

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION

August 5, 2024
Regular Meeting

1. Call to Order. President Krieg called the August 5, 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. Greg Drent, General Manager, noted communications from customers appealing the backflow testing and charges.
3. Consent Agenda. Commissioner Mocol moved approval of the consent agenda items:
 - (a) July 1, 2024 minutes;
 - (b) August 5, 2024 Agenda;
 - (c) August 5, 2024 Warrant List;
 - (d) Monthly Water Dashboard of June 2024;
 - (e) 2024 Flush Program Progress Map;
 - (f) MMPA June Meeting Update;
 - (g) MMPA July Meeting Update;
 - (h) Guidance for Commissioners on Direct Communications with Employees;
 - (i) June 2024 Financial Report
 - (j) Res #2024-25 Resolution Setting the Amount of the Trunk Water Charge, Approving of Its Collection, and Authorizing Water Service to Certain Property Described as: Highview Park 3rd Addition and;
 - (k) Res# 2024-26 Resolution Approving All Matters Required for Completing Plat Filing and Development of Property

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

4. Public Comment Period. No public comments were offered.
5. 2024 Comprehensive Water Plan Update. Joseph Adams, Planning and Engineering Director, introduced Chad Katzenberger and Chris Larson from SEH, Inc. to present the draft comprehensive water plan update to the 2018 plan, supplemented in 2019. In considering projections through 2045, the Commission discussed the parameters of the report, including potential future changes to the City limits. Commissioner Mocol moved to direct staff and SEH, Inc. to consider scenarios of including in whole, in part, or not including future annexations regarding Louisville Township and potential future growth. Vice President Letourneau seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.
6. Water Report. Lon Schemel, Water Superintendent, reported that Pumphouse 3 continues to be on schedule, with start-up expected the first week of December. He also noted that although the Tank #9 RFP information was sent to the paper for publication, the paper erred in failing to print it. The bids are expected to be presented at the October Commission meeting.

7. Combined Minnesota Department of Health/SPU PFAS Results. Mr. Schemel provided an update on PFAS sampling, including SPU sending the results of its internal testing to the Minnesota Department of Health to be included with the State testing data. Mr. Schemel also explained SPU's compliance with the State's health risk index (well below one) and federal EPA standards (with SPU currently categorized at zero).

8. 11th Ave Watermain Improvement Bid Award. Ryan Halverson, Engineering Supervisor – Water, presented an update on the Lion's Park/ Sand Venture Pool project. SPU opened bids regarding the upgrade to the water main along 11th Avenue to the entrance to Lion's Park, on July 12, 2024. One bid was received from Minger Construction Co. Inc in the amount of \$163,131.07. Although this bid exceeded the engineer's estimate of \$126,703.50, Mr. Halverson explained that staff recommends accepting the response because the project involved horizontal directional drilling, a specialized construction process to preserve the existing roadway, as well as an unusually short timeframe to allow the pool to stay open during the summer. He also noted that staff recommends funding from the SPU Reconstruction Fund. Vice President Letourneau moved to award the construction contract for the 11th Avenue Water Main Improvement to Minger Construction Co. Inc., in the amount of \$163,131.07, with a 10% construction contingency budget, and to authorize reimbursement to the City of Shakopee in the amount of \$68,010.01 for the 100-foot portion of the public water main constructed as part of the park project. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None.

9. Liaison Report. Commissioner DuLaney noted that he attended the Minnesota Municipal Power Agency annual meeting, which was informative. He reminded everyone that August 6th is Night to Unite. Commissioner DuLaney asked about potential solar projects, including Sand Venture.

10. Electric Report. Brad Carlson, Electric Superintendent, welcomed Dylan Richards, a third-year apprentice, to SPU. He expects an update for the Commission meeting room project in early October. Mr. Carlson provided project updates, including relocated pole for Co Rd 78 underpass; Whispering Waters 2nd Addition is complete; relocation completed at Co Rd 78 and Co Rd 69 roundabout; and extended 3-phase down Zumbro Avenue. He noted that a contractor hit circuit 44 by Canterbury, which then accelerated SPU's undergrounding project. Mr. Carlson reported 11 outages since the last Commission meeting, mostly from storms and some animal-related, including a squirrel affecting circuit 9 downtown.

11. Xcel Energy Notice of Blue Lake Substation. Mr. Adams reported that Xcel Energy notified SPU that Xcel will replace the 25 MVA transformer with a 50 MVA unit. The notice did not discuss costs or request any payment from SPU. Kevin Favero of Leidos is analyzing potential fault current protection, with recommendations to be presented at a future Commission meeting. Mr. Adams noted the importance of the East Shakopee Substation in this area.

12. Marketing/Key Accounts Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Projects, reported that SPU has installed approximately 6,592 automated meter infrastructure (AMI) electric meters and 3,057 AMI water meters. She noted

that a small percentage of water meters are leaking; they are being retired and returned. Ms. Walsh also noted the rescheduled (due to rain) Rhythm on the Rails event for August 7, 2024.

13. General Manager Report. Mr. Drent noted discussion of potential revisions to the Organization Chart due to AMI, and that the informal working group will consider analysis and options. He reported that some updates to the Employee Handbook are being drafted and will be brought back to the Commission. Mr. Drent noted the addition of a new Engineering Project Coordinator. He also noted that FRSecure is meeting with all SPU Directors to evaluate security measures.

14. NES WTP Site Search Update. Vice President Letourneau moved to go into closed session under Minnesota 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 located at 1776 Mystic Lake Drive S., Shakopee. Commissioner Fox seconded the motion. Ayes: Krieg, Letourneau, DuLaney, Fox, and Mocol. Nays: None. In open session, Mr. Drent noted that SPU is waiting on additional information to help develop a potential offer for the site.

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



Greg Drent, Commission Secretary