

MINUTES OF THE  
SHAKOPEE PUBLIC UTILITIES COMMISSION

November 6, 2023

Regular Meeting

1. Call to Order. President Krieg called the November 6, 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 additional correspondence concerning equivalent lateral water main charges for Hillwood Drive, including a letter from President Krieg to Hillwood Drive residents. President Krieg asked for input from Commissioners, including his request that SPU staff not direct significant additional time to this matter, except to inform the Commission. The Commissioners expressed agreement with this approach.
3. Consent Agenda. Commissioner Mocol moved approval of the consent agenda: (3a) October 2, 2023 meeting minutes; (3b) November 6, 2023 agenda; (3c) November 6, 2023 warrant list; (3d) Monthly Water Dashboard for September 2023; (3e) MMPA October 2023 Meeting Update; (3f) Health Partners Multiyear Health Plan Agreement; (3g) AMI Opt-Out Language for Water ERTs; (3h) Res# 2023-26 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection and Authorizing Water Service to Certain Property Described as Lot 1, Block 1, Patch 1<sup>st</sup> Addition; (3i) Res# 2023-27 Resolution Approving of the Estimated Cost of Pipe Oversizing on the Watermain Project: River Valley Business Park; (3j) Res# 2023-28 Resolution Approving Payment for the Pipe Oversizing Cost on the Watermain Project: River Valley Business Park; (3k) Res# 2023-29 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection and Authorizing Water Service to Certain Property Described as KWS (Betaseed); and (3l) Res# 2023-30 Resolution Determining the Final Lateral Water Main Equivalency, Described as: CP17-31, Marshall Road. Commissioner Fox 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 the pedestrian underpass planed at County Road 78, and asked if SPU projects could coordinate. Joseph Adams, Planning and Engineering Director, noted that exact plans have not yet been provided, but SPU will work with the developer to the extent possible.
6. Water System Operations Report. Lon Schemel, Water Superintendent, reported that SPU has replaced one lead and one galvanized steel pipe. This line replacement project will continue into next October. He also reported that SPU has completed the first leak survey and found two hydrants and two services that needed repair. Mr. Schemel noted that all underground lines for

Pumphouse #23 are done. He noted that SPU has not received an update on PFAS; the EPA is in the process of reviewing 1,402 compounds.

7. Electric Report. Brad Carlson, Electric Superintendent, reported six outages, which were not significant, since the last Commission meeting. He noted that for the AMI project, installation occurred last week for some access points and relays. Mr. Carlson stated that for the DG plant, a failure occurred with termination and SPU assisted by lending equipment during the switch replacement. He provided an update on projects, including overhead feed to the new lift station at the West End, eight service points at SMSC property, and that 150 more replacement streetlights are on order. Mr. Carlson also noted that concrete is being poured for the West Shakopee Substation and that Xcel Energy will energize the high side this week.

8. Marketing/Key Accounts Report. Ms. Walsh gave an update on the AMI project, noting that the First Article Testing is complete and that SPU has identified customer addresses to use for installation. She noted recent community engagement events.

9. General Manager Report. Greg Drent, General Manager, reported that labor negotiations as to the electric department employees are scheduled for November 14 and 16. He noted that the appraisal for the water treatment plant site is underway and will be considered at an upcoming meeting. Mr. Drent reported that the water tower painting has been pushed out to 2025 because of the construction around Canterbury. Mr. Drent presented some preliminary concept designs for the Commission meeting room.

10. 2024 – 2028 Semi-Final Capital Improvements Plan. Mr. Adams presented the semi-final version of the 2024 – 2028 Capital Improvement Plan (CIP). He answered questions from Commissioners and noted some changes that will be made. The final version will be presented at the next Commission meeting for review and approval as to the 2024 CIP.

11. 2024 Preliminary Budget and Cash Flow. Kelley Willemsen, Director of Finance and Administration, presented the 2024 preliminary budget and underlying assumptions. She noted that the budget contemplates the availability of a six-month cash flow. Ms. Willemsen also presented the updated organizational chart, which includes filling two positions and moving one position under the Finance Department. She discussed the 2024 benefits and projected contributions, including dental benefits through Delta Dental, and short-term disability options. After discussion, the Commission directed staff to offer a short-term disability option, as an employee-paid benefit, and assess the level of interest.

12. East Shakopee Substation First Amendment to Purchase Agreement. Mr. Adams explained that due to changes in the City's platting approach, the property that SPU is purchasing will be created by an administrative subdivision, with SPU completing the platting process after closing. He explained the provisions of the First Amendment to the Purchase Agreement, including the park dedication fees. Commissioner Fox moved to approve and authorize signature

of the First Amendment to the Purchase Agreement. Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

13. General Manager Review. Commissioner Mocol moved to go to closed session under Minnesota Statutes, Section 13D.05, subd.3(a) to evaluate the performance of the General Manager. Commissioner DuLaney seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None. The Commission will provide a summary of its conclusions at the next meeting.

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



Greg Drent, Commission Secretary