

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION

December 4, 2023

Regular Meeting

1. Call to Order. President Krieg called the December 4, 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. Communication/Closed Session Summary. No communication was presented for discussion. Following the closed session from the last Commission meeting to evaluate the performance of the General Manager, President Krieg provided a summary of the conclusions of the Commission regarding the evaluation. He noted the leadership shown by Mr. Drent with the pending, large projects, as well as planning for the continuing growth of the City. He also discussed the salary adjustment for 2024, which is reflected in the budget materials.

3. Consent Agenda. The Commissioners requested that the following items be pulled from the consent agenda: items (3f), (3h), and (3i – 3p). Greg Drent, General Manager, requested a correction for item (3b) to change the date to December 4, 2023. Commissioner Mocol moved approval of the amended consent agenda, as follows:

(3a) Approval of November 6, 2023 Minutes;

(3b) December 4, 2023 Agenda;

(3c) December 4, 2023 Warrant List;

(3d) MMPA November 2023 Meeting Updates;

(3e) Monthly Water Dashboard for October 2023;

(3g) Res #2023-32 Resolution Regulating Wage Ranges; and

(3q) 2024 Final Budget.

Commissioner Fox seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3f), Commissioner Fox thanked Lisa Valiant for her years of service with SPU. He then moved for approval of (3f) Resolution of Appreciation for Lisa Valiant. Vice President Letourneau seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3h), Commissioner DuLaney asked about the Shakopee Valley News as the official publication. Commissioner Mocol noted that the City also uses it. Commissioner DuLaney moved to approve (3h) Res #2023-34 Resolution Designating an Official Means of Publication. Commissioner Fox seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol.

For item (3i), Commissioner Mocol moved approval of Res. #2023-35 Resolution Designating Official Depositories for the Shakopee Public Utilities Commission. Commissioner Fox seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3j), President Krieg asked if water capacity charges would be reviewed after the 2024 study. Kelley Willemsen, Director of Finance and Administration, explained that the resolution contains an

increase of one percent based on the December 2020 report from Ehlers Public Finance Advisors, and that the rates will be reviewed once the new study is complete. President Krieg moved to approve (3j) Res #2023-36 Resolution Adjusting Fees Applied Under the Water Capacity Charge Policy. Vice President Letourneau seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3k), President Krieg asked if trunk water charges will be included in the 2024 study. Joseph Adams, Director of Planning and Engineering, explained that the resolution contains an increase of 4.5 percent and that these charges will be reconsidered after the study is completed. He also noted a typo in the last recital on the first page of the resolution in that “requisite” should be replaced by “required.” Commissioner Mocol moved to approve (3k) Res #2023-37 Resolution Adjusting Fees Applied under the Trunk Water Charge Policy, as so revised. Commissioner Fox seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3l), President Krieg asked about changes in water meter and installation fees from 2023 fees. Lon Schemel, Water Superintendent, explained that the changes related to increased costs of meters, equipment, and labor. Vice President Letourneau moved to approve (3l) Res# 2023-38 Resolution Establishing Water Meter and Installation Fees. Commissioner DuLaney seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3m), President Krieg asked about the proposed changes in electric rates from 2023 rates. Ms. Willemssen explained that the 2024 proposed rates included a three percent increase in usage and phasing out the senior citizen rate, as recommended in the recent rate study. The Commission discussed removing Section V concerning Residential Service for Senior Citizens for clarity. Commissioner Mocol moved to approve (3m) Res #2023-39 Resolution Establishing Electric Rates for Customer Served by Shakopee Public Utilities. Vice President Letourneau seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3n), President Krieg asked about proposed changes in water rates from 2023 rates. Ms. Willemssen explained the increase in service charges and the five percent increase in usage charges stemmed from the most recent rate study. These charges will be reviewed after the Ehlers study. Commissioner Fox moved to approve (3n) Res #2023-40 Resolution Establishing Water Rates in and for the City of Shakopee. Commissioner DuLaney seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

For item (3o), the 2024 – 2028 Capital Improvement Plan (CIP), Mr. Adams explained the changes in his memo, including the removal of line 56 on page 5 in its entirety. Commissioner Mocol moved to accept (3o) 2024 – 2028 Final Capital Improvement Plan. Commissioner Fox seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None

For item (3p), 2024 Capital Projects and Equipment, Mr. Adams explained that line 56 was removed from the Final Capital Improvement Plan, but by mistake was not removed from the Capital Projects and Equipment. He provided a revised document, which aligns with the CIP. Commissioner Mocol moved to approve the 2024 Capital Projects and Equipment as so corrected. Vice President Letourneau 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 he attended the Holiday Fest downtown and thanked SPU for participating. He also noted a resident's question as to decreased water pressure. Mr. Drent suggested having the resident call, email, or complete an online form.
6. Water Systems Operations Report. Mr. Schemel reported that crews have exercised all valves and winterized SPU buildings. He noted Facebook discussion about bagged hydrants and explained this process helped to protect hydrants from damage due to road salt. He also reported that construction for Pumphouse 23 has concluded for the year and is expected to resume in February of 2024.
7. Electric Systems Operations Report. Brad Carlson, Electric Superintendent, discussed construction projects, including joint trench work on 78 and Zumbro, Canterbury Park relocating existing primary, West End Lift Station transformer and cabling, a building fire at 101 Auto Salvage, and installing relay and access points for the Advanced Meter Infrastructure (AMI) project. Mr. Carlson reported three outages since the last Commission meeting: one due to Union Pacific Railroad, another the auto salvage, and the third was animal related.
8. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Project, noted that an SPU Facebook post will explain the bagging of hydrants. She reported that for AMI, 34 electric meters have been installed; water meters will be installed at the same addresses in mid-December. Ms. Walsh noted coordination of meter data management with NISC, with billing hoped to start in December.
9. IT Risk Assessment Report. Phillip Dubbe, IT Director, presented the results of the FRSecure risk assessment. He noted that the last assessment was performed in 2017; he recommended an annual process. Mr. Dubbe explained that SPU has already been working on some of the items identified. Commissioner Mocol noted that if additional resources are needed, staff should make a request for the Commission to consider.
10. 2024 Commission Meeting and Workshop dates. Mr. Drent presented the proposed schedule for 2024 Commission meetings and workshop dates. Commissioner Fox moved to approve the 2024 Commission regular meeting schedule and workshop dates. Commissioner Mocol seconded the motion. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None
11. General Manager Report. Mr. Drent presented updated design options for the Commission meeting room. He provided an update on current projects, including 2024 benefits, investments, updated RP3 submissions, and a new work order process in 2024.
12. Adjourn. Motion by Commissioner Fox, seconded by Commissioner Mocol, to adjourn. Ayes, Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None



Greg Drent, Commission Secretary