol, Vice President Krieg, Commissioner Brennan, Commissioner Fox, and Commissioner Letourneau were present.
2. Approval of Consent Agenda. Commissioner Fox moved approval of the consent agenda: (3a) November 7, 2022 minutes; (3b) November 21, 2022 agenda; (3c) November 21, 2022 Warrant List; (3d) Water Dashboard; (3e) Capitalization Policy; and (3f) Time Keeping Policy. Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried.
3. Liaison Report. Commissioner Brennan had nothing to report.
4. Public Comment Period. Randy Kroc of Prior Lake noted that he is now a former SPU customer due to the electric service territory transfer. He discussed the final bill from SPU, which was 75% higher than expected because it included not only the regular bill but also the final weeks in November before the transfer. Mr. Kroc explained that the bill arrived with only eight days from the invoice to the due date, and with the higher amount owing, the timing, and the automatic payment process, this could be a concern for customers. He asked that SPU improve this process.
5. General Manager Report. Mr. Drent provided an update on current projects, including the 2023 budget, rate resolutions, and final approval of the solar for schools. Mr. Drent noted interest from commercial customers in EV chargers for semi-trucks. He explained that if fee schedules are prepared and if there is no action required on land purchases that are currently in negotiations, the Commission may cancel its meeting for December 19, 2022.
6. Paymentus Settlement Agreement. Mr. Drent explained that with the overall transfer of financial software to the NISC system, and the desire to use the customer real-time payment viewing feature of NISC, in August SPU provided notice of termination of the contract with Paymentus, SPU's ebill and on-line payment vendor, effective February 28, 2023. Paymentus disputed the termination date. Representatives of the parties negotiated a settlement agreement and recommended approval by the Commission. Commissioner Fox moved to approve the proposed Settlement Agreement and Release and to terminate the prior Paymentus contract effective February 28, 2023. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried.
7. Water Report. Lon Schemel, Water Superintendent, reported that crews are working on winter programs, including inspecting feed lines and bagging hydrants. With the talk of diesel being in short supply, SPU has topped off all diesel needed for winter.

8. Lateral Water Main Connection Charge Update. Joseph Adams, Planning and Engineering Director, discussed the draft letter to affected properties of the lateral water main connection charges and future indexing. The Commission discussed revisions to the draft and potentially holding a meeting or open house for customer questions.

9. Tank #9 Structural Design, Constructing Engineering and Construction Monitoring. Mr. Schemel noted that the 2018 Water Plan included a 500,000-gallon elevated tank at Wood Duck Trail and Marshall Road. He recommended that SPU engage Barr Engineering to perform the structural design, construction engineering, and construction monitoring for Tank #9 at a not-to-exceed cost of \$242,400 and KLM Engineering Inc. for welding, coating, and warranty inspections at an estimated cost of \$90,000. Commissioner Letourneau moved to approve the Engineering Services fee proposal by Barr Engineering and authorize signature by the General Manager of the task authorization. Commissioner Fox seconded the motion. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried.

10. Electric Report. Brad Carlson, Electric Superintendent, reported that there have been no outages since the last Commission meeting. He provided an update of electric projects, including Valley Crest installation and underground, working on NISC system service orders on tablets, and decommissioning the overhead powerline on McKenna Road. Mr. Carlson reported the transition of MVEC customers to SPU, with 200 customers expected to transfer on November 28, 2022.

11. East Shakopee Substation Site Update. Mr. Adams reported a tentative agreement on the property purchase price for the proposed substation site located along Hansen Avenue at Maras Street and most of the terms for purchase. He recommended that SPU proceed with the transmission system study through Xcel Energy, which requires a deposit of \$10,000. Commissioner Brennan moved to approve the Service Agreement for Transmission to Load Interconnection System Impact Study and payment of the \$10,000 deposit fee to Xcel Energy. Commissioner Fox seconded the motion. Ayes: Mocol, Fox, Brennan, Krieg, and Letourneau. Nays: None. Motion carried.

12. Items for Future Agendas. Commissioner Brennan requested an update on the billing process for the former SPU customers in Prior Lake.

13. Adjourn. Motion by Commissioner Fox, seconded by Vice President Krieg, to adjourn to the December 5, 2022 meeting. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None.



Greg Drent, Commission Secretary