

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
February 6, 2023
Regular Meeting

1. Call to Order. President Mocol called the February 6, 2023 meeting of the Shakopee Public Utilities Commission to order at 5:00 P.M. President Mocol, Vice President Krieg, Commissioner DuLaney, Commissioner Fox, and Commissioner Letourneau were present.
2. Approval of Consent Agenda. Commissioner Fox moved approval of the consent agenda: (3a) January 3, 2023 minutes; (3b) February 6, 2023 agenda; (3c) January 17, 2023 warrant list; (3d) February 6, 2023 warrant list; (3e) MMPA December 2022 meeting; (3f) MMPA January 2023 meeting; (3g) Pay Equity Implementation Report; (3h) AMI Vendor Contract for Signature; (3i) Delegating Payment of Budgeted Claims Powers to General Manager; (3j) November Financial Report; (3k) MVEC Joint Use Pole Agreement transfer to SPU; and (3l) Phased Retirement Agreement. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None. Motion carried.
3. Liaison Report. Commissioner DuLaney had nothing to report at this time.
4. Public Comment Period. No comments were offered.
5. Water Report. David Hagen, Water Distribution Supervisor, reported that a new employee will start on February 22. He also noted that Jackie Hanson, an SPU employee since April 2021, received her Water “C” Operator license. On January 26, five SPU water operators went to Delano to tour its water treatment plant. Mr. Hagen reported that the Water Department is 90% done with inspection of all the fire detect meters, which is done annually. He also noted that staff is working with fire protection companies on fire flows for the design of buildings. Mr. Hagen reported that Well 15 was removed in January. SPU staff is working with Shakopee Police and Fire on handouts to homeowners regarding clearing areas around hydrants; SPU’s Water Department will help if needed.
6. Electric Report. Brad Carlson, Electric Superintendent, reported that five outages occurred since the last Commission meeting; one outage was significant with a faulty cable. He also discussed electric projects, including energizing the Summerland Second Addition. He reported that crews began using NISC for service orders. Mr. Carlson noted that the 115kv breaker for the West Shakopee Substation was delivered. He also noted that crews continue tree trimming throughout the City.
7. Stagecoach Road Overhead Electric Facilities Relocation. Joseph Adams, Planning and Engineering Director, described this unexpected and urgent project, SPU’s longstanding policy concerning costs to relocate overhead lines underground, and the estimated costs for overhead

facilities as compared to underground costs. Commissioner Fox moved to accept the estimated overhead and actual underground cost to relocate BL-22 overhead facilities to the project area due to the unplanned 2021 Stagecoach Road Improvements. Commissioner DuLaney seconded the motion. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None. Vice President Krieg moved to direct staff to make the necessary accounting entries to assign the \$39,000 cost of the estimated overhead relocation costs from the Electric Operating Fund and the additional \$70,785.32 cost due to placing the facilities underground per City direction from the Electric Underground Relocation Fund. Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None.

8. Resolution #2023-04 Resolution Approving Purchase Agreement, Utility Easement Agreement, and Lease. Mr. Adams explained that this property purchase concerns the future East Shakopee Substation site, and that the timing for constructing the substation will depend on load growth. Commissioner Fox moved to approve Resolution #2023-04 A Resolution Approving Purchase Agreement, Utility Easement Agreement, and Lease: All Documents Necessary to carry out Purchase Agreement, Utility Easement Agreement, and Lease; and Completion of Closing Under Purchase Agreement for the East Shakopee Substation Site. Vice President Krieg seconded the motion. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None.

9. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Projects, reported that the conservation programs for 2023 residential, commercial, and industrial customers are open. She noted that communications with all MVEC customers transferred to SPU are complete, except for three customers who used an Energy Wise program that SPU does not offer. She plans to meet with about 20 commercial customers that have not yet signed up. Ms. Walsh stated that the AMI project will continue to move forward. She has focused on the NISC rollout, with numerous Facebook postings on the new billing statements. Ms. Walsh reported that the Shakopee Chamber of Commerce awarded SPU the 2022 Community Award.

10. Director of Finance & Administration. Kelley Willemssen, Director of Finance and Administration, reported that SPU's account and business side for NISC went live in October and that customer support side is now live. She noted additional NISC-related updates: SPU is working with vendors to go paperless; check runs will be done every week; and the Paymentus portal will be used through February 28 and then NISC payment process will begin. Ms. Willemssen also reported that finance staff are preparing for the annual audit. She plans to meet with PFM representatives tomorrow to review the fourth quarter 2022 results; PFM will present to the Commission later in the year. She noted that MVEC and SPU plan to finalize the facilities information next week.

11. General Manager Report. Greg Drent, General Manager, explained that SPU currently offers a renewable energy option for \$3/month. He explained recent legislation requiring carbon

free energy by 2040 and 55% renewable energy by 2030; he noted that last year MMPA was 43% renewable energy. Mr. Drent is working with SMSC on a potential large solar project. He noted that SPU is considering candidates for the IT Director position. He noted that SPU applied, but was not selected for, the first round of grant funding; staff will continue to apply.

12. 2023 Workshops. Mr. Drent noted that because of the current absence of an IT Director, he proposed canceling the February 2023 workshop on IT Security. Commissioner Fox moved to cancel the February workshop; Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None.

13. Goals 2023. Mr. Drent presented a review of the status of 2022 SPU goals as well as the proposed goals for 2023. Commissioner Letourneau moved approval of the 2023 SPU goals, amended to include hiring an IT Director. Commissioner Fox seconded the motion. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None.

14. NES WTP Site Search Update. Commissioner Letourneau moved, seconded by Commissioner Fox, 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 3690 Eagle Creek Boulevard and 3650 Eagle Creek Boulevard. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None. In open session, President Mocol noted that the Commission gave direction to staff to address the counteroffer.

15. Adjourn. Motion by Commissioner Fox, seconded by Commissioner DuLaney, to adjourn to the March 6, 2023 meeting. Ayes: Mocol, Krieg, DuLaney, Fox, and Letourneau. Nays: None.



Greg Drent, Commission Secretary