

MINUTES OF THE  
SHAKOPEE PUBLIC UTILITIES COMMISSION  
December 5, 2022  
Regular Meeting

1. Call to Order. President Mocol called the December 5, 2022 meeting of the Shakopee Public Utilities Commission to order at 5:00 PM. President Mocol, Vice President Krieg, Commissioner Brennan, and Commissioner Letourneau were present.
2. Communications. President Mocol noted that she received an email concerning the Cold Weather Rule. General Manager Greg Drent will address this topic in his General Manager report.
3. Approval of Consent Agenda. Joseph Adams, Planning and Engineering Director, noted that item (3h) Res#2022-28 Resolution Adjusting Fees Applied Under the Water Capacity Charge Policy included the incorrect year in the packet. Commissioner Brennan moved approval of the consent agenda, removing item (3h): (3a) November 21, 2022 minutes; (3b) December 5, 2022 agenda; (3c) December 5, 2022 Warrant List; (3d) Res #2022-24 Resolution of Appreciation for Edward Zambrano; (3e) Res #2022-25 Resolution Establishing Water Meter and Installation Fees; and (3f) Res #2022-26 Resolution Designating an Official Means of Publication; (3g) Res#2022-27 Resolution Designating Official Depositories of the Shakopee Public Utilities Commission; (3i) Res #2022-29 Resolution Adjusting Fees Applied Under the Trunk Water Charge; (3j) Res #2022-30 Resolution Adopting Fees and Charges for 2023; (3k) Res #2022-31 Resolution Approving Payment for the Pipe Oversizing Costs on the Watermain Project: Windermere South 6th Addition; (3l) Res #2022-32 Resolution Regulating Wage Ranges. Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None. Motion carried.
4. Liaison Report. Commissioner Brennan noted that this is her last meeting as a Commissioner. She thanked SPU staff for their professionalism and the Commission for its vision for the organization.
5. Public Comment Period. No public comments were offered.
6. General Manager Report. Mr. Drent provided an update on current projects, including the 2023 budget, AMI contract, fee schedules, and solar with Greystone. Mr. Drent reported that SPU and the City are working on a Master Plan for 3690 Eagle Creek Boulevard and have engaged RSP Architects for under \$25,000 to prepare site options. He provided an update on the final billing for the Prior Lake customers transferred to MVEC. He noted that SPU sent letters to approximately 100 customers requesting that if they incurred any charges because of the final bill to contact SPU. Mr. Drent noted that one customer contacted President Mocol on the Cold Weather Rule. He explained that the statute includes certain criteria, including income

requirements and that the customer enters into and makes reasonable timely payments under a payment agreement. He notes that SPU goes beyond the requirements by calling customers before disconnecting. Finally, Mr. Drent noted that the December 19, 2022 Commission meeting will be canceled, unless something arises that requires Commission action.

7. Water Report. Lon Schemel, Water Superintendent, reported that the Minnesota Department of Health sent the PFAS test results from the August 17, 2022 samples. He explained that the State has a health risk index in which 1 means not expected to cause health impacts. SPU's results were well below that level; the highest level was .36. He will prepare reports with this information.

8. Electric Report. Brad Carlson, Electric Superintendent, provided an update of electric projects, including the first connection of the SPU building to the Scott County fiber loop and installing station power transformer at the West Shakopee Substation. He reported that on November 28<sup>th</sup> SPU transferred additional MVEC customers to SPU; SPU continues to work on the manufactured home parks. Mr. Carlson reported three outages since the last Commission meeting. One concerned a switch failure at Eagle Creek and Pike Lake Road, affecting 470 customers for 120 minutes.

9. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Projects, reported meeting with a large customer on EV charging and Clean Energy Choice. She reported completing a conservation project with a large multi-family building on the east end of town. She noted that the AMI contract negotiations continue. Ms. Walsh noted a successful event at the Holiday Fest with customers. She posted a blog about the Jackson Township customers who have joined SPU. She is working on refining the communication concerning the lateral watermain connection charges. Ms. Walsh noted that SPU and MVEC staff plan to hold a joint meeting to discuss the transfer, what went well, and what was learned.

10. 2023 – 2027 Capital Improvement Plans. Mr. Adams presented the final proposed Capital Improvement Plan and explained the revisions. Commissioner Letourneau moved to accept the 2023 – 2027 Capital Improvement Plan. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None. Motion carried.

11. 2023 Administrative, Electric and Water Capital Projects & Equipment. Mr. Adams presented the 2023 Capital Project & Equipment Plan. Commissioner Brennan moved to approve the 2023 Administrative, Electric, and Water Capital Improvement Projects and Equipment as presented. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

12. 2023 Final Budget. Kelley Willemsen, Director of Finance and Administration, presented the final budget and explained the few changes to the budget presented on November 7<sup>th</sup>.

Commissioner Letourneau moved approval of the 2023 budget. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

13. Res #2022-33 Resolution Establishing Electric Rates for Customers Served by Shakopee Public Utilities. Commissioner Brennan moved to approve Res #2022-33 Resolution Establishing Electric Rates for Customers Served by Shakopee Public Utilities; Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

14. Res #2022-34 Resolution Establishing Water Rates in and for the City of Shakopee. Commissioner Letourneau moved approval of Res #2022-34 Resolution Establishing Water Rates in and for the City of Shakopee. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

15. Res #2022-35 Resolution Establishing the Power Cost Adjustment Charge, Setting the Power Cost Adjustment Base and other Terms. Commissioner Brennan moved to approve Res #2022-35 Resolution Establishing the Power Cost Adjustment Charge, Setting the Power Cost Adjustment Base and other Terms. Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

16. Res #2022-36 Resolution Adjusting Fees Applied Under the Installation of Underground Electric Distribution Systems Policy. Mr. Adams explained the current policy of recovering additional costs of undergrounding facilities, and that SPU plans to evaluate the cost-effectiveness of this policy and explore alternatives. He also noted that SPU is reviewing the joint trenching procedure considering statutory requirements and will return to the Commission for approval. Commissioner Letourneau moved to approve Res #2022-36 Resolution Adjusting Fees Applied Under the Installation of Underground Electric Distribution Systems Policy. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

17. East Shakopee Substation Site and Water Treatment Plant Site Update. Commissioner Brennan moved, seconded by Commissioner Letourneau, that the Commission go into closed session under Minnesota Statutes, Section 13D.05, subdivision 3(c) to review confidential or protected nonpublic appraisal data and to develop or consider offers or counteroffers for the purchase of property described as 1462 Maras Street and 3650 Eagle Creek Boulevard. Ayes: Mocol, Brennan, Krieg, and Letourneau. Nays: None. In open session, President Mocol noted that the Commission gave direction to staff.

18. Adjourn. Motion by Commissioner Letourneau, seconded by Vice President Krieg, to adjourn to the January 3, 2023 meeting. Ayes: Mocol, Krieg, Brennan, and Letourneau. Nays: None.

  
Greg Drent, Commission Secretary