

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
February 5, 2024
at 5:00 PM

1. **Call to Order** at 5:00pm in the SPU Service Center, 255 Sarazin Street
1a) Roll Call

2. **Communications**

3. **Consent Agenda**

- C=> 3a) Approval of January 8, 2024 Minutes (GD)
- C=> 3b) Approval of February 5, 2024 Agenda (JK)
- C=> 3c) February 5, 2024 Warrant List (KW)
- C=> 3d) MMPA January 2024 Meeting Updates (GD)
- C=> 3e) Supplemental PFAS Sampling Schedule (LS)
- C=> 3f) PFAS Results – Advisory (LS)
- C=> 3g) Vehicle Equipment Purchases (BC)

*** Motion to approve the Consent Agenda

4. **Public Comment Period.** Please step up to the table and state your name and address for the record.

5. **Liaison Report** (JD)

6. **Reports: Water Items**

- 6a) Water System Operations Report – Verbal (LS)
- 6b) Res#2024-06 Trunk Water Charge: Whispering Waters 2nd Addition

*** Motion to approve the Res #2024-06 Resolution Amending Resolution #2022-17 and adjusting the Amount of the Trunk Water Charge, approving of its collection and authorizing Water service to certain properties described as: Whispering Waters 2nd Addition (JA)

7. **Reports: Electric Items**

- 7a) Electric System Operations Report – Verbal (BC)

8. **Reports: General**

- 8a) Marketing/Key Accounts Report – Verbal (SW)
- 8b) AMI – Access to SPU-Owned Equipment (SW)

*** Motion to approve

- 8c) 2022 Conservation Results (SW)

8d) December 2023 Preliminary Financials (KW)

8e) 2024 Goals (GD)

*** Motion to approve the 2024 Goals

8f) Organizational Chart Updates Version 12 (GD)

*** Motion to approve Version 12 of the Organizational Chart

8g) General Manager Report – Verbal (GD)

9. **Items for Future Agendas**

10. **Dates for Upcoming Meetings**

- March 4, 2024 Regular Meeting
- March 18, 2024 Workshop
- April 1, 2024 Regular Meeting

11. **Adjournment**

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
January 8, 2024
Regular Meeting

1. Call to Order. President Krieg called the January 8, 2024 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: Interview Committee Participants. Greg Drent, General Manager, noted that typically the Commission President and Vice President participate in interviews with the City Council of applicants for SPU Commissioner positions. He noted that the current President and Vice President positions are eligible for reappointment this year. Commissioner Fox moved, seconded by Vice President Letourneau, that Commissioner Mocol participate in the interview process for 2024.
 3. Consent Agenda. Commissioner Fox moved approval of the consent agenda:
 - (3a) Approval of December 4, 2023 Minutes
 - (3b) Approval of January 8, 2024 Agenda
 - (3c) January 8, 2024 Warrant List
 - (3d) MMPA December 2023 Meeting Updates
 - (3e) Monthly Water Dashboard for November 2023
 - (3f) Nitrate Results
 - (3g) Res #2024-01 Resolution Approving Payment for the Pipe Oversizing Cost on the Water Main Project: Valley Crest
 - (3h) Res #2024-02 Resolution Approving Payment for the Pipe Oversizing Cost on the Water Main Project: West End Lower Bluff Trunk Water Main Extension
- 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 Commission interviews will be held January 13 – 15th.
 6. Water Report. Lon Schemel, Water Superintendent, reported that three operator employees have obtained the C certification. He also noted that federal regulations concerning PFAS have not yet been updated.
 7. Electric Report. Brad Carlson, Electric Superintendent, reported one outage since the last Commission meeting involving 130 customers for about two hours as crews replaced the

transformer. He also discussed electric projects, including River Valley Business Center, street lighting on Emery Way, changed transformer, tree trimming, adding a second electric vehicle charger at City Hall, and the third round of street light replacements.

8. Underground Electric Distribution System Policy. Joseph Adams, Planning and Engineering Director, provided an overview of SPU's past practices as to installing underground electric distribution facilities and determining costs. He also explained the staff recommendations in the proposed resolution (1) to require a developer to bear the cost of providing space for SPU facilities in the joint utility trench and (2) to adjust downward the underground fees for developers. Commissioner Fox moved to approve Resolution #2024-04 Adjusting Fees Applied Under the Installation of Underground Electrical Distribution Systems Policy. Commissioner Mocol seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

9. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Projects, noted the new sign in the SPU Service Center drive-up area. She reported that the Chamber awarded SPU the Best In Class award for the Holiday Fest as well as the Community Award. Ms. Walsh noted that she is working with Vivid to improve the SPU website search engine elements. She is also working on consolidated billing statements for key accounts. As to the AMI project, Ms. Walsh provided an update on storage plans for meters, test environment, meter data management training, the completion of First Article Testing for water meters, and test billing statements.

10. Res #2024-03 Resolution Approving a Water Main Construction Project, and Determining its Lateral Water Main Equivalent, Described as: West End Lower Bluff Trunk Water Main Extension. Mr. Adams presented an overview of this joint City/SPU project and an update on the actual watermain costs. Vice President Letourneau moved to approve Resolution #2024-03 Approving a Water Main Construction Project, and Determining its Lateral Water Main Equivalent, Described, Described as: West End Lower Bluff Trunk Water Main Extension, as presented. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

11. Res #2024-05 Resolution Adopting Fees and Charges for 2024. Mr. Adams presented the proposed 2024 fee schedule. Commissioner Mocol moved to approve Resolution #2024-05 Adopting Fees and Charges for 2024. Commissioner DuLaney seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

12. General Manager Report. Mr. Drent provided an update on pending items, including noting that the third round of negotiations with union is planned for next week, the MMUA Board meeting, the Chamber Board meeting, the SMSC project, multi-factor authentication, investment monitoring, and preparation for the 2023 audit. He noted that SPU received only a few applications for the posted Engineering Tech position and that staff plans to revise the position. Mr. Drent noted that he expects to bring 2024 goals to the upcoming Commission meeting.

13. NES WTP Site Search Updated. Vice President Letourneau moved, seconded by Commissioner DuLaney, that the Commission go into closed session under Minnesota Statutes, Section 13D.05, subdivision 3(c) to review confidential or protected nonpublic appraisal data and to develop or consider offers or counteroffers for the purchase of property described as (1) 1776 Mystic Lake Drive S and (2) 3650 Eagle Creek Boulevard Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None. In open session, President Krieg noted that the Commission gave direction to staff to obtain additional information for the potential sites, including an appraisal and site plan for the 1776 Mystic Lake Drive S location and gathering additional information to develop a potential offer for the 3650 Eagle Creek Boulevard location.

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

Greg Drent, Commission Secretary

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SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

February 5, 2024

By direction of the Shakopee Public Utilities Commission, the Secretary does hereby authorize the following warrants drawn upon the Treasury of Shakopee Public Utilities Commission:

WEEK OF 01/05/2024

AAR BUILDING SERVICE CO.	\$4,173.19	JANUARY 2024 SPU BLDG CLEANING
KATIE J ADAMS	\$117.37	OCT-DEC 2023 REIMBURSE MILEAGE
BARR ENGINEERING CO.	\$50,009.00	WO#2683 TANK NO 9 DEC ENG SVCS
BORDER STATES ELECTRIC SUPPLY	\$1,707.86	ADAPTER PIN
SARA BROZE	\$75.00	ENERGY STAR REFRIGERATOR REBATE
CITY OF PRIOR LAKE	\$669.00	4TH QTR 2023 FRANCHISE FEE
CITY OF SHAKOPEE	\$474,921.29	DEC 2023 SW:363,240.98 & SD:111,680.31
DS/LSJ	\$402.33	JAN 2024 GARBAGE SERVICE
RENEE ERICKSON	\$500.00	ENERGY STAR COOLING/HEATING REBATE
JASON GADBOIS	\$500.00	ENERGY STAR COOLING/HEATING REBATE
GOPHER STATE ONE-CALL	\$325.35	DECEMBER 2023 TICKETS
GRAINGER INC	\$1,744.67	BATTERY
GRAYBAR ELECTRIC COMPANY INC	\$340.99	90 DEG ELBOWS
HAWKINS INC	\$480.00	CHLORINE CYLINDER DEMURRAGE
MASON & KAITLYN HEINE	\$350.00	ENERGY STAR COOLING/HEATING REBATE
HENNEN'S AUTO SERVICE INC.	\$103.09	OIL CHANGE TRK#642 (E)
IRBY - STUART C IRBY CO	\$2,062.38	FIBERGLASS STRAIN INSUL.
NICHOLAS LAURSEN	\$500.00	ENERGY STAR COOLING/HEATING REBATE
MI HOMES OF MPLS LLC	\$10,623.73	WO#2746 VALL CREST 3RD ADDN WM PLAN
MINN VALLEY TESTING LABS INC	\$200.20	WATER TESTING MAGANESE
MMUA	\$676.00	NW LINEMAN COLLEGE J.SCHINTZ
FRITZ MORGAN	\$150.00	ENERGY STAR DISHWASHER REBATE
NAPA AUTO PARTS	\$116.68	ANTIFREEZE (E)
NCPERS GROUP LIFE INS.	\$192.00	JAN. PREMIUMS FOR LIFE INS.
GERRY NEVILLE	\$57.64	REIMBURSE 88 MILES
CINDY NICKOLAY	\$58.29	REIMBURSE 89 MILES
POMP'S TIRE SERVICE INC	\$5,453.55	ELECTRIC TRK#612 TIRES/REPAIR
RESCO	\$137,740.01	TRANSFORMERS
DAVE SCHLEPER	\$175.00	ENERGY STAR CLOTHES WASHER REBATE
SHORT ELLIOTT HENDRICKSON INC	\$48,260.95	VARIOUS WATER WO PROJECTS
CAROL SOLDO	\$150.00	ENERGY STAR DISHWASHER REBATE
TOM KRAEMER, INC	\$325.13	WO#2472 AMI TANK SITE STORAGE RENT JAN
GREG TRIPLETT	\$19.65	REIMBURSE 30 MILES
VERIZON WIRELESS	\$4,276.45	11/24-12/23 2023 CELL PHONE BILL
VIVID IMAGE, INC.	\$550.00	RETAINER/HOSTING FEE 1/1/24-1/31/24
JAMIE VON BANK	\$219.99	REIMBURSE SAFETY BOOT 2024
MICHAEL VOURLLOS	\$33.00	REIMBURSE OCT-DEC 2023 MILEAGE
WESCO RECEIVABLES CORP.	\$682.54	ROD CLAMP
WSB & ASSOCIATES INC.	\$7,058.50	WO#2581 P.H.23 SEPT SERVICES
PING ZHAN	\$30.00	WATER SENSE TOILET REBATE
MOHAMED ZIEDAN	\$150.00	ENERGY STAR DISHWASHER REBATE
ZIEGLER INC	\$2,961.58	CAT LOADER REPAIR
PRINCIPAL LIFE INS. COMPANY	\$4,016.95	DEC. L.T.D. PREMIUMS
MINNESOTA LIFE	\$1,236.77	MN LIFE PREMIUMS FOR DECEMBER 2023
FURTHER - ACH	\$226.50	DEC. HEALTH SAV. PREMIUMS
HEALTHPARTNERS	\$77,087.62	DEC. CHARGE MONTH FOR JAN. 2024 PREMIUMS
DELTA DENTAL PLAN OF MN	\$5,945.31	DEC. PREMIUMS AND CHARGE MONTH

Total Week of 01/05/2024

\$847,655.56

WEEK OF 01/12/2024

CREDIT REFUNDS	\$6,381.66	CREDIT REFUNDS
ABDO LLP	\$10,442.50	DECEMBER FS ACCOUNTING SVCS
ASTLEFORD INTL TRUCKS	\$63.55	ELECT TRK #612 FILTER/KIT
B & B TRANSFORMER INC	\$18,475.00	1 - 225 PAD RM TRANSFORMER
BOLTON & MENK INC.	\$918.00	WO#2568 W END BLUFF TANK WM
BORDER STATES ELECTRIC SUPPLY	\$788,464.23	TAX DUE FROM ORIGINAL INVOICE PD
CAP AGENCY	\$32,103.00	CONSERVATION 2023
CDW GOVERNMENT LLC	\$4,158.10	VEEM DATA PLATFORM
CHOICE ELECTRIC INC	\$1,173.95	REPLACE BALLAST LAMP FIXTURES
CITY OF SHAKOPEE	\$5,243.95	DECEMBER FUEL BILL
COMLINK SOLUTIONS, LLC	\$126.35	WO#2681 DEAN LK VERIZON ST LT SVC
CORE & MAIN LP	\$6,271.84	WATER METERS
CUSTOMER CONTACT SERVICES	\$300.50	JAN 9- FEB 5 2024 ANSWERING SERVICE
CAROLINE DAHLE	\$500.00	2023 PROGRAM HEATING/COLLING REBATE
DAHLEN SIGN COMPANY	\$7,329.00	SET OF CHANNEL LETTERS NEW DRIVE THRU
DAILY PRINTING, INC.	\$909.39	TRIFOLD BROCHURES 2024 SPU E & W RATES
DGR ENGINEERING	\$1,207.00	WO#2817 DECEMBER SERVICES
ELECTRICAL PRODUCTION SERVICES	\$84,666.00	FIBER FOR PH#12 & TOWER#4 WO2841
MIKE ENRIGHT	\$97.53	REIMBURSE FOR SAFETY GLASSES
FLYTE HCM LLC	\$142.00	DEC 2023 COBRA PLATFORM/RIGHTS NOTICE
FRONTIER ENERGY, INC.	\$6,153.57	DEC 2023 C&I IMPLMENTATION/PRGM MGMT
GRAINGER INC	\$37.02	CUTTING OIL 1 GAL CAN (W)
HAWKINS INC	\$4,307.00	CHLORINE CYLINDERS
INNOVATIVE OFFICE SOLUTIONS	\$560.27	OFFICE SUPPLIES
INNOVATIVE UTILITY PRODUCTS CORPORATI	\$799.21	BATTERIES
INTEGRATED PROCESS SOLUTIONS, INC	\$928.98	TEMP SWITCH THERMOSTAT
INTERSTATE ALL BATTERY CTR	\$562.33	CORE EXCHANGE
IRBY - STUART C IRBY CO	\$8,593.16	LOAD BREAK CUTOUT
JASON KRENTZ	\$50.00	WATER SENSE TOILET REBATE
PAT LARGO	\$50.00	WATER SENSE TOILET REBATE
LLOYD'S CONSTRUCTION SERVICES	\$519.50	30 YD-DEMO & CONSTRUCTION
LOFFLER COMPANIES - 131511	\$1,320.91	CONTRACT MAINT AGREEMENT 1/1/24-3/31/24
MARK J TRAUT WELLS, INC	\$43,985.00	MOTOR/REPLACE/REINSTALL WELL 11 2692
MCGRANN SHEA CARNIVAL	\$4,731.25	DECEMBER MUNI & REG MATTERS
MESENBRINK CONSTRUCTION	\$1,188.33	WO#2700 HANSEN BLDG'S 8600 & 1565 STAGEC
MIDWEST SAFETY COUNS, INC.	\$601.38	COWHIDE DRIVER GLOVES
MINN VALLEY TESTING LABS INC	\$314.60	WATER TESTING MAGANESE
MN DEPT OF HEALTH	\$29,917.35	4TH QTR COMM WATER SUPPLY SVC FEE
MN DEPT. OF LABOR & INDUSTRY	\$60.00	AIR COMPRESSOR TANKS
MPOWER TECHNOLOGIES, INC.	\$350.00	MPOWER CLOUD HOSTING SERVER AMI
NAGEL COMPANIES LLC	\$3,500.00	WO 2821 BORE SERVICE TOWNLINE RD
NAPA AUTO PARTS	\$6.64	BLSTR PK MINIATURES (W) TRK 649
GERRY NEVILLE	\$123.12	REIMBURSE 185 MILES
CINDY NICKOLAY	\$95.85	REIMBURSE 144 MILES
NISC	\$31,066.85	DECEMBER 2023 MISC
NORTHERN STATES POWER CO	\$2,925.69	DECEMBER POWER BILL
ORACLE AMERICA INC.	\$37,931.23	4TH QTR 2023 OPOWER ANNUAL CONTRACT
PRECISION UTILITIES	\$13,915.00	WO#2809 404 1ST AVE EAST NEW SVCS
RESCO	\$126,743.07	ELBOW ARRESTERS 10KV
ROBERT B HILL CO.	\$418.84	SOFTNER SALT
SHAKOPEE CHEVROLET	\$403.67	WATER TRK #626 MAINT.
SHORT ELLIOTT HENDRICKSON INC	\$11,220.52	WO#2783 WATER FILL STATION
SMSC	\$12,125.17	WO#2814 SMSC ORF BISON CAMERA NEW UG SVC
SOUTHWEST NEWS MEDIA	\$758.06	LEGALS/MINUTES
UPS STORE # 4009	\$31.49	WATER SHIPMENT
VIVID IMAGE, INC.	\$6,250.00	50 HR PER PAID PLAN
WESCO RECEIVABLES CORP.	\$3,021.93	INSULATING CAP 15KV
WSB & ASSOCIATES INC.	\$4,282.50	WO#2581 P.H.#23 DEC PROF SERVICES
XCEL ENERGY	\$1,963.85	ELECTRIC SVC 11/21-12/25 VALLEY PARK
MN CHILD SUPPORT PAYMENT CENTER	564.37	CASE ID 001422536402
AMERICAN NATL BANK_MASTERCARD_ACH	\$7,089.15	DECEMBER 2023 CC CHARGES
CENTERPOINT ENERGY - ACH	\$77.96	GAS USAGE 12/6/23-1/5/24 10TH AVE
MMPA C/O AVANT ENERGY	\$2,839,908.77	DECEMBER POWER BILL
CENTERPOINT ENERGY - ACH	\$2,890.44	GAS USAGE 12/6/23-1/5/24 255 SARAZIN SPU
FURTHER - ACH	\$504.91	MEDICAL/DAYCARE FLEX CLAIM REIMB.
MN DEPT OF REVENUE ACH PAYMENTS	\$284,735.00	DECEMBER 2023 SALES TAX PAYABLE
PAYROLL DIRECT DEPOSIT 01.12.24	\$130,507.17	
BENEFITS & TAXES FOR 01.12.24	\$181,679.85	

Total Week of 01/12/2024**\$4,778,744.51**

WEEK OF 01/19/2024

ALL ELEMENTS INC.	\$1,050.00	2024 SEMIANNUAL ROOF INSECT PER MAINT AG
ARAMARK REFRESHMENT SERVICES INC	\$231.60	COFFEE/HOT CHOCOLATE
B & B TRANSFORMER INC	\$101,000.00	1 300 PAD RM 3 PHASE TRANSFORMER
COMCAST CABLE COMM INC.	\$2.30	BREAK ROOM CABLE
CONCRETE CUTTING & CORING INC	\$3,019.58	CHAIN LOOP,BARS,IMPACT WEDGE
DAILY PRINTING, INC.	\$2,904.26	SPU JAN 2024 RATES INSERT
SEAN DOLAN	\$500.00	RESIDENTIAL SOLAR REBATE
GOODIN COMPANY	\$1,319.43	CENTRIFUGAL PUMP/FLANGE
GRAINGER INC	\$696.78	5 GAL MOBIL DTE LIGHT(W)
ASHLEY HARRIS	\$500.00	RESIDENTIAL SOLAR REBATE
INNOVATIVE OFFICE SOLUTIONS	\$390.75	OFFICE SUPPLIES
IRBY - STUART C IRBY CO	\$3,835.14	GLOVE TESTING
JT SERVICES	\$8,626.65	3" PIPE INNERDUCT
KATAMA TECHNOLOGIES, INC.	\$468.75	AMI 2472 GENERAL CONSULTING
DAVID LANGE	\$500.00	RESIDENTIAL SOLAR REBATE
LARKSTUR ENGINEERING, INC	\$348.45	COUPLER/CRIMP FITTING
DOUGLAS MARSHALL	\$500.00	RESIDENTIAL SOLAR REBATE
MI HOMES OF MPLS.ST. PAUL	\$169,403.63	WM O/S VALLEY CREST 1ST, 2ND & 3RD
MINN VALLEY TESTING LABS INC	\$366.30	WATER TESTING NITRATES
MMUA	\$14,180.25	1ST QTR 2024 SAFETY MGMT PROGRAM
NAPA AUTO PARTS	\$134.28	ANTIFREEZE, WINDSHIELD WASH,TUNE UP16OZ
GERRY NEVILLE	\$138.69	REIMBURSE 207 MILES
CINDY NICKOLAY	\$125.29	REIMBURSE 187 MILES
O'REILLY AUTOMOTIVE, INC.	\$85.67	AIR FILTER FOR VALVE TRAILER(W)
PRECISION UTILITIES	\$3,850.00	HYDRO VAC LEAK LOCATE @ 601 JUTLAND AVE
RESCO	\$51,926.67	TRANSFORMER DV 3PH PAD
JEFFREY SAXTON	\$499.77	REFUND DUE PROJ UG ELECTRIC RELOCATE
EZRA SCHEPIS	\$300.00	RESIDENTIAL SOLAR REBATE
SCHERER BROTHERS LUMBER CO.	\$89.80	CONCRETE MIX/FOAM SEALANT(E)
DAVID SCHMIEG	\$500.00	RESIDENTIAL SOLAR REBATE
SCOTT COUNTY TREASURER	\$2,100.00	JANUARY 2024 FIBER CHARGE
SHAKOPEE CHAMBER OF COMMERCE	\$270.00	2024 ANNUAL MEETING
SHORT ELLIOTT HENDRICKSON INC	\$53,874.95	MULTIPLE WO'S
RAMON TORRES-DIAZ	\$500.00	RESIDENTIAL SOLAR REBATE
TWIN CITY GARAGE DOOR CO.	\$9,800.00	WO2823 INSTALL NEW GARAGE DOOR SHOP
USABLUEBOOK	\$643.91	HACH DR300 CHLORINE
VERIZON WIRELESS	\$106.87	12/6/23-1/5/2024 BILLING PERIOD
VIRGINIA TRANSFORMER CORP.	\$11,230.60	WO#2483 PYMT#3 W SHAKO SUBSTATION
WESCO RECEIVABLES CORP.	\$2,753.20	BUSS FUSEHOLDER
SARBESWAR SAHOO	\$2,700.00	CREDIT BALANCE REFUND/ACH PULLED WRONG A
FURTHER - ACH	\$779.90	2024 ANNUAL FEE

Total Week of 01/19/2024

\$452,253.47

WEEK OF 01/26/2024

AMARIL UNIFORM COMPANY	\$729.56 TRUE NORTH CAPS
APPLE FORD OF SHAKOPEE	\$586.60 ELECTRIC TRUCK #618 MAINT.
ARROW ACE HARDWARE	\$47.18 BOLTS & BUILDERS HARDWARE
BORDER STATES ELECTRIC SUPPLY	\$1,338.97 OPTICAL PROBE USB CONN
BRADLEY CARLSON	\$88.50 PER DIEM MMUA TRAIN COMM MTG BRAINERD
CENTURY FENCE COMPANY	\$2,365.00 FENCE REPAIR WO#2483
CONCRETE CUTTING & CORING INC	\$317.46 CHAIN LOOP
CORE & MAIN LP	\$23,400.00 METERS
DITCHWITCH OF MINNESOTA	\$270.95 VACUUM HANDLE #639 (E)
EMERGENCY AUTOMOTIVE TECHNOLOGIES I	\$394.74 LIGHTBAR WO2691
GRAYBAR ELECTRIC COMPANY INC	\$241.71 HUBBELL POWER SYSTEMS
HARRIS ST PAUL, INC	\$1,350.00 BUILDING AUTOMATION MAINT.
HENNEN'S AUTO SERVICE INC.	\$2,703.79 NEW TIRES 2015 GMC #626 (E)
INDELCO PLASTICS CORP	\$932.65 TUBES,MPT CONNECTOR,ADAPTER
INNOVATIVE OFFICE SOLUTIONS	\$529.98 NAME PLATE FOR PHILIP DUBBE
INTERSTATE ALL BATTERY CTR	\$59.83 PHO0210 3 LIT NONE SINGLE (W)
IRBY - STUART C IRBY CO	\$675.00 LOAD BREAK CUTOUT POLY 15KV
KENNEDY & GRAVEN, CHARTERED	\$576.00 WO#2634 WATER TRTMNT SITE AQUISITION
LMC EMBLEM SHAKOPEE HOLDINGS LLC	\$37,891.75 WO2603 EMBLEM SHAKO WMPPLAN REVIEW REFUN
METRO FIBERNET LLC	\$1,205.10 WO2648 FIBER SLPICING LATERAL HDNG
MINN VALLEY TESTING LABS INC	\$38.00 MAGANESE WATER TESTING
MMUA	\$46,231.00 2024 ELECTRIC UTILITY MEMBER DUE
MOBILE HEALTH SERVICES LLC	\$775.00 ANNUAL HEARING TEST
MPOWER TECHNOLOGIES, INC.	\$825.00 MAC ID TO ERT SERIAL # WATER INSTALLS
NAGEL COMPANIES LLC	\$13,910.00 WO#2838 DIRECTIONAL BORING
NARDINI FIRE EQUIPMENT CO INC	\$2,414.85 NOVEC SYSTEM INSPECTION/NEW ACUATOR
GERRY NEVILLE	\$84.42 REIMBURSE 126 MILES
CINDY NICKOLAY	\$73.70 REIMBURSE 110 MILES
POWERPLAN BF	\$477.73 WELDMENT-BLADES;WASHER;LOCKING PINS
RICE LAKE CONSTRUCTION GROUP	\$169,672.82 WO#2581 P.H.#23 APPLIC FOR PYMT NO.2
SCOTT COUNTY RECORDERS	\$46.00 MINNI BEAUTY RELEASE FOR AGREEMENT
SHAKOPEE CHAMBER OF COMMERCE	\$7,500.00 2024 RHYTHM/RAILS HEADLINE SPONSOR
TEST GAUGE & BACKFLOW SUPPLY INC	\$1,264.95 REPAIR KITS
GREG TRIPLETT	\$56.95 REIMBURSE 85 MILES
UNITED SYSTEMS & SOFTWARE INC	\$2,611.88 AMI WO 2718 ITRON MOUNTING KIT
USABLUEBOOK	\$95.62 STANDARD BLUE 200 TABLETS(W)
WATER CONSERVATION SERVICE INC	\$800.14 LEAK LOCATE @ JUTLAND AVE 1.10.24
WESCO RECEIVABLES CORP.	\$43,926.84 ELBOWS
KELLEY WILLEMSEN	\$4,621.20 REIMBURSE EUCI CONF FEES/AIRFARE
MN CHILD SUPPORT PAYMENT CENTER	\$564.37 CASE #001422536402
DELTA DENTAL PLAN OF MN	\$5,894.24 JAN. DENTAL PREMIUMS
MINNESOTA LIFE	\$976.84 JANUARY MN LIFE PREMIUMS
PRINCIPAL LIFE INS. COMPANY	\$4,678.82 JAN. LTD. AND STD. PREMIUMS
HEALTHPARTNERS	\$69,580.68 FEB. INVOICE, JANUARY PREMIUMS HEALTH IN
FURTHER - ACH	\$2,149.50 JANUARY ADMINISTRATIVE FEES
PAYROLL DIRECT DEPOSIT 01.26.24	\$131,903.01
BENEFITS & TAXES FOR 01.26.24	\$137,142.68

Total Week of 01/26/2024 \$724,021.01

Grand Total \$6,802,674.55



Presented for approval by: Director of Finance & Administration

Approved by General Manager

Approved by Commission President



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To: SPU Commissioners
From: Greg Drent, General Manager *gld*
Date: January 30, 2024
Subject: MMPA January 2024 Meeting Update

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on January 23, 2024, at Chaska City Hall in Chaska, Minnesota and via videoconference.

The Board reviewed the Agency's financial and operating performance for December 2023.



Customer penetration for the residential Clean Energy Choice program was 5.2%. There was an increase of 33 customers participating in the residential Clean Energy Choice program from November to December.

The Board discussed the current business environment.

The Board discussed the status of renewable projects the Agency is pursuing.



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TO: Greg Drent, General Manager 
FROM: Lon R. Schemel, Water Superintendent 
SUBJECT: Supplemental PFAS Sampling Schedule
DATE: January 31, 2024

On January 24, 2024, water staff asked Brian Rivers, our Minnesota Department of Health compliance engineer if SPU could augment their PFAS testing. Based on our calculated Health Risk Index numbers, wells 2, 4, 5, 7, and 8 will be placed on quarterly sampling by SPU. Wells 20, 21, and combined discharge 1 (wells 6, 7, and 10 when run together) will be sampled semi-annually.

Minnesota Department of Health will do the remaining wells as they see fit. SPU will be providing the Minnesota Department of Health with our results to strengthen their assessment of the safety of Shakopee's potable water.



TO: Greg Drent, General Manager 

FROM: Lon R. Schemel, Water Superintendent 

SUBJECT: PFAS Results -- Advisory

DATE: January 31, 2024

Beginning with the August 17th, 2022 results, the Minnesota Department of Health will be conducting quarterly sampling of SPU’s production wells. Sampling results will be presented at the Commission meeting immediately following the receipt of results. Staff expects that PFAS results will take 3 months to receive after sampling.

The 6 PFAS compounds that are used in the Health Risk Index are graphed and the averages are calculated. From the Minnesota Department of Health website:

MDH has developed health-based guidance values to represent levels for several PFAS in drinking water. The guidance values are levels that MDH considers safe for all people to consume, including sensitive populations. The guidance values apply to short time periods as well as a lifetime of exposure. The table below shows the health-based guidance values (in parts per billion, or ppb) and parts per trillion (ppt) for six PFAS that MDH uses to evaluate sample results. Because the guidance values are low, they are often reported in parts per trillion (ppt). One ppb is 1,000 ppt.

PFAS Detected in Minnesota	Drinking Water Guidance Value (ppb)
Perfluorobutane sulfonate (PFBS)	0.1 [same as 100 ppt]
Perfluorohexane sulfonate (PFHxS)	0.047 [same as 47 ppt]
Perfluorooctane sulfonate (PFOS)	0.015 [same as 15 ppt]
Perfluorobutanoic acid (PFBA)	7 [same as 7,000 ppt]
Perfluorohexanoic acid (PFHxA)	0.2 [same as 200 ppt]
Perfluorooctanoic acid (PFOA)	0.035 [same as 35 ppt]



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The following calculation is used to determine the Health Risk Index using the sample result and the Water Guidance Value:

$$(PFOS/0.015)+(PFOA/0.035)+(PFBS/0.1)+(PFBA/7)+(PFHxS/0.047)+(PFHxA/0.2)$$

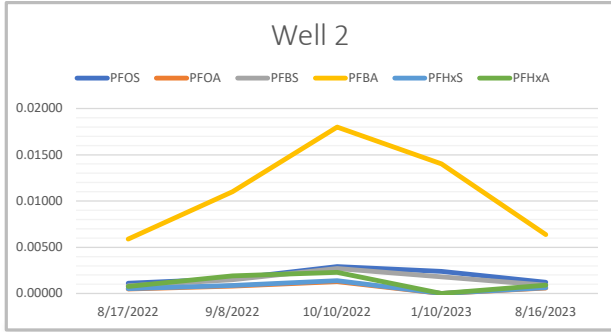
The following factors are why Minnesota Department of Health chose these 6 compounds:

- Frequency of detection in Minnesota
- Available toxicological information on the compounds
- Similar health effects in the body

An HRI value of less than 1 is not expected to cause an adverse health effect.

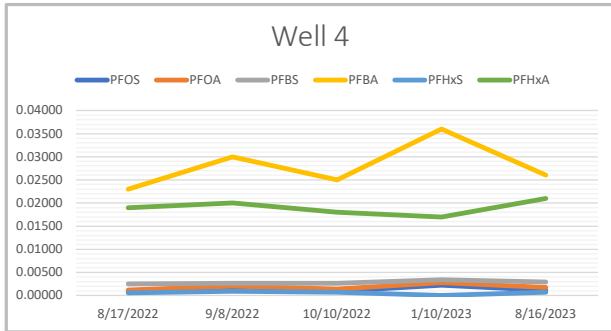
Attached are the graphed testing results and the information sheets for each compound from the Minnesota Department of Health.

Minnesota Department of Health
PFAS HRI Testing Results



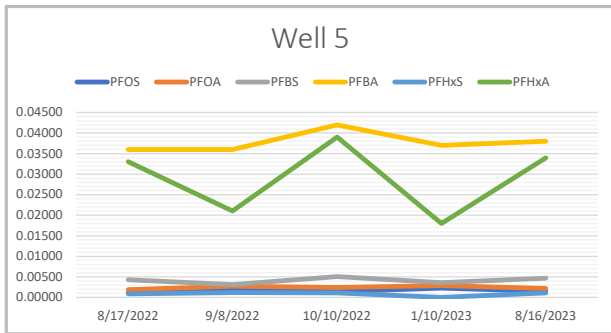
HRI Average
0.18

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00110	0.00049	0.00083	0.00590	0.00054	0.00075	0.11
9/8/2022	0.00160	0.00079	0.00150	0.01100	0.00088	0.00190	0.17
10/10/2022	0.00290	0.00130	0.00270	0.01800	0.00140	0.00230	0.30
1/10/2023	0.00240	0.00000	0.00180	0.01400	0.00000	0.00000	0.18
8/16/2023	0.00120	0.00060	0.00089	0.00640	0.00064	0.00090	0.13



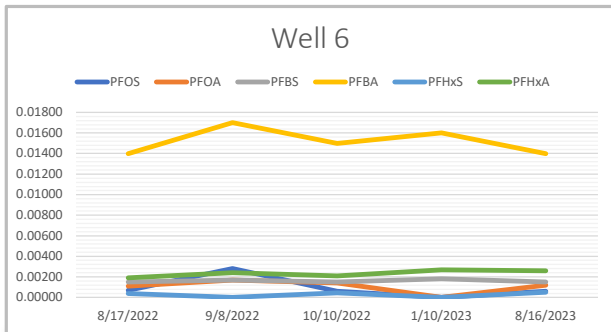
HRI Average
0.27

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00077	0.00120	0.00250	0.02300	0.00058	0.01900	0.22
9/8/2022	0.00120	0.00200	0.00260	0.03000	0.00090	0.02000	0.29
10/10/2022	0.00095	0.00140	0.00260	0.02500	0.00074	0.01800	0.24
1/10/2023	0.00220	0.00280	0.00340	0.03600	0.00000	0.01700	0.35
8/16/2023	0.00110	0.00170	0.00290	0.02600	0.00072	0.02100	0.27



HRI Average
0.39

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00110	0.00190	0.00430	0.03600	0.00085	0.03300	0.36
9/8/2022	0.00180	0.00270	0.00310	0.03600	0.00120	0.02100	0.36
10/10/2022	0.00140	0.00240	0.00510	0.04200	0.00110	0.03900	0.44
1/10/2023	0.00230	0.00290	0.00360	0.03700	0.00000	0.01800	0.37
8/16/2023	0.00150	0.00220	0.00470	0.03800	0.00110	0.03400	0.41

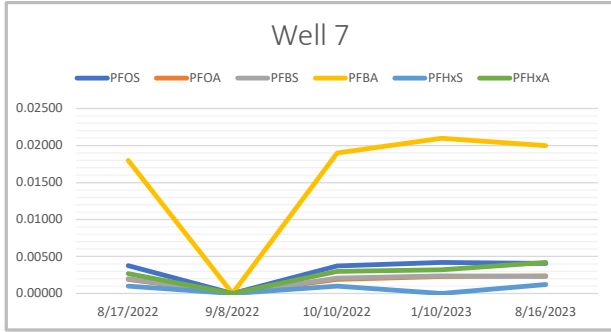


HRI Average
0.13

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00068	0.00110	0.00150	0.01400	0.00040	0.00190	0.11
9/8/2022	0.00280	0.00170	0.00170	0.01700	0.00000	0.00240	0.27
10/10/2022	0.00061	0.00140	0.00150	0.01500	0.00045	0.00210	0.12
1/10/2023	0.00000	0.00000	0.00180	0.01600	0.00000	0.00270	0.03
8/16/2023	0.00060	0.00120	0.00150	0.01400	0.00050	0.00260	0.11

All values are in µg/L
A value of 0.00000 indicates that a compound is below detection.

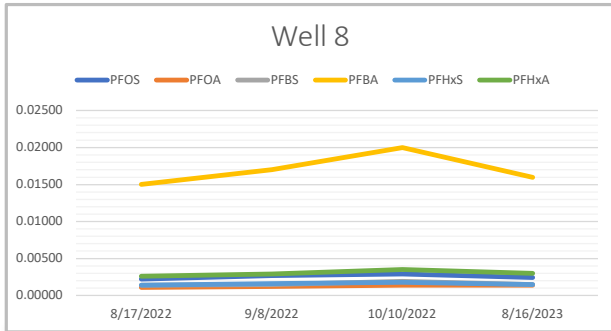
Minnesota Department of Health
PFAS HRI Testing Results



Sampled w/Well 6

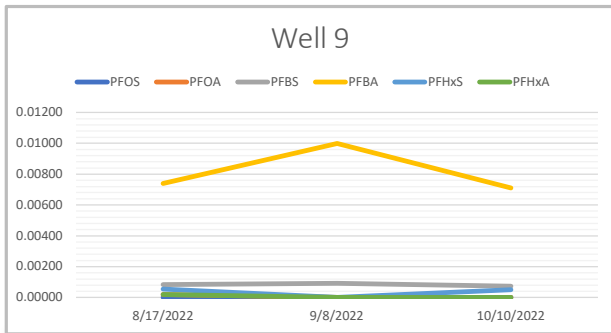
	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00380	0.00190	0.00200	0.01800	0.00100	0.00270	0.36
9/8/2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00
10/10/2022	0.00370	0.00190	0.00210	0.01900	0.00100	0.00300	0.36
1/10/2023	0.00420	0.00230	0.00240	0.02100	0.00000	0.00320	0.39
8/16/2023	0.00410	0.00240	0.00230	0.02000	0.00120	0.00420	0.41

HRI Average
0.38



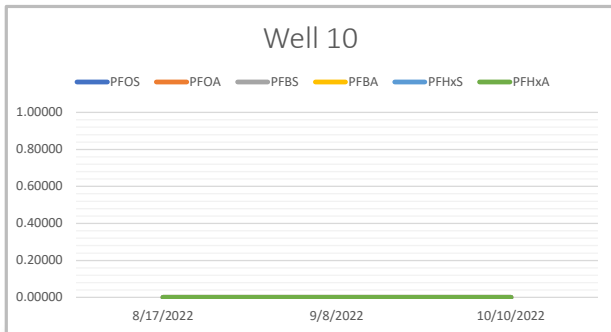
HRI Average
0.27

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00220	0.00110	0.00140	0.01500	0.00140	0.00260	0.24
9/8/2022	0.00270	0.00120	0.00150	0.01700	0.00160	0.00290	0.28
10/10/2022	0.00290	0.00140	0.00190	0.02000	0.00180	0.00350	0.31
8/16/2023	0.00240	0.00140	0.00150	0.01600	0.00150	0.00300	0.26



HRI Average
0.02

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00000	0.00020	0.00083	0.00740	0.00054	0.00019	0.03
9/8/2022	0.00000	0.00000	0.00092	0.01000	0.00000	0.00000	0.01
10/10/2022	0.00000	0.00000	0.00073	0.00710	0.00051	0.00000	0.02

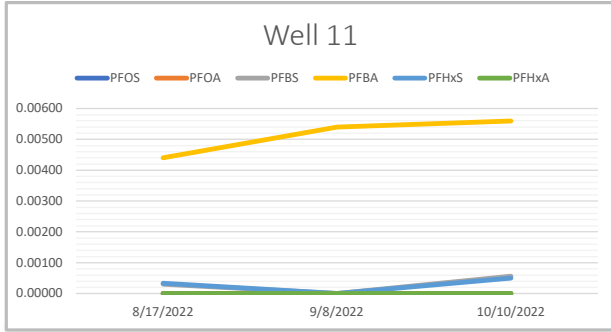


HRI Average
0.00

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00
9/8/2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00
10/10/2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00

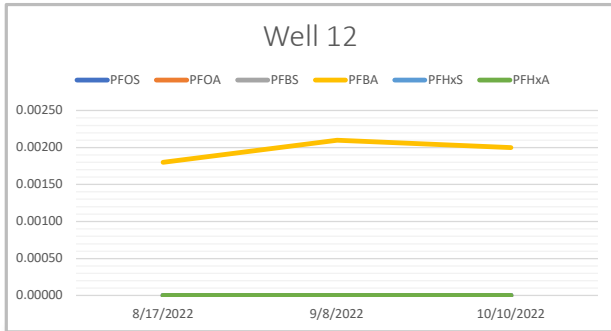
All values are in µg/L
A value of 0.00000 indicates that a compound is below detection.

Minnesota Department of Health
PFAS HRI Testing Results



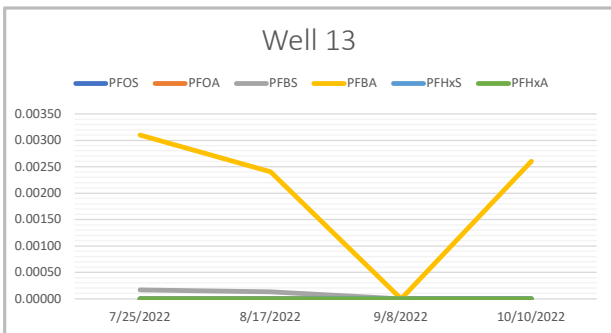
HRI Average
0.01

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00000	0.00000	0.00030	0.00440	0.00033	0.00000	0.01
9/8/2022	0.00000	0.00000	0.00000	0.00540	0.00000	0.00000	0.00
10/10/2022	0.00000	0.00000	0.00056	0.00560	0.00050	0.00000	0.02



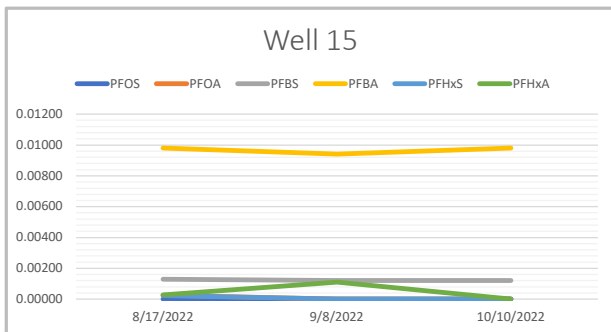
HRI Average
0.00

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00000	0.00000	0.00000	0.00180	0.00000	0.00000	0.00
9/8/2022	0.00000	0.00000	0.00000	0.00210	0.00000	0.00000	0.00
10/10/2022	0.00000	0.00000	0.00000	0.00200	0.00000	0.00000	0.00



HRI Average
0.00

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
7/25/2022	0.00000	0.00000	0.00017	0.00310	0.00000	0.00000	0.00
8/17/2022	0.00000	0.00000	0.00013	0.00240	0.00000	0.00000	0.00
9/8/2022	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00
10/10/2022	0.00000	0.00000	0.00000	0.00260	0.00000	0.00000	0.00



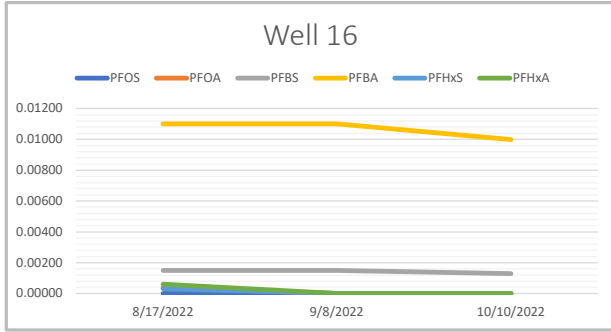
HRI Average
0.02

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00000	0.00026	0.00130	0.00980	0.00023	0.00027	0.03
9/8/2022	0.00000	0.00000	0.00120	0.00940	0.00000	0.00110	0.02
10/10/2022	0.00000	0.00000	0.00120	0.00980	0.00000	0.00000	0.01

All values are in µg/L
A value of 0.00000 indicates that a compound is below detection.

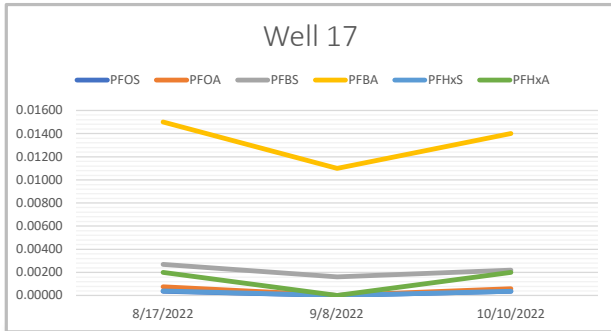
Minnesota Department of Health
PFAS HRI Testing Results

MDH - (651) 201-4562



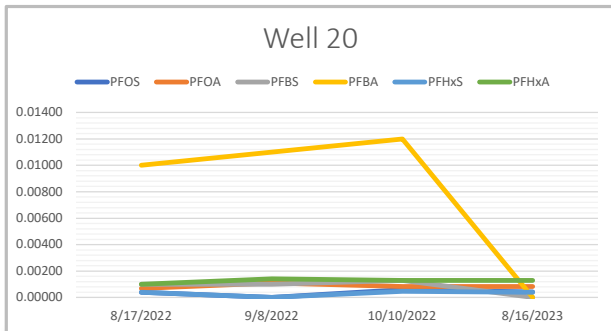
HRI Average
0.02

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00000	0.00037	0.00150	0.01100	0.00031	0.00061	0.04
9/8/2022	0.00000	0.00000	0.00150	0.01100	0.00000	0.00000	0.02
10/10/2022	0.00000	0.00000	0.00130	0.01000	0.00000	0.00000	0.01



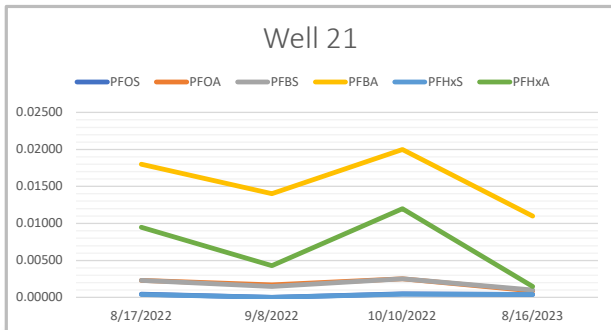
HRI Average
0.06

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00038	0.00076	0.00270	0.01500	0.00039	0.00200	0.09
9/8/2022	0.00000	0.00000	0.00160	0.01100	0.00000	0.00000	0.02
10/10/2022	0.00036	0.00059	0.00220	0.01400	0.00037	0.00200	0.08



HRI Average
0.07

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00039	0.00069	0.00100	0.01000	0.00039	0.00100	0.07
9/8/2022	0.00000	0.00110	0.00100	0.01100	0.00000	0.00140	0.05
10/10/2022	0.00058	0.00084	0.00130	0.01200	0.00046	0.00130	0.09
8/16/2023	0.00043	0.00083	0.00000	0.00000	0.00040	0.00130	0.07



HRI Average
0.14

	PFOS	PFOA	PFBS	PFBA	PFHxS	PFHxA	HRI
8/17/2022	0.00043	0.00230	0.00230	0.01800	0.00041	0.00950	0.18
9/8/2022	0.00000	0.00170	0.00150	0.01400	0.00000	0.00430	0.09
10/10/2022	0.00050	0.00250	0.00250	0.02000	0.00043	0.01200	0.20
8/16/2023	0.00041	0.00087	0.00100	0.01100	0.00041	0.00150	0.08

All values are in µg/L
A value of 0.00000 indicates that a compound is below detection.

PFAS Testing of Minnesota Community Water Systems

<https://tinyurl.com/PFAS-MDH>



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DATE: January 29, 2024
TO: Greg Drent, General Manager *GD*
FROM: Brad Carlson, Electric Superintendent *BC*
Subject: Authorize Vehicle Equipment Purchasing

Background:

Vehicle procurement continues to be a challenge for both our Electric and Water departments. Past practice has been to order vehicles when CIP budget is released in January. We currently would fulfill that purchase in the calendar year. I have approached the Commission in 2022 for early purchase of the Electric department's digger derrick with the knowledge there would be a long lead time. The estimated delivery time for the digger truck is now October of 2024.

For example, we have several vehicles ordered through state bid contract in 2022, and 2023 that we have not received to date i.e. unit #610, #612, and #618. All to be delivered sometime in 2024. Dealerships have indicated state bid contracts will close soon, and Shakopee Utilities has been allotted one vehicle from Chevrolet for 2024.

We are looking for approval to order a few vehicles early in 2024 that would be included in 2025 CIP budget.

Action:

Authorization to purchase 2025 vehicles with long lead times. SPU staff wanted the Commission to be aware of the long lead times and would like some direction on purchasing future vehicles.

RESOLUTION #2024-06

RESOLUTION AMENDING RESOLUTION 2022-17 AND ADJUSTING THE AMOUNT
OF THE TRUNK WATER CHARGE, APPROVING OF ITS COLLECTION
AND AUTHORIZING WATER SERVICE TO CERTAIN PROPERTY
DESCRIBED AS:

WHISPERING WATERS 2ND ADDITION

Block 1, Lots 1 - 23; Block 2, Lots 1 – 3; Block 3, Lots 1 - 11;
Block 4, Lots 1 – 22; Outlot C

WHEREAS, a request has been received for City water service to be made available to certain property, and

WHEREAS, the collection of the Trunk Water Charge is one of the standard requirements before City water service is newly made available to an area, and

WHEREAS, the subject project has incurred a two-year delay during which the standard rate to be applied for the Trunk Water Charge has increase due to inflation, and

WHEREAS, the standard rate to be applied for the Trunk Water Charge has been set by separate Resolution,

NOW THEREFORE, BE IT RESOLVED, that the amount of the Trunk Water Charge is adjusting to be \$81,992.70 based on 15.3 net acres, and that collection of the Trunk Water Charge is one of the requirements to be completed prior to City water service being made available to that certain property described as:

Block 1, Lots 1 - 23; Block 2, Lots 1- 3; Block 3, Lots 1 - 11;
Block 4, Lots 1 – 22; Outlot C

BE IT FURTHER RESOLVED, that all things necessary to carry out the terms and purpose of this Resolution are hereby authorized and performed.


Passed in regular session of the Shakopee Public Utilities Commission, this 5th day of February 2024.


Commission President: Justin Krieg

ATTEST:

Commission Secretary: Greg Drent

January 29, 2024

TO: Greg Drent, General Manager 

FROM: Sharon Walsh, Director of Marketing, Key Accounts and Special Projects 

SUBJECT: AMI – Access to SPU-Owned Equipment

Overview

A previous AMI Opt-Out Policy was set by the commission on November 6, 2023. That policy specifically addressed customers who want to decline installation of AMI technology. It was decided there would be no option to decline electric meter installation, but water radio (or ERT) installation could be moved to an outside installation if so requested by the customer. This Opt-Outside option is offered without penalty to the customer, but truck and labor costs do apply if this request is made after the initial AMI installation has been completed.

Additional policy is needed to address the issue of ‘gaining entrance and access to SPU-owned property’. This issue is mostly related to water meters as they are located inside properties – residences, apartment common areas and/or businesses, but in rare instances there are electric meters installed inside a structure. Based on the small quantity of AMI water meter installations done thus far (less than 30 residential), we have incurred one customer who declined to allow SPU entrance into their home, stating their existing water meter was recently changed and they did not need a new meter.* They did not openly state their objection was to the *technology*, as much as they didn’t want us entering their home again.

We have verbiage in our published policy manuals regarding access rights. Our water policy states the following in the Customer Service section:

Meters Property of Shakopee Public Utilities, pg 1-9 - All water meters shall be and remain the property of Shakopee Public Utilities and may be removed or replaced or changed as to size and type when deemed necessary.

Additionally, on pg 1-11 –

Reading and Inspection - Employees delegated for the purpose of meter reading shall have free access at reasonable hours of the day to all parts of every building and premises connected with the municipal water supply system for reading meters and inspections.

In our electric policy manual, on pg 15, we state:

209 Access - The utility shall have the right of access to the Customer’s/Property Owner’s premises at all reasonable times for the purpose of installing, reading, inspecting, maintaining, or removing any of its meters, devices, or other equipment which is used in the provision of the Customer’s electric service.

To make these policy statements more forthcoming, staff consulted Legal and have added similar verbiage to the Service Application as a condition of service for all new customers. To provide greater visibility for existing customers, this same verbiage has been added to several web pages on the SPU website. NOTE: Policy manuals are and have been available on our website.

What is missing from our policy manuals is clarity for both staff and our customers in terms of actions should a customer decline SPU entrance or access to our equipment.

In reviewing ten surrounding utilities (**Austin, Owatonna, Elk River**, New Prague, MVEC, Rochester, Waseca, Chaska, **Alexandria**, and **Grand Rapids**), all utilities state the right to access their equipment in similar language as SPU does. 50% of these utilities (in bold) have additional language that indicates service may be disconnected for failure to follow policy and/or the agreed upon condition of service. The others have no additional language.

Gaining access to equipment has been an ongoing issue on a limited basis, but with the deployment of thousands of AMI meters this may become a more frequent situation. Having a clear course of action would be beneficial for both staff and customers.

It should be noted that prior to taking any course of action, the customer will be communicated with multiple times. For the AMI process specifically, a customer will receive three first-class mailed notices about the replacement of water meters system-wide and the need to schedule an appointment for entrance to perform the replacement. When no customer response is received from these written notices, SPU staff will make two phone calls to connect with the customer. If no response is received or no resolution is reached after these five-total attempts, staff is proposing a sixth and final written communication be sent with a detailed course of action, including sufficient lead time before this course of action is implemented.

Courses of action could include –

1. A monthly fine of \$50-\$100 for X months, culminating in disconnection if no access is granted within stated time frame
2. An ongoing fine of \$100/month to cover manual reading costs until customer grants entry/access**
3. Disconnection of water service after final communication has been sent and lead time exhausted (i.e., additional four weeks?)



Action Requested

Staff is requesting commission direction (via policy) for action should a customer fail to comply with SPU policy allowing SPU entrance and access to SPU-owned equipment on their property.

*Following several phone conversations with this customer, we were able to gain entrance into their home and install a new water meter and AMI network ERT.

**This will not work when we need to access the property to fix or replace faulty equipment.

January 30, 2024

TO: Greg Drent, General Manager 
FROM: Sharon Walsh, Director of Marketing, Key Accounts and Special Projects 
SUBJECT: 2022 CIP Results – Opening of 2024 Program

Overview

Attached is the Draft Compliance Letter* issued by the MN Commerce Department. This letter provides 2022 CIP results. In 2022, we passed all individual measures in each of the categories for savings and spending set by the state. SPU exceeded the overall state savings goal of 1.5% achieving a total energy savings of 1.65%. This is driven primarily by behavioral science conservation efforts (Opower) and larger C&I projects in 2022.

Points of interest –

- We achieved 7.3 million kWhs in savings, exceeding our goal by 670,000 kWh.
- Our spend of just over \$948k is viewed as a positive by the state – it says we are doing the right things when it comes to conservation.
- In recent years we have seen an increase in our performance toward Low Income Goals
- This is the last year we will see spend in Load Management as we retired the SmartSwitch program due to administrative costs vs benefits. A new load management program will not be implemented until AMI metering is in place.
- We had a strong year in Solar with rebates totaling \$25,000.

As always, any residual money in the conservation fund rolls into the following calendar year. The plan for 2024 is technically approved. In 2023 we submitted a three-year plan to avoid annual approvals of the same program. This approval will continue through 2025. Because of the success of our program, there will be no changes to its design or structure. We offer a very fair and enticing program, matching or exceeding surrounding utility programs, including Xcel Energy. On the C&I side, we have moved away from any prescriptive programs to all custom. This allows any energy-saving project approved within the state TRM (Technical Resource Manual) to be rebated. The 2024 Conservation Program will be launched effective February 6, 2024, barring any changes or delays requested by the commission.

Action Requested

No action is required.

**The final approval and filing of the regulatory letter has not been completed by the MN DOC. The attached is considered a draft version, but through discussions with the State this will be approved as submitted. The Final Compliance Letter will be provided to the Commission at a later date.*



PO Box 470 • 255 Sarazin Street
 Shakopee, Minnesota 55379
 Main 952.445-1988 • Fax 952.445-7767
 www.shakopeeutilities.com

DATE: January 31, 2024
TO: Greg Drent, General Manager *gld*
FROM: Kelley Willemsen, Director of Finance & Administration *kw*
SUBJECT: December 2023 Preliminary Unaudited Financials

Below are a few highlights from the December 2023 Preliminary Financials that we will be covered during the February 5th commission meeting.

December 2023 Electric

- Electric Revenue is up 4% from prior year.
- Electric Revenue is up 2% from budget.
- Electric Operating expenses increased 2% from prior year.
- Electric Operating expenses is down 1% from budget.
- The electric meter depreciation expense was accelerated in 2023 for current meter assets that will be replaced through the AMI implementation.

December 2023 Water

- Water Revenue is up 17% from prior year.
- Water Revenue is up 19% from budget.
- Water Operating expenses increased 30% from prior year.
- Water Operating expenses is up 18% from budget.
- The water meter depreciation expense was accelerated in 2023 for current meter assets that will be replaced through the AMI implementation.

Included are the following statements:

- Combined Statement of Revenues, Expense and Changes in Fund Net Position
- Electric Operating Revenue and Expense – Budget to Actual (with analytics)
- Electric Operating Revenue and Expense – 2022 to 2023
- Electric Revenue by Month by Class
- Comparison of Electric Usage
- Water Operating Revenue to Expense – 2022 to 2023 (with analytics)
- Water Operating Revenue to Expense – 2022 to 2023
- Water Revenue by Month by Class
- Comparison of Water Usage

No action required.



2023 Preliminary Unaudited Financials Statements

SHAKOPEE PUBLIC UTILITIES
COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

	Year to Date Actual - December 31, 2023			Year to Date Budget - December 31, 2023			Electric		Water		Total Utility	
	Electric	Water	Total Utility	Electric	Water	Total Utility	YTD Actual v. Budget B/(W) \$ %	YTD Actual v. Budget B/(W) \$ %	YTD Actual v. Budget B/(W) \$ %			
OPERATING REVENUES	\$ 61,427,035	7,775,680	69,202,715	60,350,902	6,557,592	66,908,494	1,076,133	1.8%	1,218,088	18.6%	2,294,221	3.4%
OPERATING EXPENSES						-						
Operation, Customer and Administrative	50,767,300	4,423,774	55,191,073	51,696,964	4,441,110	56,138,074	929,664	1.8%	17,336	0.4%	947,001	1.7%
Depreciation	3,406,735	3,095,933	6,502,668	3,145,933	1,929,592	5,075,525	(260,802)	-8.3%	(1,166,341)	-60.4%	(1,427,143)	-28.1%
Total Operating Expenses	54,174,034	7,519,706	61,693,741	54,842,897	6,370,702	61,213,599	668,862	1.2%	(1,149,004)	-18.0%	(480,142)	-0.8%
Operating Income	7,253,001	255,973	7,508,974	5,508,005	186,890	5,694,895	1,744,996	31.7%	69,083	-37.0%	1,814,079	31.9%
NON-OPERATING REVENUE (EXPENSE)												
Rental and Miscellaneous	115,823	86,524	202,347	314,521	229,631	544,152	(198,698)	-63.2%	(143,107)	-62.3%	(341,805)	-62.8%
Interdepartment Rent from Water	90,000	-	90,000	90,000	-	90,000	-	0.0%	-	0.0%	-	0.0%
Investment Income	2,000,989	1,247,166	3,248,154	(803,998)	(293,166)	(1,097,164)	2,804,987	-348.9%	1,540,332	-525.4%	4,345,318	-396.1%
Interest Expense	(79,294)	(4,456)	(83,749)	(6,394)	(118)	(6,512)	(72,900)	-1140.1%	(4,338)	-3675.9%	(77,237)	-1186.1%
Total Non-Operating Revenue (Expense)	2,127,518	1,356,113	3,483,631	(405,871)	(63,653)	(469,524)	2,533,389	-624.2%	1,419,766	-2230.5%	3,953,155	-841.9%
Income Before Contributions and Transfers	9,380,519	1,612,087	10,992,606	5,102,134	123,237	5,225,371	4,278,385	83.9%	1,488,850	1208.1%	5,767,234	110.4%
CAPITAL CONTRIBUTIONS	1,556,161	3,823,767	5,379,928	439,835	2,339,648	2,779,483	1,116,326	-253.8%	1,484,119	63.4%	2,600,445	93.6%
MUNICIPAL CONTRIBUTION	(3,261,595)	(410,919)	(3,672,514)	(3,415,176)	(393,455)	(3,808,631)	153,581	4.5%	(17,464)	-4.4%	136,117	3.6%
CHANGE IN NET POSITION	\$ 7,675,085	5,024,934	12,700,019	2,126,792	2,069,430	4,196,222	5,548,293	260.9%	2,955,504	142.8%	8,503,797	202.7%

**SHAKOPEE PUBLIC UTILITIES
ELECTRIC OPERATING REVENUE AND EXPENSE**

	YTD Actual	YTD Budget	YTD Actual v. Budget	
	12/31/2023	12/31/2023	Increase (decrease)	
			\$	%
OPERATING REVENUES				
Sales of Electricity				
Residential	\$ 22,147,109	22,060,491	86,618	100.4
Commercial and Industrial	37,884,988	37,032,104	852,884	102.3
Uncollectible accounts	-	-	-	-
Total Sales of Electricity	<u>60,032,097</u>	<u>59,092,595</u>	<u>939,502</u>	<u>101.6</u>
Forfeited Discounts	373,716	275,184	98,532	135.8 (1)
Free service to the City of Shakopee	126,595	117,718	8,877	107.5
Conservation program	894,628	865,405	29,223	103.4
Total Operating Revenues	<u>61,427,035</u>	<u>60,350,902</u>	<u>1,076,133</u>	<u>101.8</u>
OPERATING EXPENSES				
Operations and Maintenance				
Purchased power	42,742,370	42,922,789	(180,419)	99.6
Distribution operation expenses	654,114	649,921	4,193	100.6
Distribution system maintenance	1,080,541	866,364	214,177	124.7 (2)
Maintenance of general plant	445,631	448,286	(2,655)	99.4
Total Operation and Maintenance	<u>44,922,656</u>	<u>44,887,360</u>	<u>35,296</u>	<u>100.1</u>
Customer Accounts				
Meter Reading	139,742	170,809	(31,067)	81.8 (3)
Customer records and collection	740,961	652,818	88,143	113.5
Energy conservation	692,917	893,565	(200,647)	77.5 (4)
Total Customer Accounts	<u>1,573,620</u>	<u>1,717,191</u>	<u>(143,570)</u>	<u>91.6</u>
Administrative and General				
Administrative and general salaries	782,567	1,046,227	(263,660)	74.8 (5)
Office supplies and expense	446,844	539,251	(92,407)	82.9
Outside services employed	400,868	392,281	8,587	102.2
Insurance	131,621	155,338	(23,718)	84.7
Employee Benefits	2,019,037	2,398,242	(379,205)	84.2
Miscellaneous general	490,088	561,075	(70,987)	87.3
Total Administrative and General	<u>4,271,024</u>	<u>5,092,414</u>	<u>(821,390)</u>	<u>83.9</u>
Total Operation, Customer, & Admin Expenses	<u>50,767,300</u>	<u>51,696,964</u>	<u>(929,664)</u>	<u>98.2</u>
Depreciation	3,406,735	3,145,933	(260,802)	108.3
Total Operating Expenses	<u>\$ 54,174,034</u>	<u>54,842,897</u>	<u>(668,862)</u>	<u>98.8</u>
Operating Income	<u>\$ 7,253,000</u>	<u>5,508,004</u>	<u>1,744,996</u>	<u>131.7</u>

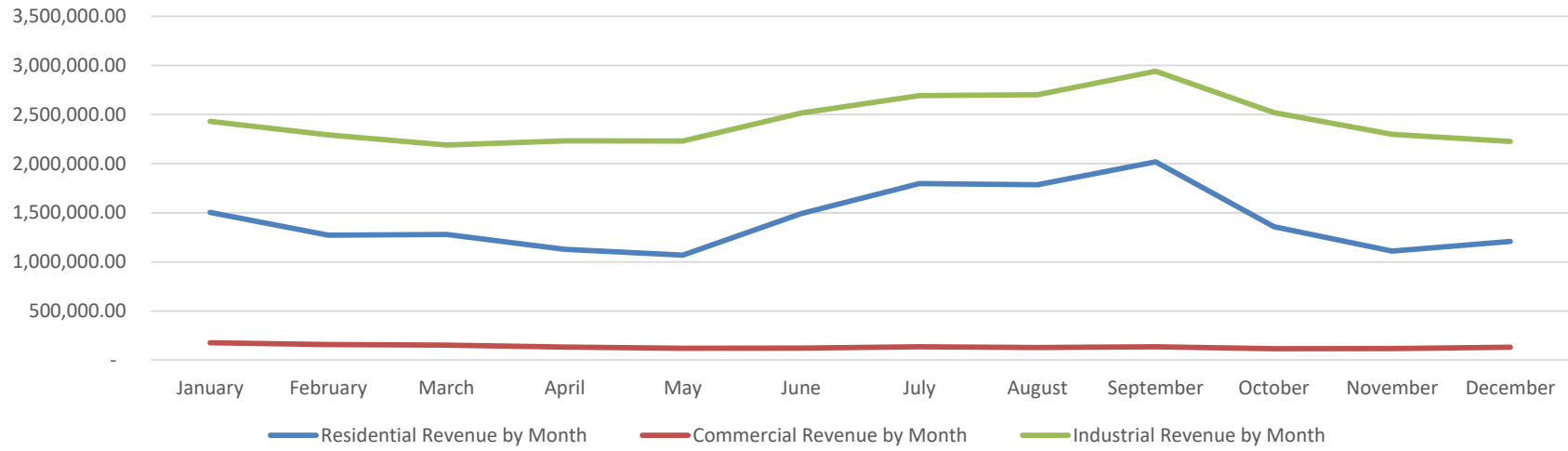
Item Explanation of Items Percentage Received/Expended Less than 80% or Greater than 120% and \$ Variance Greater than \$15,000.

- (1) Budget variance is due to higher than budgeted penalty fees collected for 2023
- (2) Budget variance is due to higher than budgeted labor hours for distribution maintenance
- (3) Budget variance is due to higher than budgeted labor hours for meter reading support from the electric department
- (4) Budget variance is due to lower than budgeted conservation expenses
- (5) Budget variance is due to unfilled positions included in budget

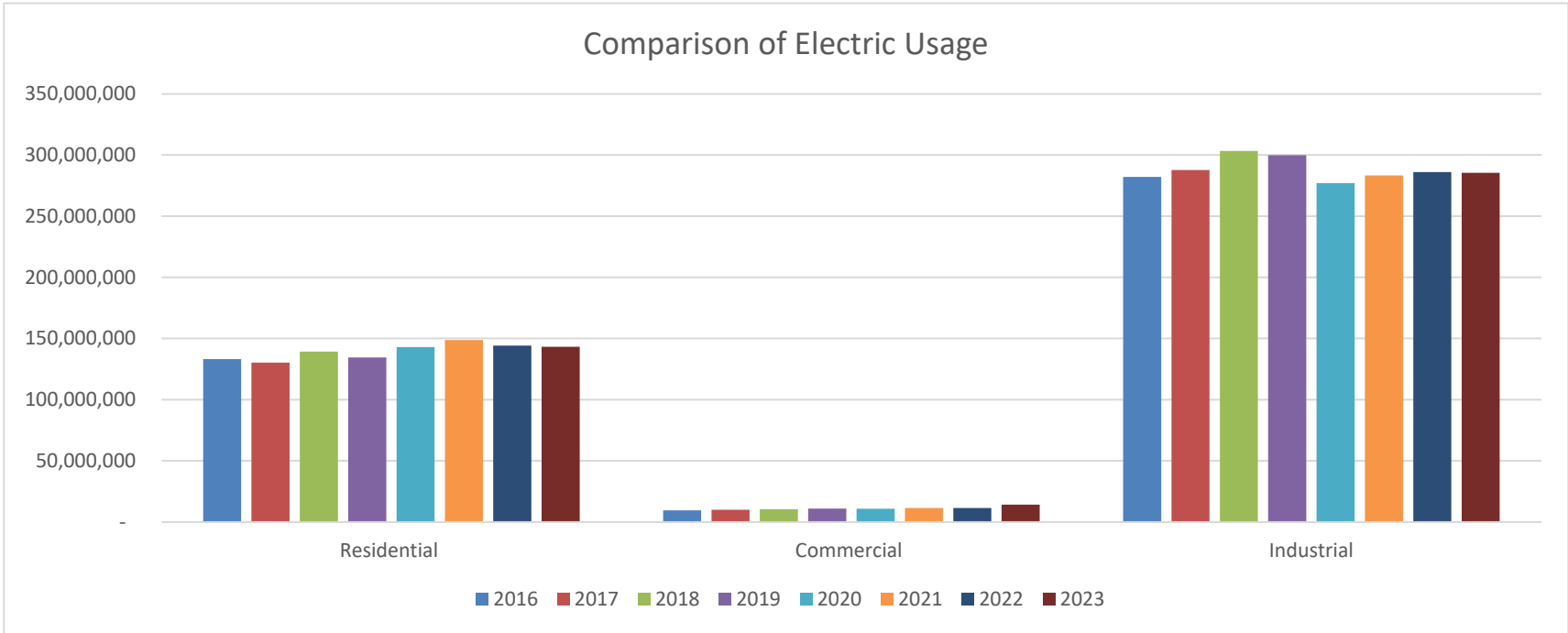
SHAKOPEE PUBLIC UTILITIES
ELECTRIC OPERATING REVENUE AND EXPENSE

	2023	2022	2022 - 2023	
			Increase (decrease)	
			\$	%
OPERATING REVENUES				
Sales of Electricity				
Residential	\$ 22,147,109	21,548,095	599,014	102.8
Commercial and Industrial	37,884,988	36,255,305	1,629,683	104.5
Uncollectible accounts	-	(71,335)	71,335	-
Total Sales of Electricity	<u>60,032,097</u>	<u>57,732,065</u>	<u>2,300,032</u>	<u>104.0</u>
Forfeited Discounts	373,716	314,715	59,001	118.7
Free service to the City of Shakopee	126,595	138,104	(11,509)	91.7
Conservation program	894,628	862,219	32,408	103.8
Total Operating Revenues	<u>61,427,035</u>	<u>59,047,103</u>	<u>2,379,932</u>	<u>104.0</u>
OPERATING EXPENSES				
Operations and Maintenance				
Purchased power	42,742,370	42,864,366	(121,996)	99.7
Distribution operation expenses	654,114	537,637	116,477	121.7
Distribution system maintenance	1,080,541	809,858	270,683	133.4
Maintenance of general plant	445,631	392,233	53,398	113.6
Total Operation and Maintenance	<u>44,922,656</u>	<u>44,604,094</u>	<u>318,562</u>	<u>100.7</u>
Customer Accounts				
Meter Reading	139,742	139,090	652	100.5
Customer records and collection	740,961	823,914	(82,953)	89.9
Energy conservation	692,917	872,705	(179,788)	79.4
Total Customer Accounts	<u>1,573,620</u>	<u>1,835,710</u>	<u>(262,090)</u>	<u>85.7</u>
Administrative and General				
Administrative and general salaries	782,567	710,282	72,285	110.2
Office supplies and expense	446,844	78,240	368,604	571.1
Outside services employed	400,868	237,010	163,858	169.1
Insurance	131,621	141,787	(10,167)	92.8
Employee Benefits	2,019,037	2,501,204	(482,167)	80.7
Miscellaneous general	490,088	45,311	444,777	1,081.6
Total Administrative and General	<u>4,271,024</u>	<u>3,713,834</u>	<u>557,190</u>	<u>115.0</u>
Total Operation, Customer, & Admin Expenses	<u>50,767,301</u>	<u>50,153,638</u>	<u>613,663</u>	<u>101.2</u>
Depreciation	3,406,735	2,950,002	(456,733)	115.5
Total Operating Expenses	<u>\$ 54,174,035</u>	<u>53,103,640</u>	<u>1,070,396</u>	<u>102.0</u>
Operating Income	<u>\$ 7,253,000</u>	<u>5,943,463</u>	<u>1,309,537</u>	<u>122.0</u>

Revenue by Month by Class (Electric)



Month	Residential Revenue by Month	Commercial Revenue by Month	Industrial Revenue by Month
January	1,503,341.13	175,733.91	2,430,006.97
February	1,272,160.20	158,070.12	2,291,610.17
March	1,278,950.18	151,920.65	2,189,960.34
April	1,128,658.87	132,107.31	2,231,102.25
May	1,069,110.36	119,914.36	2,230,033.80
June	1,492,293.52	122,490.32	2,514,572.55
July	1,796,349.09	135,279.92	2,691,877.72
August	1,784,810.40	128,456.65	2,701,599.87
September	2,017,946.92	135,673.84	2,940,180.68
October	1,358,255.62	116,142.21	2,518,769.75
November	1,109,626.54	118,015.05	2,298,694.80
December	1,208,926.24	131,736.61	2,225,380.25
Total	17,020,429.07	1,625,540.95	29,263,789.15



Year	Residential	Commercial	Industrial
2016	133,150,759	9,507,292	282,037,144
2017	130,284,928	9,959,974	287,715,083
2018	139,277,526	10,453,260	303,338,391
2019	134,450,391	10,932,589	299,767,196
2020	142,955,574	10,811,084	276,993,575
2021	148,722,579	11,452,253	283,234,985
2022	144,191,985	11,375,393	286,019,222
2023	143,179,595	14,200,938	285,491,698

**SHAKOPEE PUBLIC UTILITIES
WATER OPERATING REVENUE AND EXPENSE**

	YTD Actual	YTD Budget	YTD Actual v. Budget	
	12/31/2023	12/31/2023	Increase (decrease)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 7,742,788	6,522,083	1,220,705	118.7
Forfeited Discounts	32,892	35,509	(2,617)	92.6
Total Operating Revenues	<u>7,775,680</u>	<u>6,557,592</u>	<u>1,218,088</u>	<u>118.6</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	832,974	650,286	182,688	128.1 (1)
Pumping and distribution maintenance	869,896	645,468	224,428	134.8 (2)
Power for pumping	358,161	360,000	(1,839)	99.5
Maintenance of general plant	70,691	99,464	(28,773)	71.1 (3)
Total Operation and Maintenance	<u>2,131,722</u>	<u>1,755,218</u>	<u>376,504</u>	<u>121.5</u>
Customer Accounts				
Meter Reading	86,087	70,651	15,436	121.8 (4)
Customer records and collection	190,071	216,491	(26,420)	87.8
Energy conservation	12,564	-	-	#DIV/0!
Total Customer Accounts	<u>288,721</u>	<u>287,141</u>	<u>1,580</u>	<u>100.6</u>
Administrative and General				
Administrative and general salaries	469,083	632,964	(163,881)	74.1 (5)
Office supplies and expense	147,252	168,542	(21,290)	87.4
Outside services employed	182,325	253,851	(71,526)	71.8 (6)
Insurance	41,784	45,113	(3,329)	92.6
Employee Benefits	968,734	1,057,398	(88,664)	91.6
Miscellaneous general	194,151	240,883	(46,732)	80.6
Total Administrative and General	<u>2,003,331</u>	<u>2,398,751</u>	<u>(395,420)</u>	<u>83.5</u>
Total Operation, Customer, & Admin Expenses	<u>4,423,774</u>	<u>4,441,110</u>	<u>(17,336)</u>	<u>99.6</u>
Depreciation	3,095,933	1,929,592	1,166,341	160.4 (7)
Total Operating Expenses	<u>\$ 7,519,706</u>	<u>6,370,702</u>	<u>1,149,004</u>	<u>118.0</u>
Operating Income	<u>\$ 255,973</u>	<u>186,890</u>	<u>69,083</u>	<u>137.0</u>

Item Explanation of Items Percentage Received/Expended Less than 80% or Greater than 120% and \$ Variance Greater than \$15,000.

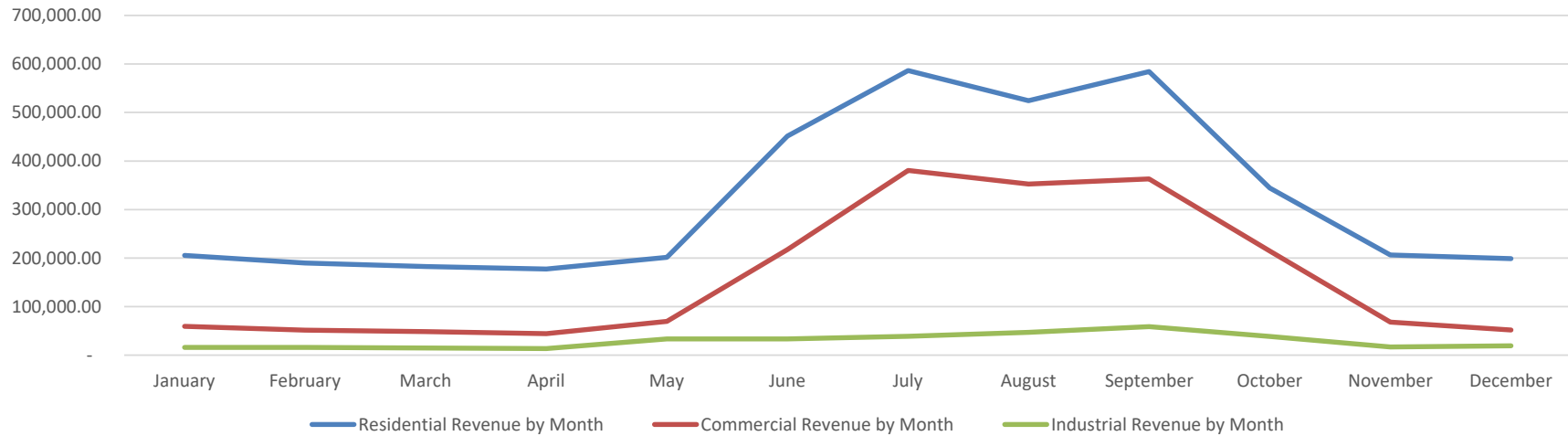
- (1) Budget variance is due to higher than budgeted labor and chemical expenses
- (2) Budget variance is due to higher than budgeted maintenance expenses for pumping and distribution
- (3) Budget variance is due to lower than budgeted general maintenance expenses
- (4) Budget variance is due to higher than budgeted labor hours for meter reading support from the water department
- (5) Budget variance is due to unfilled positions included in budget
- (6) Budget variance is due to lower than budgeted outside services expenses
- (7) Budget variance is due to accelerated depreciation on meters for AMI deployment

SHAKOPEE PUBLIC UTILITIES

WATER OPERATING REVENUE AND EXPENSE

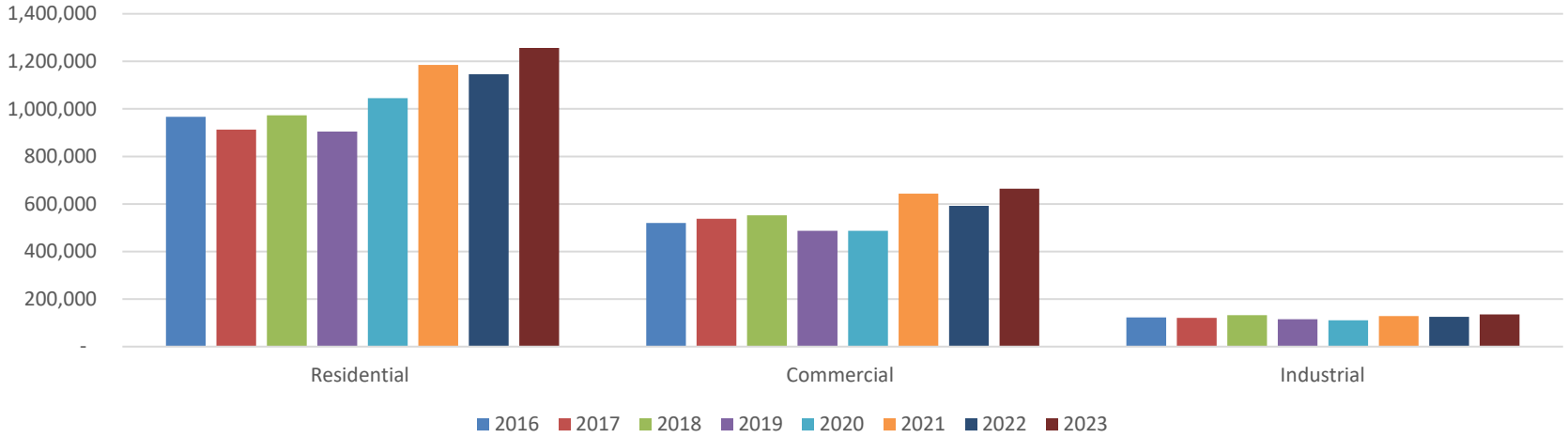
	2023	2022	2022 - 2023	
			Increase (decrease)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 7,742,788	6,605,809	1,136,979	117.2
Forfeited Discounts	32,892	27,004	5,888	121.8
Total Operating Revenues	<u>7,775,680</u>	<u>6,632,813</u>	<u>1,142,867</u>	<u>117.2</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	832,974	664,876	168,098	125.3
Pumping and distribution maintenance	869,896	482,629	387,267	180.2
Power for pumping	358,161	342,270	15,891	104.6
Maintenance of general plant	70,691	80,606	(9,915)	87.7
Total Operation and Maintenance	<u>2,131,722</u>	<u>1,570,381</u>	<u>561,341</u>	<u>135.7</u>
Customer Accounts				
Meter Reading	86,087	74,913	11,173	114.9
Customer records and collection	190,071	255,640	(65,570)	74.4
Energy conservation	12,564	3,391	9,173	370.5
Total Customer Accounts	<u>288,721</u>	<u>333,944</u>	<u>(45,223)</u>	<u>86.5</u>
Administrative and General				
Administrative and general salaries	469,083	433,018	36,065	108.3
Office supplies and expense	147,252	75,445	71,807	195.2
Outside services employed	182,325	136,037	46,289	134.0
Insurance	41,784	47,262	(5,478)	88.4
Employee Benefits	968,734	1,059,653	(90,919)	91.4
Miscellaneous general	194,151	244,518	(50,367)	79.4
Total Administrative and General	<u>2,003,331</u>	<u>1,995,933</u>	<u>7,397</u>	<u>100.4</u>
Total Operation, Customer, & Admin Expenses	<u>4,423,774</u>	<u>3,900,258</u>	<u>523,515</u>	<u>113.4</u>
Depreciation	<u>3,095,933</u>	<u>1,860,949</u>	<u>1,234,984</u>	<u>166.4</u>
Total Operating Expenses	<u>\$ 7,519,706</u>	<u>5,761,207</u>	<u>1,758,499</u>	<u>130.5</u>
Operating Income	<u>\$ 255,973</u>	<u>871,606</u>	<u>(615,632)</u>	<u>29.4</u>

Revenue by Month by Class (Water)




Month	Residential Revenue by Month	Commercial Revenue by Month	Industrial Revenue by Month
January	205,613.58	59,346.64	15,936.80
February	189,958.16	51,554.41	15,703.60
March	182,580.45	48,343.87	14,693.80
April	177,449.07	44,249.84	13,343.00
May	201,655.00	69,467.16	33,208.08
June	451,234.38	217,445.01	33,218.20
July	586,348.13	380,598.36	38,878.80
August	524,219.06	352,713.03	46,795.61
September	584,115.66	363,113.58	58,684.65
October	344,463.58	214,688.61	38,437.44
November	206,527.62	68,034.44	16,800.98
December	198,884.87	51,593.49	19,186.20
Total	3,853,049.56	1,921,148.44	344,887.16

Comparison of Water Usage



Year	Residential	Commercial	Industrial
2016	967,138	520,040	122,485
2017	913,521	537,830	120,714
2018	973,399	552,479	132,230
2019	904,988	487,401	115,253
2020	1,045,061	487,527	110,229
2021	1,184,947	643,438	128,129
2022	1,145,577	592,120	125,165
2023	1,256,467	664,289	135,064

DATE: January 30, 2024
TO: SPU Commissioners
FROM: Greg Drent, General Manager 
Subject: Goals 2024

As we begin 2024, it is time to set new goals for the organization and look back at the 2023 goals set by the commission to examine where we are. Below is a list of the 2024 goals the staff has created for your review and comment and the 2023 goals with a status update. At this time, we also would like commissioners to consider whether there are any additional goals they would like to see added or if there are any modifications to the goals listed.

2024 Goals

1. AMI Deployment Plan -
 - A. Define phased rollout, eliminating need for Pilot
 - o Coordinate electric and water installation with inventory delivery schedule
 - o Create continuous, uninterrupted schedule for third party installers
 - B. Minimize negative impact on Financials (i.e., retirement of old meters, depreciation expenses)
 - C. Generate positive impact on meter reading, prioritizing labor-intensive routes
2. Identify AMI process flow adjustments and required commission policy approvals
 - A. Disconnect/reconnect process
 - B. Reconnect fees
 - C. Past due disconnect dollar thresholds
3. Complete staff training
 - A. Itron – UIQ Training, TEST environment, Meter Reprogramming
 - B. NISC - MDM, VEE
4. Develop customer communications
 - A. Define messaging
 - B. Create communication schedule
 - C. Create communication pieces
 - o Web pages
 - o Statement messages
 - o Social Media
 - o Print Mailings/Door Hangers

5. IT Goals

- A. Update ICs Environment.
 - o Work on communications, fiber
 - o Virtualize Electric Scada System
- B. Update all IT Policies
- C. Continue work on IT Risk Assessment Items
- D. Implement Password Manager for Utility
- E. Upgrade Phone System

6. Water System

- A. Land purchase
- B. Comprehensive Water Plan
- C. Water Capacity Charge update
- D. Trunk Water Charge update
- E. Lead Service line inventory and changeout

7. Electric System

- A. East Substation site work (ponding and pad ready)
- B. System Coordination Study
- C. Arc Flash Analysis
- D. Pole Inspection
- E. IJJA grant funding opportunities

8. Customer Outreach

- A. CEC Goals
 - o Drive residential enrollment by existing customers through SmartHub messaging
 - o Target and secure one key account for BCEC
- B. Marketing Goals
 - o Improve online presence – SEO, Google Ratings, Facebook ratings, increase followers
 - o Continue community involvement - sponsorships
 - o Offer quarterly tours – senior groups, scouts, schools,
 - o Water Tower Design – utilizing facilities/properties to promote community uniqueness and support economic development, partnership with City
- C. Key Accounts
 - o Formalize and implement a key accounts communication/interaction plan
 - i. Create database of Top 10 Accounts – contacts, roles, back-ups, work hours,
 - ii. Drive CEC enrollment
 - o Promote Frontier Energy Tours and Conservation Reviews

9. Onboarding new commissioners and staff processes

Additional topics: 10-year CIP, succession planning to prepare for retirements, Leadership development

Action: Approve 2024 SPU Goals

2023 Goals

1. Develop and Implement AMI Deployment Plan - (AMI Project Kick-Off)

- A. Executed Contract (Jan/Feb) **Done**
- B. Establish AMI Project Team – Roles and Responsibilities – Kick-Off Meeting (Jan/Feb) **Done**
- C. Purchase Orders **Done**
 - Meter Specifications Defined (Q1) **Done**
 - First Article Ordering/Testing (Q1-Q2) **Done**
 - SAT Pilot Ordering/Testing (Q2) **Done**
- D. Work Planning, Integration (NISC) and Design Work (Q1-Q3) **Done**
- E. SAT Pilot Installation (Q3) **Done**
- F. Conduct SAT (Q3-Q4) **Done**
- G. Preparation for Full System Ordering (Dec 2023) **Done**

2. Complete RP3 Award Application- American Public Power (APPA) **Done**

The RP3 application covers four disciplines — reliability, safety, workforce development, and system improvement. An award to the utility demonstrates the utility's dedication to operating an efficient, safe, and reliable distribution system. Below are the sections covered in the application process.

I. Reliability

- A. Reliability Indices Collection
- B. Reliability Indices Use
- C. Mutual Aid
- D. Disaster Plan
- E. Physical Security

II. Safety

- A. Safety Manual
- B. Safe Work Practices
- C. Benchmarking

III. Workforce Development

- A. Succession Planning and Recruitment
- B. Employee Development & Recognition
- C. Education, Participation and Service

IV. System Improvement

- A. Research & Development
- B. System Maintenance and Betterment
- C. Financial Health

Application Deadline - September 30, 2023

3. Continue developing and planning infrastructure needs to support expected growth
 - A. West Shakopee Substation Energized and load transferred **Done**
 - o **115 kV Breaker** - Delivery week of February 6th
 - o **VTC Power Transformer** Delivery Waiting for update from VTC December 2nd delivery postponed (VTC waiting on ETM to be install)
 - o **15 kV Switchgear Building** Mid to end of April (1 wk. after road restriction are lifted)
 - o **NCC Steel & Bus** Install Mid-May
 - o **NCC Wiring Connections** One month after delivery of the switchgear building
 - o **Xcel Energy** Transmission line tentative completion mid to End of October
 - B. Water Treatment Land Purchases **Ongoing**
 - C. Water Infrastructure planning workshop for water treatment locations
 - o 2nd Quarter 2023 3-5-10 year plans Done
 - D. East Substation **Done**
 - o System impact study – June 2023
 - o Land purchased 3–5-year plan
4. IT projects - Security **Ongoing**
 - A. Commission room AV upgrades (Additional Monitor for the Commissioners, and Upgrade of Cameras/Microphones for better viewing experience for the public)
 - B. Security Initiatives (New Firewall, Phishing Campaigns/Training, Security Assessment, Incident Response Plan Implementation)
 - C. GIS Improvements (Implementation of Survey123 or similar solution, increase functionality of the GIS Portal.)
 - D. SPU Intranet Site (Organize SPUs documents/shared folders for ease of use)
 - E. Infrastructure Upgrades to our VMware Environment.
5. Expand SPU Clean Energy program **Done and Ongoing**
 - A. Advertising campaign
 - B. Develop sales materials/aids for CS staff
 - C. Work with MMPA to fund promotional efforts
 - D. Incorporate into community education and events (i.e., Rhythm on the Rails)
 - E. Target key accounts
6. Continue to develop and update SPU Website to enhance user interface and the flow of information - SmartHub Engagement **Done**
 - A. Drive customer enrollments with service features
 - o Enhanced customer billing notifications (texting and emailing)
 - o Data presentation (graphs, weather, historical comparisons)
 - o Account management tools
 - B. Improve and increase customer touch points
 - o Utilize custom messaging on dashboard
 - o Utilize message center on billing statements
 - o Utilize Messenger for custom email communications

- C. Customize SmartHub enrollment process to direct targeted actions
 - Auto Pay
 - Paperless Billing
 - Clean Energy Choice
 - Budget Billing
- 7. Rate evaluation options to customers
 - A. Irrigation rate **Done**
 - B. Water Capacity Trunk Water rate and Development fees **Ongoing in 2024**
 - C. EV rate **Done**
 - D. Evaluate all other rates for new opportunities to serve our customers better. **Ongoing**

Additional topics: 10-year CIP to match city, succession planning to prepare for retirements, Leadership development, Employee Handbook review process using technology data as opposed to word documents, Software implementation full rollout



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DATE: January 30, 2024
TO: Commissioners
FROM: Greg Drent, General Manager *GD*
Subject: Organization Chart 12

Background: The SPU management team continues evaluating organizational efficiencies, structure, and development. During the budget process, the commission approved the organization chart. Since then, we have evaluated two areas that require a change that will impact the organization chart but will not impact the 2024 budget. We are requesting two changes to the organization chart, one in engineering and one in finance. Below is a summary of the two requested changes, and attached are memos from each department director describing the request.

The engineering department has yet to receive enough qualified candidates for the technician position and would like to change the title to attract new candidates. The current title is Engineering Technician. The proposed title change is Engineering Project Coordinator.

The workload in the finance department's work orders and asset management area has continued to grow with the development in Shakopee. Initially, we thought that the workload would stabilize after the implementation of NISC was completed and the training of staff changes progressed. However, after evaluating the outside services expenses and overtime hours for year-end 2023, we determined that there is a need to expand on the organizational efficiencies in the finance department by adding a staff member. The 2024 budget has been reviewed and there are funds that can be reallocated to pay for the cost of the additional staff member so this change will not impact the 2024 budget. The new position would be Project Accountant/Accountant.

Action: Approve Organization Chart 12 and the increase of one staff member in the finance department



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**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: Greg Drent, General Manager *GD*
FROM: Joseph D. Adams, Planning & Engineering Director *J Adams*
SUBJECT: SPU Position Guide Changes and Organization Chart Update
DATE: January 30, 2024

ISSUE

I am proposing a change to a position title from Engineering Technician to Engineering Project Coordinator within the Planning & Engineering Department.

BACKGROUND

The current position title was developed many years ago when the position was first created. It does not adequately describe the focus of the position in my opinion. Past comments by staff in the position have repeatedly asked for a change in the position title, but past management was resistant to approve any change.

DISCUSSION

We currently have only one of the two authorized engineering technician positions filled after recent staffing decisions. Now is a good time to consider the proposed change. We have not been attracting enough qualified candidates and staff believes a title change may induce more applications for the vacant position by broadening the potential applicant pool.

RECOMMENDATION

Staff recommends the change in the position title along with updating the organization chart and some additional changes to other position guides to reflect the updated organization chart structure more accurately.



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DATE: January 30, 2024
TO: Greg Drent, General Manager *GD*
FROM: Kelley Willemsen, Director of Finance & Administration *kw*
SUBJECT: Finance Staff Addition

I am writing this memo today to discuss the current staffing needs for the finance department. Over the past year and a half, the finance department has experienced an increase in workload in the management of work orders and asset management accounting. Initially, when the workload in this area was reviewed earlier in 2023, the department was going through staff changes and the implementation of the new finance and billing software, so we considered the influx of work to be temporary, so we turned to Abdo Financial Services to assist the department with some of the training and coaching of new staff as well as to cover some of the daily tasks while the department worked through the influx. As the year progressed, we continued to monitor the workload for the department, keeping close attention to the number of hours staff was spending over their regular work schedule to complete all the daily tasks as well as the total expense to Abdo Financial Services.

During the yearend review of expenses and labor hours, we discussed the results of the overtime being worked in the department as well as the total expenses expedited to outside services. We determined that the team is working significant amounts of overtime, and the expenses for outside services have increased. The work order and asset management area closed 227 work orders in 2023 and continues to open more work orders for the development projects scheduled in 2024 and beyond. This area of work requires continuous focus and attention to detail. The culmination of overtime, expenses to outside services, and workload expansion in this department area warrant the consideration of an additional staff member. The additional staff member will also expand on the department's continuity, giving us more time to focus on cross-training and backups, continuous process improvements with the new NISC software, and succession planning for future departures.

I understand that we also need to consider how to pay the salary and benefits of an additional staff member. Prior to this memo, we examined the 2024 budget and found that some funds can be reallocated to pay for these costs so the addition of staff will not negatively impact the 2024 budget. This position will save the organization approximately \$20,000 annually as we will reduce outside service expenses and overtime for current staff.

Requested Action

Staff is requesting approval to add a project accountant/accountant to the finance team.



