

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
June 5, 2023
Regular Meeting

1. Call to Order. President Krieg called the June 5, 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 the meeting packet included SPU's response to residents of Hillwood Estates concerning equivalent lateral water main connection charges.
3. Consent Agenda. President Krieg asked that item (3l) be removed from the consent agenda. Commissioner Mocol moved approval of the consent agenda as amended: (3a) May 1, 2023 minutes; (3b) May 23, 2023 Joint Meeting minutes; (3c) June 5, 2023 agenda; (3d) June 5, 2023 warrant list; (3e) Monthly Water Dashboard for April 2023; (3f) MMPA April 2023 Meeting Update; (3g) MMPA May 2023 Meeting Update; (3h) Year Ended December 31, 2022, Audit Financials – Final; (3i) Updated Goals 2023 IT Project; (3j) Juneteenth Holiday; (3k) SPU Contribution into Health Savings Account; (3m) Res #2023-11 Resolution of Appreciation to Robert Berndtson; (3n) Res #2023-12 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection, and Authorizing Water Service to Certain Property Described as: Valley Crest 3rd Addition; (3o) Res #2023-13 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection, and Authorizing Water Service to Certain Property Described as: Moraine Addition; (3p) Res #2023-14 Resolution Setting a Capital Adder Charge to the Unsewered Production Water Rate; (3q) Res #2023-15 Resolution Modifying Shakopee Public Utilities Commission's Cogeneration and Small Power Production Tariff; (3r) Res# 2023-16 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection and Authorizing Water Service to Certain Property Described as: River Valley Business Park; (3s) SPU Deposit Policy, Res# 2023-17 Resolution Amending Resolution #2021-17 Adopting Utility Deposits for the Shakopee Public Utilities; (3t) PCI Security Policy. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None. For item (3l) SPU Appeal Policy, Mr. Drent noted that this policy formalized past practices. Commissioner Fox moved to approve item (3l); Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.
4. Public Comment Period. Bob Stark, Hillwood Estates, expressed thanks for the staff response, and noted on-going questions/concerns as to who else was charged for watermain costs relating to the County Road 79 project; the index adopted by the Commission; and property recordings, including that at the March 6, 2023 Commission meeting, owners were not told of the recording. He requested a meeting with SPU staff to further discuss these issues.

Brian Mount noted concerns with the recording of the SPU resolution without notice to property owners. He requested additional information to understand the watermain charges and how other parties participated in these costs.

Ken Ludzak, Wooduck Trail, stated that his property has no ability to hook up to the water system and that he will receive no benefit from municipal water.

Dana Miller questioned the July 1, 2023 effective date for interest, and the lack of notice of recording the SPU resolution.

The consensus of the Commission was to allow time for SPU staff to meet with interested property owners on these issues, rather than proceeding with item (5c) tonight.

5. Water Report. Lon Schemel, Water Superintendent, reported on the flushing program, which SPU aims to complete this year, and discussed a progress map to date. He also noted that hydrant painting is being done throughout the City, with the goal of painting about 200 hydrants this summer. Mr. Schemel reported that SPU started the experimental PFAS testing from the tap. He also reported that after testing approximately 119 pressure vacuum breakers, there was a 40% failure rate, underscoring the importance of the testing.

6. Pumphouse #23 Rebid. Mr. Schemel reported that bid responses were significantly higher than the approved capital improvement plan, and more than seventy weeks out for delivery. He recommended rejecting all bids and rebidding the project without the generator component. Commissioner Letourneau moved to reject all bids for the Pumphouse 23 project and rebid without the generator. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

7. Equivalent Lateral Water Main. The Commission noted the current July 1, 2023 date under Resolution 2023-02 to begin interest. Vice President Letourneau moved to hold on imposing the interest component under Resolution #2023-02 pending final Commission determination. Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None. Commissioner Mocol moved to table item (5c) Equivalent Lateral Water Main Fees pending meeting with affected property owners. Vice President Letourneau seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

8. Liaison Report. Commissioner DuLaney noted that the joint meeting with the City Council provided good information.

9. Electric Report. Brad Carlson, Electric Superintendent, reported five outages since the last Commission meeting; apart from a contractor-caused outage involving 480 customers for approximately 20 minutes, they were minor outages. He also discussed electric projects, including that the West Shakopee Substation transformer is assembled and ready to add components,

Hansen Avenue transformer removal, and the completion of joint trenching at Windermere South 6th Addition. He reported that all collector streetlights have been replaced, with five years of full replacement warranty remaining. He noted that an apprentice line worker and summer help have started. He noted that in repose to a complaint from Mobile Manor raised with SPU, MVEC, and Xcel Energy, SPU performed testing on its facilities and Xcel has scheduled a voltage test.

10. 2023 Reliability and Outages Report & Certification. Mr. Carlson presented the Reliability and Outages Report for 2022. He noted that this marks the sixth year that SPU has received the Certificate of Excellence from APPA for reliability.

11. 2023 Three-Phase Transformer Bid Award. Joseph Adams, Planning and Engineering Director, presented the two bid responses for three-phase transformers. He noted that SPU advertised the bids twice in the Shakopee Valley New twice and contacted five known suppliers. Commissioner Mocol moved to award the 2023 identified three-phase transformers identified to Resco-Ermco in a total bid award of \$2,107,930. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

12. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Projects, noted that for the AMI project, the Border States project manager toured SPU facilities and met with staff, that the Statement of Work has been signed, and that first article testing water meters have shipped. She noted improvements to the website with Vivid through prepaid support. She reported that the year in review content has been submitted and that Commissioners will have a chance to review the proof.

13. General Manager Report. Mr. Drent provided an update, including surveying of the potential water treatment site, Chamber Board Meeting, SCALE with the County, water inspection, and Toro rebate. He discussed timing for the Commission meeting packet, with the goal to provide it by the Wednesday before the Monday meeting. Mr. Drent noted that SPU is working with MMUA on revising the drug and alcohol testing program.

14. Future Agenda Items. Commissioner Fox requested an update on key matters that emerge between meetings, such as the lateral water main connection fee.

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


Greg Drent, Commission Secretary