

MINUTES OF THE  
SHAKOPEE PUBLIC UTILITIES COMMISSION  
May 1, 2023  
Regular Meeting

1. Call to Order. President Krieg called the May 1, 2023 meeting of the Shakopee Public Utilities Commission to order at 5:00 P.M. President Krieg, Vice President Letourneau, Commissioner DuLaney, Commissioner Fox, and Commissioner Mocol were present.
2. Communications. Greg Drent, General Manager, explained that staff received a letter from Hillwood Estates residents on April 3, which was after the Commission meeting packet was sent out. This letter, and related email between SPU staff and Hillwood Estates residents, was included in this meeting packet.
3. Consent Agenda. Mr. Drent clarified that there was no update on item 9d, which could be removed from the agenda. Commissioner Mocol moved approval of the consent agenda as amended: (3a) April 3, 2023 minutes; (3b) May 1, 2023 agenda; (3c) May 1, 2023 warrant list; (3d) Monthly Water Dashboard for March 2023; (3e) PFAS Results; (3f) MMPA March 2023 Meeting Update; (3g) Engagement Letter with LeVander Gillen & Miller. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.
4. 2022 Audited Financial Presentation. Kelley Willemsen, Director of Finance and Administration, introduced Chris Knopik, Principal, and Lance Lauinger, Director, CliftonLarsonAllen LLP. Mr. Knopik presented the unmodified audit opinion, the highest level of assurance that SPU may receive. He also stated that no compliance, deficiencies, internal control, or legal compliance issues were identified. Commissioner Mocol moved to accept the 2022 draft audited financial statements. Vice President Letourneau seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.
5. Liaison Report. Commissioner DuLaney noted that a joint meeting with the Commission and the City Council is scheduled for May 23, 2023 at 6 P.M. at City Hall.
6. Public Comment Period. No comments were offered.
7. Water Report. Lon Schemel, Water Superintendent, reported that the flushing program began on April 26, 2023, and he will present progress maps at future meetings. He noted that SPU is testing pressure vacuum breakers with a limit of 100; he noted a significant number of failures, which means the customers were not protected. Mr. Schemel also noted that Ron Bartusek and Mike Menden attended Operator School. He explained the four levels of certification of a Water Operator; SPU currently has two employees at level D, two at level C, four at level B, and two at level A.

8. Water Tank #9. Ryan Halverson, Electric Supervisor – Water, presented the two tank design options for Water Tank #9 at the corner of Woodduck Trail and Marshall Road: composite and spheroid. He explained that both styles would function, but the spheroid option was a significantly lower cost, which staff recommended. Commissioner Mocol moved to approve the spheroid style tank. Commission Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

9. Discussion of Design Criteria and Lateral Watermain Connection Charges. Mr. Halverson provided an overview of the Water Policy Manual design criteria requirements as they relate to lateral and trunk watermain requirements for water extension projects throughout the City. He explained the lateral requirements of a north-south and east-west connection every 400 feet and a trunk connection every 3,000 feet. He noted that SPU pays for oversizing of trunk pipes. Mr. Halverson provided drawings of different areas of the City to present these requirements, including Hillwood Estates and Jennifer Lane. The Commission commented favorably on the design criteria. SPU staff will prepare options and recommendations as to property recordings and other aspects of the charges. The Commission also discussed establishing an appeal process for utility charges and directed staff to provide a draft for consideration at a future meeting.

10. Unsewered Production Water Rate. Mr. Drent presented the rate analysis and proposed rate for processed water that does not go into the sewer. Motion by Vice President Letourneau to approve Resolution #2023-10 Establishing Water Rates in and for the City of Shakopee, setting an Unsewered Production Water Rate. Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

11. Electric Report. Mr. Drent reported eight outages since the last Commission meeting, ranging from one customer affected to 25 customers affected for 105 minutes. He also discussed electric projects, including continued tree trimming, replacing streetlights damaged in the winter, and installing replacement collector streetlights with the installation included under the warranty. Mr. Drent noted that staff have resumed disconnects after a three-month pause due to adjustments with the new billing software.

12. The Bipartisan Infrastructure Law: Grid Innovation Program Grant Applicant and Funding. Mr. Drent explained SPU's portion of the grant application to the US Department of Energy for Infrastructure Investment Jobs Acts funding for grid innovation, including replacing critical distribution tie switches and an automated management system. The grant application encompasses approximately 293 grid projects and 93 utilities. The grant extends over five years and reimburses 50% of the approved project costs. Commissioner Fox moved to approve the grant application and, if awarded, to approve \$3,187,388.50 in SPU infrastructure and innovation improvements identified in the grant project scope. Commissioner DuLaney seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

13. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Project, noted that SPU typically provides CIP reports in June, but with the 3-year plan, the next one is not due until 2025. Ms. Walsh noted that SPU will serve as the headline sponsor on August 2, 2023 for the Rhythm on the Rails.

14. AMI Update. Ms. Walsh presented an overview of the AMI project since January 2022. She noted pending implementation items and next steps, including site surveys, inventory management, and testing.

15. General Manager Report. Mr. Drent provided an update on Tank #9, switches, land purchases, backflow prevention communications, and discussions with County representatives as to Tank 8, the fiber system, and the County Road 83 project closeout. He noted the Commission workshop on May 15 concerning the water system.

16. Future Agenda Items. Commissioner Fox asked about considering a monitor at other end of the meeting room for presenters to see.

17. Adjourn. Motion by Commissioner Fox, seconded by Commissioner Mocol, to adjourn. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

  
Greg Drent, Commission Secretary