

Proposed As Consent Item

3a

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
October 2, 2023
Regular Meeting

1. Call to Order. President Krieg called the October 2, 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. Sharon Walsh, Director of Key Accounts/Marketing/ Special Projects noted that the packet included the emails received from Mr. Stark about the Equivalent Lateral Watermain charge. She also noted that since the packet was distributed, two additional emails were received and will be brought to the next meeting.
3. Consent Agenda. Greg Drent, General Manager, noted that because item 3i) Notice Regarding Equivalent Lateral Watermain Connection Charge was approved at the August 7, 2023 meeting, it should be removed. Commissioner Fox asked to pull item 3e) Nitrate Results – Advisory. Commissioner Mocol moved approval of the amended consent agenda: (3a) September 5, 2023 meeting minutes; (3b) October 2, 2023 agenda; (3c) October 2, 2023 warrant list; (3d) Monthly Water Dashboard for August 2023; (3f) MMPA September 2023 Meeting Update; (3g) Water Capacity Charge Payment Agreement Template; and (3h) Lusignan Parcel at 3650 Eagle Creek Boulevard Closing. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None. For item 3e, Commissioner Fox asked about the increased nitrates for Well 21. Lon Schemel, Water Superintendent, noted the higher draws this summer and that staff will continue to monitor and, if needed, test more frequently. Commissioner Fox moved to approve (3e) Nitrate Results – Advisory. Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.
4. Public Comment Period. No public comments were offered.
5. Liaison Report. Commissioner DuLaney noted that the City approved Res #2023-102, which is related to the East Shakopee Substation Site. He asked about rebates for smart thermostats. Mr. Drent noted that SPU used to have a SMART Switch program, but it was discontinued because it cost more than the savings. Further review may be done after the AMI project provides more data from the system.
6. Water System Operations Report. Mr. Schemel reported that six water employees attended the American Water Works Conference in Duluth. He noted that SPU customers have achieved 50% compliance with the back flow prevention testing. Mr. Schemel noted that a vendor-generated second notice used stronger language. This topic will be discussed at the work session in January, along with potential late fees and non-compliance items.
7. Electric Report. Brad Carlson, Electric Superintendent, reported two outages, which were not significant, since the last Commission meeting. He discussed construction projects, including

lowering a portion of Circuit 96 and undergrounding at Emblem and at Valley Crest 3rd. He reported relay testing at the West Shakopee Substation and that energizing is expected in November. He noted that the Water and Electric Departments assisted with irrigation service for a community garden.

8. 2024 Wage Ranges and Benefit Planning Assumptions. Kelley Willemsen, Director of Finance and Administration, presented the 2024 budget process, including information gathered, timelines, benefits review, and proposed wage ranges increase of 4%. Commissioner Fox moved to approve the 2024 Wage Ranges and Benefit Planning Assumptions. Commissioner DuLaney seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

9. Marketing/Key Accounts Report. Ms. Walsh gave an update on the AMI project, noting that the enhanced field network has been completed and training can move forward. She noted upcoming community events, including the Chamber Shako Lantern event and the City's Spooky Family Fun event. She thanked line workers Justin Rotert and Matt Griebel for attending the SACS community event.

10. AMI Customer Opt-Out Policy Options. Ms. Walsh provided an update, including that further research has not revealed AMI opt-out rates above one percent, as well as FCC and other guidance. She noted that an opt-out would require a manual read of meters and a return to paper readings. Ms. Walsh explained that staff recommended no opt-out for electric meters and an opt-out option for internal water ERTs to external meters; this approach would provide customers with an option but avoid an expensive, antiquated, and manual process, as well as additional costs to SPU or its customers. The Commission discussed this approach as a helpful compromise. Commissioner Fox asked whether the policy should be phrased differently than "opt out." Commissioner Fox moved to table this item until the November 6, 2023 Commission meeting to allow revisions to the language. Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

11. General Manager Report. Mr. Drent provided an update, including that FR Secure Risk Assessment is preparing its report, that closing for 3650 Eagle Creek Blvd occurred on September 18, the Hansen Avenue and Maras Street property is expected to close in early November, and the 3690 Eagle Creek Blvd property will likely be discussed at the next meeting. He noted that SPU's RP3 application has been submitted. Mr. Drent also noted that information has been requested for labor negotiations with the designated union representative for the electric department.

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


Greg Drent, Commission Secretary