

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
SPECIAL MEETING
September 2, 2025
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 August 4, 2025 Minutes (GD)
- C=> 3b) Approval of September 2, 2025 Agenda (JK)
- C=> 3c) September 2, 2025 Warrant List (KW)
- C=> 3d) Monthly Water Dashboard for July 2025 (BC)
- C=> 3e) MMPA August 2025 Meeting update (GD)
- C=> 3f) 2026 Budget Timeline (KW)
- C=> 3g) Res #2025-23 Resolution of Appreciation for Gerard Neville (KW)
- C=> 3h) July 2025 Financial Report (KW)
- C=> 3i) AMI Installation Update (SW)

***** 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: Operations Items**

- 6a) Operations Report – Verbal (BC)

7. **Reports: General**

- 7a) Shakopee Substation (JA)
- 7b) MN Paid Family & Medical Leave – MNPFML (KW)
- 7b) Marketing/Key Accounts Report – Verbal (SW)
- 7c) General Manager Report – Verbal (GD)
- 7d) NES WTP Site Search Update: Shakopee Hawkins potential site plans (GD) **

**** A portion of this meeting may be closed under Minnesota Statutes, Section 13D.05, subdivision 3(c) to review confidential or protected nonpublic appraisal data and to develop or consider offers or counter offers for the purchase of property at 1776 Mystic Lake Drive S ****

8. **Items for Future Agendas**

9. **Tentative Dates for Upcoming Meetings**

- October 6, 2025
- October 20, 2025 Workshop
- November 3, 2025

10. **Adjournment**

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
August 4, 2025
Regular Meeting

1. Call to Order. President Letourneau called the August 4, 2025 meeting of the Shakopee Public Utilities Commission to order at 5:00 P.M. President Letourneau, Vice President Mocol, Commissioner DuLaney, Commissioner Fox, and Commissioner Krieg were present. Commissioner Krieg participated through interactive technology because he was out of town.

2. Communications. Vice President Mocol noted that she discussed safety options with General Manager Greg Drent after a public works truck in Moorhead killed a child. Mr. Drent described the cameras in place for backing up and noted that SPU will review other potential safety measures for larger vehicles. He also explained that, due to staff attendance at a conference on September 8, he recommended moving the next Commission meeting to September 2.

3. Consent Agenda. Vice President Mocol moved to approve the consent agenda:
- 3a. Approval of July 7, 2025 Minutes;
 - 3b. Approval of August 4, 2025 Agenda;
 - 3c. August 4, 2025 Warrant List;
 - 3d. Monthly Water Dashboard for June 2025;
 - 3e. MMPA July 2025 Meeting update;
 - 3f. Res #2025-21 Resolution Approving of the Estimated Cost of Pipe Oversizing on the Watermain Project: Elliana Estates;
 - 3g. Res #2025-22 Resolution Setting the Amount of the Trunk Water Charge, approving of its Collection and Authorizing Water Services to Certain Property described as: Elliana Estates;
 - 3h. June Financial Reports;
 - 3i. Amend Purchasing Policy;
 - 3j. Tower No. 3; and
 - 3k. IT Information Security Policy.

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

4. Public Comment Period. No public comments were offered.

5. Liaison Report. Commissioner DuLaney clarified that backflow prevention is required by the State. He also thanked SPU for its role in supporting Rhythm on the Rails, in addressing storm-related outages quickly, and in assisting other communities affected by storms.

6. Operations Report. Brad Carlson, Director of Field Operations, provided an update on water projects of refilling Tank #3 and the Riverview booster station generator is online. He reported that a boring contractor hit a water service last Thursday and crews worked late into the night to address it. On electric matters, Mr. Carlson reported that crews continue to replace facilities at Bonnevista Terrace, completed lighting work at the CR 78/79 roundabout, sample oil in switches and replaced two, and continue replacing rejected poles. He thanked SPU crews for

assisting other communities with mutual aid after significant storms, including two crews sent to Minnesota Valley Electric Cooperative and one crew sent to Owatonna Public Utilities. Mr. Carlson reported fifteen outages since the last Commission meeting, eleven due to storms, with one significant outage when a tree fell on a three-phase line.

7. Nitrate Testing and Operations Policy. Ryan Halverson, Water Engineering Supervisor, explained proposed revisions to the 2005 Nitrate Testing and Operations Policy, as well as the separate policy addressing Well #23, which SPU currently cannot blend, although future wells are expected in the area. Commissioner DuLaney moved to approve the Nitrate Testing and Operations Policy as presented; Commissioner Fox seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Fox and Krieg. Nays: None. Vice President Mocol moved to approve the Nitrate Testing and Operations Policy for Well #23; Commissioner Fox seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Fox and Krieg. Nays: None.

8. Marketing/Key Account Report. Sharon Walsh, Director of Key Accounts/Marketing, reported the completion of the water tower design work. SPU's social media and website will be updated with footage. Ms. Walsh noted that the Rhythm on the Rails event was well attended and that SPU participated in the Summer Carnival. Janel Goemer started today as part Customer Service and part Marketing. Ms. Walsh reported that SPU staff continue to perform evening door knocking to assist with the changeover of AMI meters; 140 water meters and 155 electric meters remain.

9. Crisis Communication Plan. Ms. Walsh presented an updated Crisis Communication Plan previously discussed at the June workshop. She noted that content such as staffing and contact information may change over time and requested approval of the framework. Commissioner Fox moved to approve the design and format of the Crisis Communication Plan; Commissioner DuLaney seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Fox and Krieg. Nays: None.

10. General Manager Reports. Mr. Drent reported that, in place of a closed session, he would provide an update on the water treatment plant site search. Discussions continue on the Hawkins' site, including site standards after demolition. Mr. Drent noted that SPU sent a letter concerning electric service territory to Xcel Energy. He reported that one negotiating meeting was held with union representatives; although they are working on a three-year deal, the timing of health insurance rates may affect it. Mr. Drent noted that SPU has received the first payment under the PFAS class action settlement with 3M. He reported that SPU's last meter reader will retire at the end of August, and SPU is considering new job duties. He noted that budget planning is starting and asked for Commissioner volunteers to assist with an informal working group. President Letourneau and Vice President Mocol volunteered to assist.

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

Greg Drent, Commission Secretary

3b

AGENDA **Proposed As Consent Item**
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SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 2, 2025

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 08/01/2025

| | |
|---|---|
| AGILEBITS INC. | \$5,078.15 1PASSWORD BUS ANNUAL 7/18/25-7/17/26 |
| LOGAN ALBEE | \$20.00 REBATE - LEAFBLOWER |
| ALTEC INDUSTRIES INC | \$2,429.54 CHANCE T4030857 BUSH ADAPTER |
| BORDER STATES ELECTRIC SUPPLY | \$252,908.01 2 -RVAC 9 |
| ANTHONY BREZINA | \$124.36 MAX REIMB REMAINDER SAFETY GLASSES |
| CANTERBURY PARK CATERING & EVENTS | \$400.00 DEPOSIT FOR 12/4/25 EVENT |
| PRESTON COLEMAN | \$51.00 PER DIEM WO#3041 MVEC STORM |
| CORE & MAIN LP | \$574.11 UNL/T37 PRIMER(W) |
| GREG DRENT | \$44.77 REIMBURSE FOOD FOR MTG-KERSKI |
| EMERGENCY AUTOMOTIVE TECHNOLOGIES | \$286.12 WO#2972 WEATHERTECH FLOORLINERS |
| FERGUSON US HOLDINGS, INC. | \$211.20 14 VLV BX EXT SCRW 58 DOM(W) |
| G & L TANK SANDBLASTING & COATINGS LLC | \$559,372.92 WO#2769 TOWER 3 - PYMT #4 |
| GRAINGER INC | \$110.37 WEED KILLER SPRAY |
| BRAD GUSTAFSON | \$134.55 PER DIEM WO#3041 SCOTT/CARVER CNTY |
| HAWKINS INC | \$3,414.92 CHEMICALS |
| HENNEN'S AUTO SERVICE INC. | \$89.55 OIL CHANGE ELETRIC TRK#632 |
| IRBY - STUART C IRBY CO | \$836.29 ADJUSTABLE SEMI-CON SCORER(E) |
| JT SERVICES | \$10,480.00 PIPE 3" INNERDUCT |
| MATTHEW KAHLE | \$51.00 PER DIEM WO#3040 OWATONNA |
| TRI KIEU | \$500.00 ENERGY STAR COOLING/HEATING REBATE |
| SUE KROUSE | \$179.99 IRRIGATION CONTROLLERS REBATE |
| MEDINA ELECTRIC LLC | \$163,745.80 WO#2712 PYMT #3 RV BOOSTER STATION |
| MUKTESH MEHTA | \$95.00 REBATE - PUSHMOWER |
| MIDWEST SAFETY COUNS, INC. | \$60.67 EYEWEAR CLEANING WIPES |
| MINN VALLEY TESTING LABS INC | \$341.90 WATER TESTING COLIFORM |
| MINNEBEAUTY BRIDAL | \$1,000.00 MR Refund PROJECT CANCELED |
| MN OCCUPATIONAL HEALTH - LOCKBOX 135054 | \$100.00 DRUG/ALCHOL TESTING FEE GARCIA/GLYNN |
| GERRY NEVILLE | \$71.40 REIMBURSE 102 MILES |
| TYLER O'BRIEN | \$51.00 PER DIEM WO#3040 OWATONNA STORM |
| CHERYL PINK | \$150.00 ENERGY STAR DISHWASHER REBATE |
| PRIORITY 1 SPRINKLERS LLC | \$280.90 VALVE REPLACE SPU SERVICE CENTER |
| RESCO | \$205.00 SLEEVE ALUM LOOP #4 TO 4/0 |
| DYLAN RICHARDS | \$80.00 REIMBURSE DOT PHYSICAL/HEALTH CARD |
| MOLLY RUSSELL | \$75.00 ENERGY STAR REFRIGERATOR REBATE |
| CODY SCHUETT | \$51.00 PER DIEM WO#3041 MVEC STORM |
| SCOTT COUNTY RECORDERS | \$46.00 REC RELEASE WC AGREEMENT MT OLIVE |
| SPECIALTY SOLUTIONS, LLC | \$278.10 LANDSCAPE MIX 50LB BAG |
| JORDAN STOCKER | \$51.00 PER DIEM WO#3041 MVEC STORM |
| ULINE, INC. | \$1,817.41 EMERGENCY SHOWER/EYEWASH STATION |
| WESCO RECEIVABLES CORP. | \$13,238.25 15KV BUSH EXTENDER |
| KELLEY WILLEMSEN | \$320.00 REIMB. MN GFOA CONF 9/239/26 2025 |
| XCEL ENERGY | \$2,730.95 GAS USAGE VALLEY PARK 6/23-7/23 2025 |
| XCEL ENERGY | \$500.00 WO#3038 ENCROACHMENT AGREE APP FEE |
| CENTERPOINT ENERGY - ACH | \$549.88 255 SARAZIN GAS USAGE 6/6-7/8 2025 |
| VERIZON WIRELESS SERVICES LLC | \$386.89 MONTHLYPEPWAVE POTSOLVE 6/6-7/5 2025 |
| ZAYO GROUP, LLC | \$5,734.59 JULY T1 LINE |

Total Week of 08/01/2025

\$1,029,257.59

WEEK OF 08/08/2025

CREDIT REFUNDS

AAR BUILDING SERVICE CO.
ALTERNATIVE TECHNOLOGIES INC
B & B TRANSFORMER INC
BARNA GUZY & STEFFEN LTD
BARNUM COMPANIES INC
BARR ENGINEERING CO.
BORDER STATES ELECTRIC SUPPLY
CENTURY PROMOTIONAL ADVERTISING LLC
CITY OF SAVAGE
CORVAL CONSTRUCTORS, INC.
ROBERT C ROWE
DIVERSIFIED ADJUSTMENT SERVICES INC
DSI/LSI
FERGUSON US HOLDINGS, INC.
FLYTE HCM LLC
GENERAL SECURITY SERVICES CORP
GRAINGER INC
GRAYBAR ELECTRIC COMPANY INC
KATHERINE GROSCH
NATHAN HEICHERT
HENNEN'S AUTO SERVICE INC.
INT'L UNION OF OPER ENGINEERS LOCAL 49
IRBY - STUART C IRBY CO
CHANTRA JACKSON
MADHUR JAIN
JOHNSON CONTROLS FIRE PROTECTION LP
JOE KOREVEC
LLOYD'S CONSTRUCTION SERVICES
LOCATORS & SUPPLIES INC
MAGUIRE IRON INC.
ROBERT MAXA
MINN VALLEY TESTING LABS INC
MINNESOTA UI
MMUA
MN OCCUPATIONAL HEALTH - LOCKBOX 135054
MPOWER TECHNOLOGIES, INC.
MRA-THE MANAGEMENT ASSOCIATION
NCPERS GROUP LIFE INS.
GERRY NEVILLE
OFFICE OF THE SECRETARY OF STATE
PRIORITY 1 SPRINKLERS LLC
RESCO
RW BECK GROUP, INC, LEIDOS ENG. LL
STANTEC CONSULTING SERVICES INC.
STEVE SYDNESS
T-MOBILE
ULINE, INC.
USABUEBOOK
MICHAEL & SANDRA VERMEULEN
VIVID IMAGE, INC.
SPIRO VOURLOS
WESCO RECEIVABLES CORP.
SHAYNE WOLF
XCEL ENERGY
HEALTH EQUITY INC.
HEALTH EQUITY INC.
HEALTH EQUITY INC.
HEALTHPARTNERS
DELTA DENTAL PLAN OF MN
PRINCIPAL LIFE INS. COMPANY
MINNESOTA LIFE
HEALTH EQUITY INC.
PAYROLL DIRECT DEPOSIT 08.08.25
BENEFITS & TAXES FOR 08.08.25

Total Week of 08/08/2025

\$27,054.47 CREDIT REFUNDS
\$4,468.51 AUGUST CLEANING
\$3,190.00 DISSOLVED GAS ANALYSIS & OIL QUALITY
\$8,461.00 15/25 RETANK/VFI SWITCH
\$160.00 WO#2794 OPUS SHAKO WEST END - JULY SVCS
\$3,293.10 EMPLOYEE ENTRANCE GATE REPAIR
\$12,068.00 WO#2712 RIVERVIEW BOOSTER GENERATOR
\$1,158.74 MIL - U4492-XL 80A 8T LVR OU RL
\$107.00 SPU UNIFORM ORDER K.WILLEMSEN
\$37.61 METER READING @ MCCOLL DR JULY
\$2,731.50 HVAC REPAIR
\$175.00 ENERGY STAR CLOTHES WASHER REBATE
\$180.44 DUE TO AGENCY JULY STATEMENT
\$445.11 AUGUST GARAGE SERVICE
\$250.16 CB REPAIR LID 1-1/4"(W)
\$50.75 JULY COBRA
\$447.05 8/1/25-10/31/25 MAINT VIDEO SYSTEM
\$98.94 STEEL OILER(W)
\$12,136.46 PIPE 2" PVC SCH40
\$50.00 PUSHMOWER - REBATE
\$100.00 WATER SENSE TOILET REBATE
\$84.47 OIL CHANGE 2023 FORD RANGER(ENG)
\$816.00 JULY UNION DUES
\$78.75 HARD HAT HEADCLAMP CLIP
\$175.00 ENERGY STAR CLOTHES WASHER REBATE
\$200.00 IRRIGATION CONTROLLERS REBATE
\$620.59 INSTALLATION CHARGE
\$175.00 ENERGY STAR CLOTHES WASHER REBATE
\$483.50 DEMO & CONSTR RENTAL PD 7/16-7/18
\$781.84 RED MARKING PAINT(E)
\$308,534.07 WO#2683 TANK9 PYMT#1
\$50.00 PUSHMOWER - REBATE
\$726.15 WATER TESTING COPPER/LEAD
\$1,337.80 UI BENEFITS PAID QTR 2 2025
\$100.00 DRUG/ALCOHOL TESTING(GARICA/GLYNN)
\$256.00 DRUG/ALCOHOL TESTING(E)
\$225.00 MPOWER CUSTOMER SUPPORT MAY-JUL
\$56.00 BACKGROUND CHECK J.G.
\$176.00 JULY PREMIUMS
\$59.50 REIMBURSE 85 MILES
\$120.00 NOTARY RENEWAL DENISE NELSON
\$119.90 SERVICE CALL PH ON ZUMBRO AVE
\$5,400.00 15-PARKING STAND ARRESTER 10KV 8.4MCOV
\$10,692.10 WO2844 EAST SUBSTATION CIVIL DESIGN-JULY
\$786.75 WO#2812,2882,2901 CONSTRUCTION OBSERVATI
\$75.00 ENERGY STAR REFRIGERATOR REBATE
\$300.00 WO#2449 AP0103 L600 OL TANK 1 ANCHOR
\$4,227.00 3 CHANNEL INDUSTRIAL CABLE PROTECTOR
\$1,410.27 HACH DEIONIZED WATER/FLUORIDE
\$50.00 PUSHMOWER - REBATE
\$650.00 ESSENTIAL+PLAN 8/1-8/31 2025
\$148.05 IRRIGATION CONTROLLERS REBATE
\$22,636.72 GROUND ROD 5/8" X 8'
\$75.00 ENERGY STAR REFRIGERATOR REBATE
\$25.26 GAS USAGE AMBERGLEN6/25-7/24 2025
\$400.00 2025 RENEWAL FEE SF 59218940
\$217.00 MEDICAL FLEX CLAIM REIMB C.S.
\$192.00 DAYCARE FLEX CLAIM REIMB C.S.
\$74,223.87 AUG. PREMIUMS/JULY CHARGE MONTH
\$5,750.69 JULY DENTAL PREMIUMS
\$5,180.18 JULY LTD AND STD PREMIUMS
\$1,057.77 MN LIFE INSURANCE PREMIUMS
\$220.50 JULY HSA PREMIUMS
\$146,106.53
\$144,723.92

\$816,388.02

WEEK OF 08/15/2025

| | |
|-------------------------------------|--|
| ABDO LLP | \$646.00 JULY 2025 FS ACCOUNTING SERVICES |
| JOE ALBERTS | \$75.00 ENERGY STAR REFRIGERATOR REBATE |
| ALTEC INDUSTRIES INC | \$1,260.44 ELBOW ADAPTER/FITTING |
| JILL BAKER | \$20.00 LEAF BLOWER - REBATE |
| BARR ENGINEERING CO. | \$25,070.00 WO2683 TANK #9 ENG SERVICES |
| BELL LUMBER & POLE COMPANY | \$20,255.31 WOOD POLES |
| BIRD'S LAWN CARE LLC | \$4,082.03 LAWN CARE JULY |
| BORDER STATES ELECTRIC SUPPLY | \$12,503.15 LUG 1/0 COMPRESSION |
| CDW GOVERNMENT LLC | \$5,808.35 HP LAPTOPS/DOCK |
| CITY OF SHAKOPEE | \$7,570.47 JULY FUEL BILL |
| CITY OF SHAKOPEE | \$592,278.39 JULY SW \$466,100.74 / SD \$126,177.65 |
| CITY OF SHAKOPEE | \$351,483.00 JULY PILOT TRANSFER FEE |
| CITY OF SHAKOPEE | \$1,080.04 JULY STORM DRAINAGE/SPU PROPERTIES |
| CHRIS CROSBY | \$50.00 CHAINSAW - REBATE |
| DAILY PRINTING, INC. | \$87.31 BUSINESS CARDS M.VOURLOS |
| DAKOTA SUPPLY GROUP | \$132.83 A-4 HOLD DOWN NUT(W) |
| DITCHWITCH OF MINNESOTA | \$17.94 ADAPTER(E) |
| ELECTRICAL PRODUCTION SERVICES | \$5,476.00 WO3046 SPLICING CR83 WATER TOWER |
| KAYE FLEMMING | \$50.00 PUSHMOWER - REBATE |
| FRONTIER ENERGY, INC. | \$9,535.25 JULY 2025 C&I IMPLEMENTATION |
| GOPHER STATE ONE-CALL | \$1,262.25 JULY TICKETS |
| GRAYBAR ELECTRIC COMPANY INC | \$258.28 GROUND ROD CLAMP |
| HAWKINS INC | \$7,175.50 CHEMICALS |
| HERMAN'S LANDSCAPE SUPPLIES INC. | \$373.00 BLACK DIRT(E) |
| MUKO HERNANDEZ | \$190.00 PER DIEM MARSHALL/REIMB GAS |
| HIGH POINT NETWORKS, LLC | \$13,424.02 THINKPAD P16V GEN 2 LAPTOPS/DOCK STATION |
| INNOVATIVE OFFICE SOLUTIONS | \$700.18 OFFICE SUPPLIES |
| IRBY - STUART C IRBY CO | \$115,621.22 1/0 PRIMARY CABLE UG SOL ALUM 15KV EPR |
| KLM ENGINEERING INC | \$16,369.50 WO2769 TANK 3 |
| LANO EQUIPMENT INC | \$38,701.11 WO2974 2026 FELLING FT-30-2T TRAILER |
| LEAGUE OF MINN CITIES INS TRUST | \$168,674.00 8/31/25-8/31/26 PROP/CASUALTY COV PREM |
| LLOYD'S CONSTRUCTION SERVICES | \$463.50 DEMO & CONSTR RENTAL PD 7.18.25-7.24.25 |
| LOCATORS & SUPPLIES INC | \$1,303.94 PRINTED POLY PULLING TAPE |
| MICHAEL & GAYLE MACBRIDE | \$50.00 PUSHMOWER - REBATE |
| MIDWEST SAFETY COUNS, INC. | \$454.99 DISPOSABLE GLOVES(E) |
| JON MILLIARD | \$500.00 ENERGY STAR COOLING/HEATING REBATE |
| MINN VALLEY TESTING LABS INC | \$365.90 WATER TESTING COLIFORM |
| MMUA | \$675.00 2025 DRUG/ALCOHOL TESTING/DOT |
| BRENT MURRAY | \$50.00 PUSHMOWER - REBATE |
| GERRY NEVILLE | \$99.40 REIMBURSE 142 MILES |
| NISC | \$35,120.66 JULY PRINT SERVICES |
| NORTHERN STATES POWER CO | \$3,451.62 JULY POWER BILL |
| OFFICE OF MNIT SERVICES | \$776.90 JULY (WAN) MONTHLY SERVICE |
| PALADIN TECHNOLOGIES (USA) INC. | \$189.66 REPAIR-ACCESS CONTROL SYSTEM |
| DIANE PATRICK | \$75.00 ENERGY STAR REFRIGERATOR REBATE |
| POWER TESTING AND ENERGIZATION INC. | \$3,246.00 S SUBSTATION RELAY SWAP |
| PRECISION UTILITIES | \$23,247.75 1240 4TH AVE E WORK(W) |
| QUALITY FORKLIFT SALES & SERVICE | \$2,766.62 FORKLIFT REPAIR |
| RICE LAKE CONSTRUCTION GROUP | \$205,363.15 WO#2581 PH23 - PYMT#17 |
| SCOTT COUNTY RECORDERS | \$46.00 WO2683 REC EASEMENT AGREEMENT FEE |
| SPENCER FANE LLP | \$10,577.00 JULY LEGAL SERVICES |
| STAPLES OIL COMPANY, INC. | \$573.23 #2 DYED SOY DF OIL |
| RONALD STROH | \$500.00 ENERGY STAR COOLING/HEATING REBATE |
| ULINE, INC. | \$47.90 GALVANIZING SPRAY(W) |
| VERIZON | \$638.15 JULY TRUCK TRACKING |
| WESCO RECEIVABLES CORP. | \$25,540.96 INSULATOR GUY STRAIN FIBERGLASS-78" |
| KELLEY WILLEMSEN | \$150.00 GFOA TRAINING REIMBURSEMENT |
| AMERICAN NATL BANK_MASTERCARD_ACH | \$26,080.42 JULY CREDIT CARD STATEMENT |
| CENTERPOINT ENERGY - ACH | \$663.49 GAS USAGE 7/7-8/7 2025 @ 255 SARAZIN |
| FIRST DATA CORPORATION | \$16,389.96 JULY CC FEES |
| MMPA C/O AVANT ENERGY | \$5,164,445.75 JULY POWER BILL |
| MN DEPT OF REVENUE ACH PAYMENTS | \$422,675.00 JULY SALES & USE TAX PAYABLE |
| VERIZON WIRELESS SERVICES LLC | \$4,076.07 JUNE 24-JUL 23 BILLING PERIOD |

Total Week of 08/15/2025**\$7,350,834.59**

WEEK OF 08/22/2025

AMAZON.COM SERVICES INC.
APPLE FORD OF SHAKOPEE
BELL LUMBER & POLE COMPANY
BORDER STATES ELECTRIC SUPPLY
BURSCHVILLE CONST INC
CDW GOVERNMENT LLC
COMCAST CABLE COMM INC.
CUSTOMER CONTACT SERVICES
ELECTRICAL PRODUCTION SERVICES
FORESTAR(USA) REAL ESTATE GRP INC
FRSECURE LLC
GRAYBAR ELECTRIC COMPANY INC
HENNEN'S AUTO SERVICE INC.
NATHAN HENNING
HERCULES INDUSTRIES INC
INTEGRATED CITY SOLUTIONS
INTELLISTACK, LLC
IRBY - STUART C IRBY CO
TREVOR JOHNSON
KEYS WELL DRILLING COMPANY, INC
LOFFLER COMPANIES - 131511
MPOWER TECHNOLOGIES, INC.
NAGEL COMPANIES LLC
JOHN NICHOLS
PLUNKETT'S PEST CONT, INC.
PRIORITY 1 SPRINKLERS LLC
RESCO
RW BECK GROUP, INC, LEIDOS ENG. LL
RICH & MICHELE SCHWICHTENBERG
SCOTT COUNTY TREASURER
DANIEL SEPULVADO
TOM KRAEMER, INC
STEPHEN TOMA
UPS STORE # 4009
VESTIS FIRST AID & SAFETY SUPPLIES LOCK
WESCO RECEIVABLES CORP.
KELLEY WILLEMSEN
GETACHEW WUBE
HEALTH EQUITY INC.
PAYROLL DIRECT DEPOSIT 08.22.25
BENEFITS & TAXES FOR 08.22.25

Total Week of 08/22/2025**Grand Total**

\$22,810.00 2D,1495,1290,16999 - LIGHTING REBATE
\$3,415.74 WORK ON WATER TRUCK #650
\$23,470.76 POLES 40/35' WOOD C3
\$55,125.21 RVAC 9/SHOVELS
\$408.77 HYDRANT METER# 13213738 RETURN REFUND
\$339.73 2 VIEWSONIC GAMING MONITORS
\$2.29 CABLE BREAKROOMS
\$1,083.95 ANSWERING SERVICE 8/19-9/15 2025
\$9,833.00 WO2912 FIBER INSTALL
\$29,920.00 WO#2896 HIGHVIEW PRK 3D ADDN UG ELECTRIC
\$7,560.00 RISK ASSESSMENT 50%PYMT YR 3 OF 5
\$462.00 PARALLEL GROOVE CLAMP COVER
\$137.21 OIL CHANGE ELECTRIC TRK#621
\$500.00 ENERGY STAR COOLING/HEATING REBATE
\$78.60 PADLOCKS(W)
\$41,085.00 HYDRANT PAINTING
\$2,988.05 USER/GOLD ANNUAL CHR9 8/1/25-7/31/26
\$9,038.48 FAULT INDICATOR
\$70.00 CHAINSAW - REBATE
\$135.00 BAKER WELL VENT(W)
\$204.51 CONTRACT CHG 8/1-8/31 25 MAINT AGREEMENT
\$5,000.00 MMS SOFTWARE ANNUAL SUBSCRIPTION
\$6,800.00 WO3030 EV CHARGES @ SCOTT CNTY GOV
\$25.00 CHAINSAW - REBATE
\$1,631.51 GENERAL PEST SPU BLDG AUG25-JUL26
\$179.85 SERVICE CALL SPRINKLER HEADS
\$768.54 WIRE #2 STRANDED INSULATED JUMPER
\$11,024.00 JULY ARC FLASH/COORDINATION STUDIES
\$175.00 ENERGY STAR CLOTHES WASHER REBATE
\$2,100.00 AUGUST FIBER
\$152.99 IRRIGATION CONTROLLERS REBATE
\$173.40 WO#2769 TANK SITE3
\$500.00 ENERGY STAR COOLING/HEATING REBATE
\$154.59 ELECTRIC DEPT RETURN
\$692.85 QRTY REPLENISH FIRST AID SUPPLIES
\$18,523.95 T&B 600AT OPERATING/ASSY TOOL
\$1,200.00 REIMB CPFO CANDIDATE ENROLLMENT FEE
\$500.00 ENERGY STAR COOLING/HEATING REBATE
\$385.00 DAYCARE FLEX CLAIM REIMB C.S
\$146,634.55
\$142,087.54

\$547,377.07**\$9,743,857.27**

Healey Willernson

Presented for approval by: Director of Finance & Administration

Approved by General Manager

Approved by Commission President

Monthly Water Dashboard

As of: July 2025

Shakopee Public Utilities Commission

ALL VALUES IN MILLIONS OF GALLONS

Element/Measure

Water Pumped/Metered

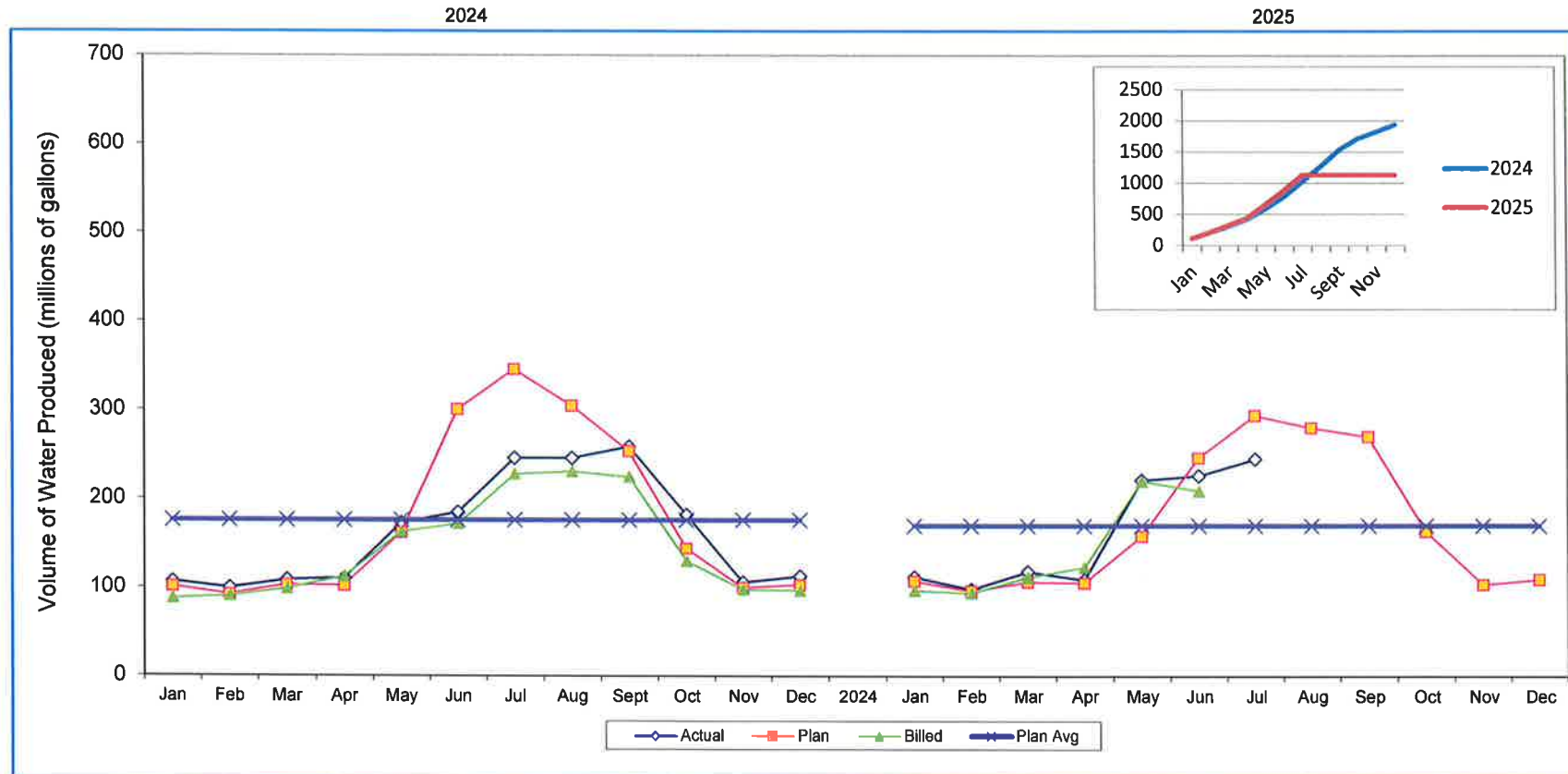
Monthly Avg

2023 187

2024 161

2025 169

Last 6 months actuals 98 118 109 221 226 245



| | 2023 | | | | | | | | | | | | | 2024 | | | | | | | | | | | |
|---------|------|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|--|------|------|------|------|------|------|------|-----|------|-----|-----|-----|
| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec | | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec |
| | 107 | 100 | 109 | 111 | 173 | 185 | 246 | 246 | 259 | 182 | 106 | 113 | | 112 | 98 | 118 | 109 | 221 | 226 | 245 | | | | | |
| | 101 | 92 | 103 | 102 | 162 | 301 | 346 | 305 | 254 | 144 | 100 | 103 | | 107 | 96 | 106 | 105 | 158 | 246 | 294 | 280 | 270 | 163 | 103 | 109 |
| YTD % * | | | | | | | | | | | | | | 105% | 103% | 106% | 106% | 115% | 108% | 102% | | | | | |
| Billed | 88 | 91 | 99 | 113 | 163 | 172 | 228 | 231 | 225 | 130 | 98 | 97 | | 97 | 94 | 112 | 123 | 220 | 209 | | | | | | |

* Actual gallons pumped vs. Plan




Proposed As Consent Item

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

3e

To: SPU Commissioners

From: Greg Drent, General Manager 

Date: August 28, 2025

Subject: MMPA August 2025 Meeting Update

The Board of Directors of the Minnesota Municipal Power Agency (MMPA) met on August 26, 2025, at Chaska City Hall in Chaska, Minnesota, and via videoconference.

The Board reviewed the Agency's financial and operating performance for July 2025.

Participation in the residential Clean Energy Choice program increased by 65 customers. Customer penetration for the program is 6.6%.

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

Thanks



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

DATE: September 2, 2025

TO: Greg Drent, General Manager *GD*

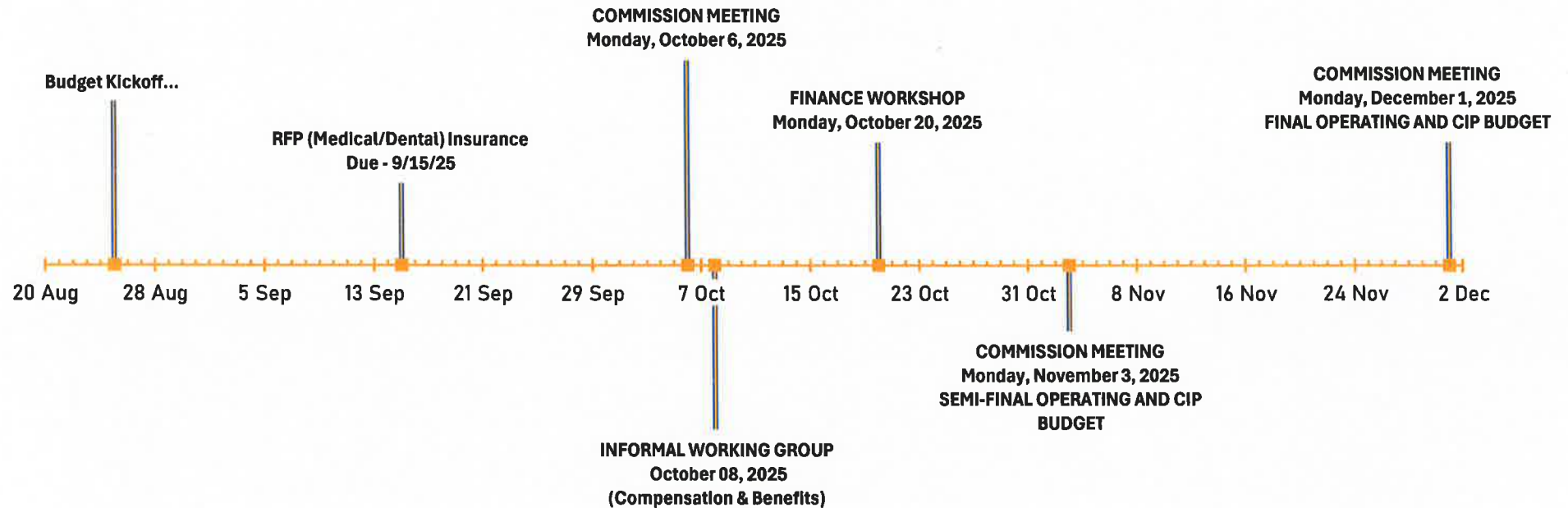
FROM: Kelley Willemssen, Director of Finance & Administration *KW*

SUBJECT: 2026 Budget Timeline

SPU's annual budget process is underway. Attached is the preliminary 2026 budget timeline and the key dates and details for preparing and completing the budget process.

Informational Only

2026 BUDGET TIMELINE



Detailed Timeline for Budget Process:

August 14, 2025: Employee Performance Reviews delivered - Due to HR 9/30/25

- Human Resources to distribute performance review documents to managers

August 25, 2025: Budget Kickoff Meeting

- GM and department heads meet to discuss preliminary budget schedule and preparations

August 26, 2025: Operating and CIP budget templates distributed

- YTD historical data and 2024/2025 actuals are reviewed and templates are prepared for each department
- YTD Operating Budget data is distributed to the department heads for review & recommendations
- CIP Budget is distributed to the department heads for review and recommendations

August 26 - September 30, 2025: Continued Budget Preparation

- CIP cash flows and fund balance projections are prepared
- Misc. Fee lists are reviewed & recommendations are prepared
- Projected growth and revenue assumptions are prepared
- Relocation Underground, water reconstruction, TWC & WCC balances are reviewed against CIP
- Continued Department Meetings: Review CIP & Operation numbers

September 15, 2025: Request for Proposal (Health and Dental Insurance) Due

- Meeting with Christensen Group 9/22/25 to review proposals: Ongoing through enrollment

October 8, 2025: Informal Working Group Meeting

- Review Benefit Renewals - Budget Assumptions and Impacts
- Review Pay Benchmark Surveys and Data - Budget Assumptions and Impacts

October 10, 2025: Preliminary/Rough Draft CIP & Operating Budget Deadline

- Department heads return CIP budget to engineering for workshop presentation by **10/10/25**
- Department heads return Operating Budget to finance for workshop presentation by **10/10/25**

October 20, 2025: Finance workshop

- Present/Discuss Preliminary CIP & Cash Flow balances
- Present/Discuss Preliminary Operating Budget
- Review Current Collection Deposit Policy
- Review Development Fees/Per Lot
- Review Handbook Updates

September 30, 2025: Performance Reviews - Deadline

- Performance reviews completed and returned to Human Resources
- Review Performance Metrics Grid and labor budget assumptions

November 3, 2025: SEMI FINAL Budget Review

- Semi Final Operating and CIP Budget presented at the November commission meeting

November 4 - December 1st, 2025, Internal Budget work to finalize budget

- Make any recommended changes from November 3, 2025 SEMI FINAL Presentation
- Prepare final rate resolutions
- Meet with the city to confirm sewer and storm drainage rates for 2026

December 1, 2025: FINAL Budget Review

- Final budget presented at the December commission meeting
- Rate resolutions are presented at the December commission meeting
- Commission decision on general wage and compensation - Adopt 2026 wage resolution

December 2 - January 2, 2026: Finalize new wages, benefits & financials

- Wage letters are prepared and reviewed with employees
- New wages and benefits are updated in the system
- New 2026 budget is entered into the system

RESOLUTION #2025-23

RESOLUTION OF APPRECIATION
TO GERARD NEVILLE

WHEREAS, Mr. Gerald Neville joined Shakopee Public Utilities on October 31, 2016, and during his tenure of more than eight years and eight months has worked as a Meter Reader for the Finance Department; and

WHEREAS, Mr. Neville always strived for excellence in contributing to the efficient operation of Shakopee Public Utilities and has been extremely dependable and responsible in performing his duties; and

WHEREAS, Mr. Neville retired from his position as the Meter Reader with Shakopee Public Utilities on August 21, 2025; and

NOW THEREFORE, BE IT RESOLVED BY THE SHAKOPEE PUBLIC UTILITIES COMMISSION, that it does hereby express its sincere and deep appreciation to Mr. Neville for his eight years and seven months of dedicated service to Shakopee Public Utilities.

BE IT FURTHER RESOLVED that the Shakopee Public Utilities Commission extends its best wishes and congratulations to Mr. Neville

Passed in regular session of the Shakopee Public Utilities Commission this 2nd day of September 2025.

Commission President: BJ Letourneau

ATTEST:

Commission Secretary: Greg Drent

DATE: August 26, 2025
TO: Greg Drent, General Manager
FROM: Kelley Willemssen, Director of Finance & Administration *KW*
SUBJECT: July Financial Reports

As part of the July financial reports, we continued the practice of providing a component of analytical review. For the Water and Electric Operating Revenue and Expense budget to actual you will see comments at the bottom of each page. The budget is projected on an annual basis rather than a monthly basis so the information in the July financial reports equates to 58% of the annual budget.

Key Takeaways for YTD Actuals to Budget

- Electric revenues were 3.9% under budget, mainly due to lower than budgeted power cost adjustment revenue from lower purchased power costs.
- Electric expenses were 5.0% under budget.
- Water revenues were 11.2% under budget due to a wetter season, resulting in lower than budgeted usage through July.
- Water expenses were under budget by 1.2%.
- Change in Net Position for the electric division as of 07/31/25 is \$2.2M.
- Change in Net Position for the water division as of 07/31/25 is \$3.4M.

Key Takeaways for YTD Actuals to Prior Year

- YTD electric operating revenues are up 4.5% from the prior year.
- YTD electric expenses are up 5.9% from the prior year.
- YTD water revenues are up 23.7% from the prior year.
- YTD water expenses are up 3.7% from the prior year.

Included in this report are the following statements:

- Combined Statement of Revenues, Expenses and Changes in Fund Net Position
- Electric Operating Revenue and Expense – Budget to Actual (with analytics)
- Water Operating Revenue and Expense– Budget to Actual (with analytics)
- Electric Operating Revenue and Expense – 2024 to 2025
- Water Operating Revenue and Expense – 2024 to 2025

Request

The Commission is requested to accept the Financial Reports for the period ending 07/31/2025.

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

| | Year to Date Actual - July 31, 2025 | | | Year to Date Budget -July 31, 2025 | | | 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 | \$ 34,345,732 | 4,113,625 | 38,459,357 | 35,758,140 | 4,633,028 | 40,391,168 | (1,412,408) | -3.9% | (519,402) | -11.2% | (1,931,810) | -4.8% |
| OPERATING EXPENSES | | | | | | | | | | | | |
| Operation, Customer and Administrative | 29,010,197 | 2,322,243 | 31,332,441 | 30,769,863 | 2,838,084 | 33,607,948 | 1,759,686 | 5.7% | 515,841 | 18.2% | 2,275,507 | 6.8% |
| Depreciation | 2,403,882 | 2,075,108 | 4,478,990 | 2,296,482 | 1,612,787 | 3,909,270 | (107,400) | -4.7% | (462,321) | -28.7% | (569,721) | -14.6% |
| Total Operating Expenses | 31,414,079 | 4,397,351 | 35,811,431 | 33,066,346 | 4,450,872 | 37,517,217 | 1,652,266 | 5.0% | 53,520 | 1.20% | 1,705,787 | 4.5% |
| Operating Income | 2,931,653 | (283,726) | 2,647,927 | 2,691,795 | 182,156 | 2,873,951 | 239,858 | 8.9% | (465,882) | 255.8% | (226,024) | -7.9% |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | | | | | | | |
| Rental and Miscellaneous | 123,410 | 740,954 | 864,364 | 193,677 | 108,653 | 302,329 | (70,267) | -36.3% | 632,301 | 581.9% | 562,035 | 185.9% |
| Interdepartment Rent from Water | 52,500 | - | 52,500 | 52,500 | - | 52,500 | - | 0.0% | - | 0.0% | - | 0.0% |
| Investment Income | 1,323,415 | 985,836 | 2,309,251 | 1,059,002 | 353,001 | 1,412,003 | 264,413 | 25.0% | 632,835 | 179.3% | 897,248 | 63.5% |
| Interest Expense | (41,450) | (1,939) | (43,389) | (47,180) | (2,703) | (49,883) | 5,730 | 12.1% | 764 | 28.3% | 6,494 | 13.0% |
| Gain/(Loss) on the Disposition of Property | 19,497 | - | 19,497 | 33,059 | - | 33,059 | (13,562) | 0.0% | - | - | (13,562) | - |
| Total Non-Operating Revenue (Expense) | 1,477,372 | 1,724,851 | 3,202,223 | 1,291,058 | 458,950 | 1,750,008 | 186,314 | 14.4% | 1,265,901 | 275.8% | 1,452,215 | 83.0% |
| Income Before Contributions and Transfers | 4,409,025 | 1,441,125 | 5,850,150 | 3,982,853 | 641,106 | 4,623,959 | 426,173 | 10.7% | 800,019 | 124.8% | 1,226,191 | 26.5% |
| CAPITAL CONTRIBUTIONS | 62,555 | 2,274,324 | 2,336,880 | 430,775 | 2,542,575 | 2,973,351 | (368,220) | 85.5% | (268,251) | -10.6% | (636,471) | -21.4% |
| MUNICIPAL CONTRIBUTION | (2,268,463) | (277,984) | (2,546,447) | (2,182,398) | (277,982) | (2,460,380) | (86,065) | -3.9% | (2) | 0.0% | (86,068) | -3.5% |
| CHANGE IN NET POSITION | \$ 2,203,117 | 3,437,465 | 5,640,582 | 2,231,230 | 2,905,700 | 5,136,930 | (28,113) | -1.3% | 531,765 | 18.3% | 503,653 | 9.8% |

SHAKOPEE PUBLIC UTILITIES
ELECTRIC OPERATING REVENUE AND EXPENSE

| | YTD Actual 7/31/2025 | YTD Budget 7/31/2025 | YTD Actual v. Budget Increase (decrease) | |
|---|-------------------------|-------------------------|---|----------|
| | | | \$ | % |
| OPERATING REVENUES | | | | |
| Sales of Electricity | | | | |
| Residential | \$ 12,916,892 | 12,963,572 | (46,681) | 99.6 |
| Commercial and Industrial | 20,724,145 | 22,010,385 | (1,286,240) | 94.2 |
| Total Sales of Electricity | 33,641,037 | 34,973,958 | (1,332,921) | 96.2 |
| Forfeited Discounts | 118,220 | 187,179 | (68,958) | 63.2 (1) |
| Free service to the City of Shakopee | 86,066 | 77,212 | 8,854 | 111.5 |
| Conservation program | 500,408 | 519,791 | (19,383) | 96.3 |
| Total Operating Revenues | 34,345,732 | 35,758,140 | (1,412,408) | 96.1 |
| OPERATING EXPENSES | | | | |
| Operations and Maintenance | | | | |
| Purchased power | 24,481,982 | 24,772,805 | (290,823) | 98.8 |
| Distribution operation expenses | 395,526 | 477,874 | (82,347) | 82.8 |
| Distribution system maintenance | 596,210 | 762,093 | (165,883) | 78.2 (2) |
| Maintenance of general plant | 247,672 | 282,245 | (34,573) | 87.8 |
| Total Operation and Maintenance | 25,721,390 | 26,295,016 | (573,626) | 97.8 |
| Customer Accounts | | | | |
| Meter Reading | 11,033 | 43,556 | (32,524) | 25.3 (3) |
| Customer records and collection | 318,270 | 425,416 | (107,146) | 74.8 (4) |
| Energy conservation | 66,761 | 519,790 | (453,029) | 12.8 (5) |
| Total Customer Accounts | 396,063 | 988,763 | (592,699) | 40.1 |
| Administrative and General | | | | |
| Administrative and general salaries | 690,176 | 757,661 | (67,486) | 91.1 |
| Office supplies and expense | 352,569 | 483,571 | (131,002) | 72.9 (6) |
| Outside services employed | 247,741 | 253,722 | (5,981) | 97.6 |
| Insurance | 97,369 | 102,377 | (5,008) | 95.1 |
| Employee Benefits | 1,155,328 | 1,454,375 | (299,047) | 79.4 (7) |
| Miscellaneous general | 349,561 | 434,378 | (84,817) | 80.5 |
| Total Administrative and General | 2,892,744 | 3,486,085 | (593,341) | 83.0 |
| Total Operation, Customer, & Admin Expenses | 29,010,197 | 30,769,863 | (1,759,666) | 94.3 |
| Depreciation | 2,403,882 | 2,296,482 | (107,400) | 104.7 |
| Total Operating Expenses | \$ 31,414,079 | 33,066,346 | (1,652,266) | 95.0 |
| Operating Income | \$ 2,931,653 | 2,691,795 | 239,858 | 108.9 |

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

- (1) YTD penalty fees are lower than budgeted, possibly due to enhanced digital tools through NISC; automatic payments and reminders.
- (2) YTD variance due to lower than budgeted distribution expenses and labor than budgeted.
- (3) YTD variance due to lower than budgeted meter reading expenses as AMI is close to fully deployed.
- (4) YTD variance is primarily due to a budgeted FTE that was filled in August.
- (5) YTD budget variance is mainly due to timing of rebates.
- (6) YTD budget variance is timing of when software dues and subscriptions are paid in the year. Variance should stabilize.
- (7) YTD budget variance is primarily from more PTO being budgeted through current period & an unfilled FTE position until August.

SHAKOPEE PUBLIC UTILITIES

WATER OPERATING REVENUE AND EXPENSE

| | YTD Actual 7/31/2025 | YTD Budget 7/31/2025 | YTD Actual v. Budget Increase (decrease) | |
|---|-------------------------|-------------------------|---|-----------|
| | | | \$ | % |
| OPERATING REVENUES | | | | |
| Sales of Water | \$ 4,098,323 | 4,605,555 | (507,232) | 89.0 |
| Forfeited Discounts | 15,302 | 27,473 | (12,170) | 55.7 (1) |
| Total Operating Revenues | 4,113,625 | 4,633,028 | (519,402) | 88.8 |
| OPERATING EXPENSES | | | | |
| Operations and Maintenance | | | | |
| Pumping and distribution operation | 480,616 | 472,019 | 8,597 | 101.8 |
| Pumping and distribution maintenance | 227,560 | 591,377 | (363,816) | 38.5 (2) |
| Power for pumping | 211,487 | 213,544 | (2,057) | 99.0 |
| Maintenance of general plant | 21,348 | 38,843 | (17,495) | 55.0 (3) |
| Total Operation and Maintenance | 941,012 | 1,315,783 | (374,770) | 71.5 |
| Customer Accounts | | | | |
| Meter Reading | 6,852 | 33,069 | (26,216) | 20.7 (4) |
| Customer records and collection | 104,090 | 102,341 | 1,749 | 101.7 |
| Energy conservation | 1,937 | 3,707 | (1,770) | 52.3 (5) |
| Total Customer Accounts | 112,879 | 139,116 | (26,236) | 81.1 |
| Administrative and General | | | | |
| Administrative and general salaries | 342,964 | 362,445 | (19,481) | 94.6 |
| Office supplies and expense | 125,553 | 141,597 | (16,044) | 88.7 |
| Outside services employed | 70,484 | 116,317 | (45,832) | 60.6 (6) |
| Insurance | 32,456 | 34,136 | (1,680) | 95.1 |
| Employee Benefits | 555,415 | 551,647 | 3,768 | 100.7 |
| Miscellaneous general | 141,478 | 177,044 | (35,566) | 79.9 |
| Total Administrative and General | 1,268,352 | 1,383,186 | (114,834) | 91.7 |
| Total Operation, Customer, & Admin Expenses | 2,322,243 | 2,838,084 | (515,841) | 81.8 |
| Depreciation | 2,075,108 | 1,612,787 | 462,321 | 128.7 (7) |
| Total Operating Expenses | \$ 4,397,351 | 4,450,872 | (53,520) | 98.8 |
| Operating Income | \$ (283,726) | 182,156 | (465,882) | (155.8) |

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

- (1) YTD penalty fees are lower than budgeted, possibly due to enhanced digital tools through NISC; automatic payments and reminders.
- (2) YTD budget variance is due to higher than projected pumping and distribution expenses through June, should stabilize throughout the year.
- (3) YTD budget variance is due to higher than projected general maintenance expenses through June, should stabilize throughout the year.
- (4) YTD variance due to lower than budgeted meter reading expenses as AMI is close to fully deployed.
- (5) YTD budget variance is mainly due to timing of rebates.
- (6) YTD budget variance is due to higher than projected outside services through July, should stabilize throughout the year.
- (7) YTD variance is due to higher than budgeted depreciation expenses for meters through the AMI implementation booked in Jan, should stabilize.

SHAKOPEE PUBLIC UTILITIES

ELECTRIC OPERATING REVENUE AND EXPENSE

| | 2025 | 2024 | 2024-2025 Increase (decrease) | |
|---|---------------|------------|----------------------------------|-------|
| | | | \$ | % |
| OPERATING REVENUES | | | | |
| Sales of Electricity | | | | |
| Residential | \$ 12,916,892 | 11,722,040 | 1,194,852 | 110.2 |
| Commercial and Industrial | 20,724,145 | 20,446,444 | 277,701 | 101.4 |
| Total Sales of Electricity | 33,641,037 | 32,168,484 | 1,472,553 | 104.6 |
| Forfeited Discounts | 118,220 | 143,142 | (24,922) | 82.6 |
| Free service to the City of Shakopee | 86,066 | 84,036 | 2,030 | 102.4 |
| Conservation program | 500,408 | 478,729 | 21,679 | 104.5 |
| Total Operating Revenues | 34,345,732 | 32,874,391 | 1,471,341 | 104.5 |
| OPERATING EXPENSES | | | | |
| Operations and Maintenance | | | | |
| Purchased power | 24,481,982 | 22,833,392 | 1,648,590 | 107.2 |
| Distribution operation expenses | 395,526 | 340,988 | 54,538 | 116.0 |
| Distribution system maintenance | 596,210 | 568,865 | 27,345 | 104.8 |
| Maintenance of general plant | 247,672 | 304,133 | (56,461) | 81.4 |
| Total Operation and Maintenance | 25,721,390 | 24,047,378 | 1,674,012 | 107.0 |
| Customer Accounts | | | | |
| Meter Reading | 11,033 | 91,333 | (80,300) | 12.1 |
| Customer records and collection | 318,270 | 360,457 | (42,187) | 88.3 |
| Energy conservation | 66,761 | 90,324 | (23,563) | 73.9 |
| Total Customer Accounts | 396,063 | 542,114 | (146,051) | 73.1 |
| Administrative and General | | | | |
| Administrative and general salaries | 690,176 | 537,065 | 153,111 | 128.5 |
| Office supplies and expense | 352,569 | 305,031 | 47,538 | 115.6 |
| Outside services employed | 247,741 | 273,442 | (25,701) | 90.6 |
| Insurance | 97,369 | 108,746 | (11,377) | 89.5 |
| Employee Benefits | 1,155,328 | 1,143,531 | 11,797 | 101.0 |
| Miscellaneous general | 349,561 | 332,860 | 16,701 | 105.0 |
| Total Administrative and General | 2,892,744 | 2,700,675 | 192,069 | 107.1 |
| Total Operation, Customer, & Admin Expenses | 29,010,197 | 27,290,167 | 1,720,030 | 106.3 |
| Depreciation | 2,403,882 | 2,369,459 | 34,423 | 101.5 |
| Total Operating Expenses | \$ 31,414,079 | 29,659,626 | 1,754,453 | 105.9 |
| Operating Income | \$ 2,931,653 | 3,214,765 | (283,112) | 91.2 |

SHAKOPEE PUBLIC UTILITIES

WATER OPERATING REVENUE AND EXPENSE

| | | | 2024-2025 Increase (decrease) | |
|--------------------------------------|-------------|-------------|----------------------------------|-------|
| | 2025 | 2024 | \$ | % |
| OPERATING REVENUES | | | | |
| Sales of Water | 4,098,323 | 3,315,106 | 783,217 | 123.6 |
| Forfeited Discounts | 15,302 | 10,230 | 5,072 | 149.6 |
| Total Operating Revenues | 4,113,625 | 3,325,336 | 788,289 | 123.7 |
| OPERATING EXPENSES | | | | |
| Operations and Maintenance | | | | |
| Pumping and distribution operation | 480,616 | 455,840 | 24,776 | 105.4 |
| Pumping and distribution maintenance | 227,560 | 378,279 | (150,719) | 60.2 |
| Power for pumping | 211,487 | 234,252 | (22,765) | 90.3 |
| Maintenance of general plant | 21,348 | 39,399 | (18,051) | 54.2 |
| Total Operation and Maintenance | 941,012 | 1,107,770 | (166,758) | 84.9 |
| Customer Accounts | | | | |
| Meter Reading | 6,852 | 43,560 | (36,708) | 15.7 |
| Customer records and collection | 104,090 | 104,764 | (674) | 99.4 |
| Energy conservation | 1,937 | 1,965 | (28) | 98.6 |
| Total Customer Accounts | 112,879 | 150,289 | (37,410) | 75.1 |
| Administrative and General | | | | |
| Administrative and general salaries | 342,964 | 311,372 | 31,592 | 110.1 |
| Office supplies and expense | 125,553 | 102,679 | 22,874 | 122.3 |
| Outside services employed | 70,484 | 112,812 | (42,328) | 62.5 |
| Insurance | 32,456 | 36,279 | (3,823) | 89.5 |
| Employee Benefits | 555,415 | 537,803 | 17,612 | 103.3 |
| Miscellaneous general | 141,478 | 131,238 | 10,240 | 107.8 |
| Total Administrative and General | 1,268,352 | 1,232,183 | 36,169 | 102.9 |
| Total Operating Expenses | 2,322,243 | 2,490,242 | (167,999) | 93.3 |
| Depreciation | 2,075,108 | 1,749,582 | 325,526 | 118.6 |
| Total Operating Expenses | 4,397,351 | 4,239,824 | 157,527 | 103.7 |
| Operating Income | \$(283,726) | \$(914,488) | 630,762 | 31.0 |

August 26, 2025

TO: Greg Drent, General Manager

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

SUBJECT: AMI Installation Update

Overview

The AMI Meter Exchange Project is nearing completion (99.4% completed) with less than two hundred meters in total to be exchanged (186 at the time of this memo).

Only three residential electric meters remain unchanged, with the exception of thirty-nine residential meters in Bonnevista Terrace that we cannot exchange until the electric service upgrade within the mobile home park is completed (currently underway). The other remaining electric meters are commercial or industrial meters that require a scheduled shutdown. Our service department continues to work through these exchanges based on customer schedules.

There are six remaining residential water meters to be exchanged. Three addresses have issues preventing staff from exchanging the meter (i.e., furnace/water heater blocking the meter and one vacant home with an inoperable curb stop). The other three residential meters are at the same addresses as the remaining three electric meters noted above. The other remaining water meters to be exchanged are commercial or industrial accounts that also require appointments. Our water department continues to work with these accounts for scheduled exchanges.

The three customers associated with these unchanged meters have had ample time to complete the exchanges. We have spoken to them on numerous occasions and have sent written communications providing the various installation options available to them that have been approved by our commission. One customer has formally appealed; one customer spoke at a commission meeting under Public Comments but did not formally appeal; and one customer was granted a verbal extension to conduct some research relative to his child's heart condition. All received written communications with product and safety information from the manufacturer, links to federal resources, installation options and a copy of the resolution adopted following the single appeal we received.

The following final communications will be sent to these three customers based on their unique situation.

1. No penalties applied to date –two customers will be notified that any conditional waiving of penalties they received is ending. Beginning with the September billing statement, they will be penalized \$100/month for up to three months per our RIGHT TO ACCESS SPU-OWNED EQUIPMENT VIOLATION PENALTY POLICY as listed on our annual fee schedule. If we are not granted access to our equipment by December 15th (the due date of the third billed penalty)

both electric and water service will be disconnected. Penalties are required to be paid as they are part of the customer account balance.

2. Penalties applied, but unpaid – one customer will be notified that any penalties incurred to date must be paid. Any remaining penalties will be applied beginning with the September billing cycle. If we are not granted access to our equipment by the due date of the third penalty, both electric and water service will be disconnected. Penalties are required to be paid as they are part of the customer account balance.

Per policy, one month of penalties will be waived if SPU gains access to our equipment before the disconnect date. These penalties apply to both electric and water.

Attached are the two versions of the letters to be sent following the September 2nd commission meeting, as well as the RIGHT TO ACCESS SPU-OWNED EQUIPMENT VIOLATION PENALTY POLICY for reference.

Action Requested

No action is required, unless the Commission would like staff to take actions outside of the current policy for Right to Access SPU-Owned Equipment.

NO PENALTIES APPLIED PREVIOUSLY

Dear XXXXXXXX:

This letter is to inform you SPU is nearing the end of our meter exchange project (99.997% completed residential exchanges) and we no longer have meter readers on staff to manually read meters. We have not yet gained access to our equipment located at SERVICE ADDRESS HERE. Our commission has set policy that all meters will be upgraded, with several options for installation.

These include:

1. Proceed with standard installation of electric meter on the outside of the property and the water comm module on the inside of the house. No cost.
2. Utilize SPU's Opt Outside Policy, installing both the electric meter and the water meter comm module on the outside of the house. If electrical wiring is needed (i.e., 3-wire low voltage), this cost is the homeowner's responsibility.
3. Utilize a faraday cage on the smart meter to reduce what minimal RF is being transmitted, provided it does not interfere with transmitted readings. This equipment can be made and/or purchased in the range of \$20-\$100. This cost is also the homeowner's responsibility.
4. Mount the electric meter and water comm module somewhere on the customer's property other than the home. Because a power source is needed this would require the homeowner to hire an electrician to underground the electric service, and necessary 3-wire needed for the comm module, to this area. These costs, which can be significant, would be the responsibility of the homeowner.

We have had multiple conversations and communications with you on this topic. Having received no response to your specified installation option, we will begin applying penalties to your account per our RIGHT TO ACCESS SPU-OWNED EQUIPMENT VIOLATION PENALTY POLICY (attached). Effective with the September 2025 billing statement, a \$100 penalty per meter will be added to your account. These penalties will be applied for a period of three months. If you have not granted SPU access to our equipment by December 15, 2025 (the due date of the third penalty month), your electric and water service will be disconnected. If you do grant us access within this window of time, up to one monthly penalty (\$100 for water and \$100 for electric) will be credited back to your account. Please note, these penalties are part of your account balance and are required to be paid in full to keep your account current.

Please contact our dispatch line to schedule your meter exchanges – 952-345-2473.

Sincerely,

Greg Drent
General Manager

SOME PENALTIES APPLIED PREVIOUSLY

Dear XXXXXXXX:

This letter is to inform you SPU is nearing the end of our meter exchange project (99.997% completed residential exchanges) and we no longer have meter readers on staff to manually read meters. We have not yet gained access to our equipment located at SERVICE ADDRESS HERE. Our commission has set policy that all meters will be upgraded, with several options for installation.

These include:

1. Proceed with standard installation of electric meter on the outside of the property and the water comm module on the inside of the house. No cost.
2. Utilize SPU's Opt Outside Policy, installing both the electric meter and the water meter comm module on the outside of the house. If electrical wiring is needed (i.e., 3-wire low voltage), this cost is the homeowner's responsibility.
3. Utilize a faraday cage on the smart meter to reduce what minimal RF is being transmitted, provided it does not interfere with transmitted readings. This equipment can be made and/or purchased in the range of \$20-\$100. This cost is also the homeowner's responsibility.
4. Mount the electric meter and water comm module somewhere on the customer's property other than the home. Because a power source is needed this would require the homeowner to hire an electrician to underground the electric service, and necessary 3-wire needed for the comm module, to this area. These costs, which can be significant, would be the responsibility of the homeowner.

We have had multiple conversations and communications with you on this topic. Having received no response to your specified installation option, we will continue applying penalties to your account per our RIGHT TO ACCESS SPU-OWNED EQUIPMENT VIOLATION PENALTY POLICY (attached). Effective with the September 2025 billing statement, you will be billed the 3rd and final electric meter penalty and 2nd water meter penalty. If you do not have both meters exchanged by the time we bill in October, you will be billed the 3rd and final water meter penalty, and your electric service will be disconnected after October 15th (the date your third electric penalty was due). Your water service will be disconnected after November 17th (the date your third water penalty was due) if you have not allowed SPU to exchange our water meter by that date.

Future penalties can be avoided by contacting SPU and scheduling these meter exchanges before we bill on September 22nd. Furthermore, we will refund \$200 of the penalties on your account (1-\$100 electric penalty and 1-\$100 water penalty) once the meters are exchanged prior to a disconnect situation. Once disconnected there is no refund of penalties. Please note, penalties and late fees are part of your account balance and are required to be paid in full to keep your account current effective immediately.

Please contact our dispatch line to schedule your meter exchanges – 952-345-2473.

Sincerely,

Greg Drent
General Manager



RIGHT TO ACCESS SPU-OWNED EQUIPMENT VIOLATION PENALTY POLICY

The following policy was approved by the SPU Commission on March 4, 2024.

Refusal to grant SPU access to SPU-owned equipment is in violation of SPU's electric and water policies. Allowing access to property for the maintenance, removal, exchange, reading and/or repair of SPU-owned equipment is a condition of service. Failure to comply with policy will result in penalties, followed by disconnection of service.



Prior to assessing a penalty, multiple communications will be made in writing to the customer in violation. If the customer is still non-compliant following these written communications, efforts will be made to contact the customer by phone. No more than two phone attempts will be made, which may include voicemail as a confirmed contact. A final and last written document will be sent to the non-compliant customer that indicates the start date of a monthly penalty on their billing statement and possible disconnection of service. The notification of service disconnection will be sent certified mail.

- The penalty will be assessed for three consecutive monthly billings or until the customer complies with SPU policy, whichever comes first. If the customer grants SPU access (becomes compliant) the penalty will pause/stop.
 - One month of penalties will be waived if customer is compliant within three months.
- If the customer does not comply within the three-month penalty period (which would end on the due date of the third billing statement with the penalty assessed), the customer's service will be disconnected.
 - Inclement weather conditions will be considered before disconnection occurs.
- The monthly penalty amount is communicated on the SPU Fee Schedule and is updated annually.

Policy manuals can be found at ShakopeeUtilities.com under Policies. Applicable verbiage includes:

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 where water meters are connected with the municipal water supply system for reading meters and inspections. In our electric policy manual, on pg 15, 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.

**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: Greg Drent, General Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: Shakopee Substation

DATE: August 27, 2025

ISSUE

Staff have identified a potential opportunity to acquire additional space for future expansion of the Shakopee Substation.

BACKGROUND

The Shakopee Substation was added to SPU's facilities in 2014 to primarily serve the downtown Shakopee area. The substation was designed and constructed with a 115 kV circuit breaker, a 28 MVA 115/69 kV to 12.5 kV power transformer and a 15 kV metal clad switchgear and control building utilizing advanced arc flash resistant equipment.

The substation was envisioned to be the first of two line ups depending on the trajectory of ultimate load growth in the vicinity. Based on the current 2040 City Comprehensive Plan, there likely could be the need for the second line up eventually.

Unfortunately, the present site will not accommodate a second line-up due to its compact size. Previous efforts to acquire the adjacent property to the north, now owned by Rahr Malting, and to the west, now owned by Xcel Energy, were unsuccessful.

DISCUSSION

Staff noticed a project to replace a wooden retaining wall on the adjacent parcel to the east with a more secure concrete block form. While initially concerned about ensuring SPU water and electric facilities were not being compromised by the nearby construction, staff struck up a

conversation with the property owner and inquired if he might ever be interested in selling the property? The owner, Mr. Peterson, was receptive to the idea.

The property is currently the site of a Mexican seafood restaurant under a lease arrangement. Since there is not an immediate capacity need to construct a second lineup, that arrangement could continue for the foreseeable future should the Commission choose to acquire the property now.

Directly east of the privately owned parcel is a smaller city owned parcel adjacent to a public right of way i.e., Clay Street. City staff indicated that separate parcel could also be available for purchase. A rough analysis by the Commission's substation consultant determined combining both parcels would be just sufficient area for a second lineup.

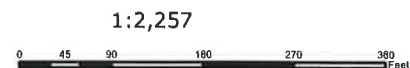
RECCOMENDATIONS

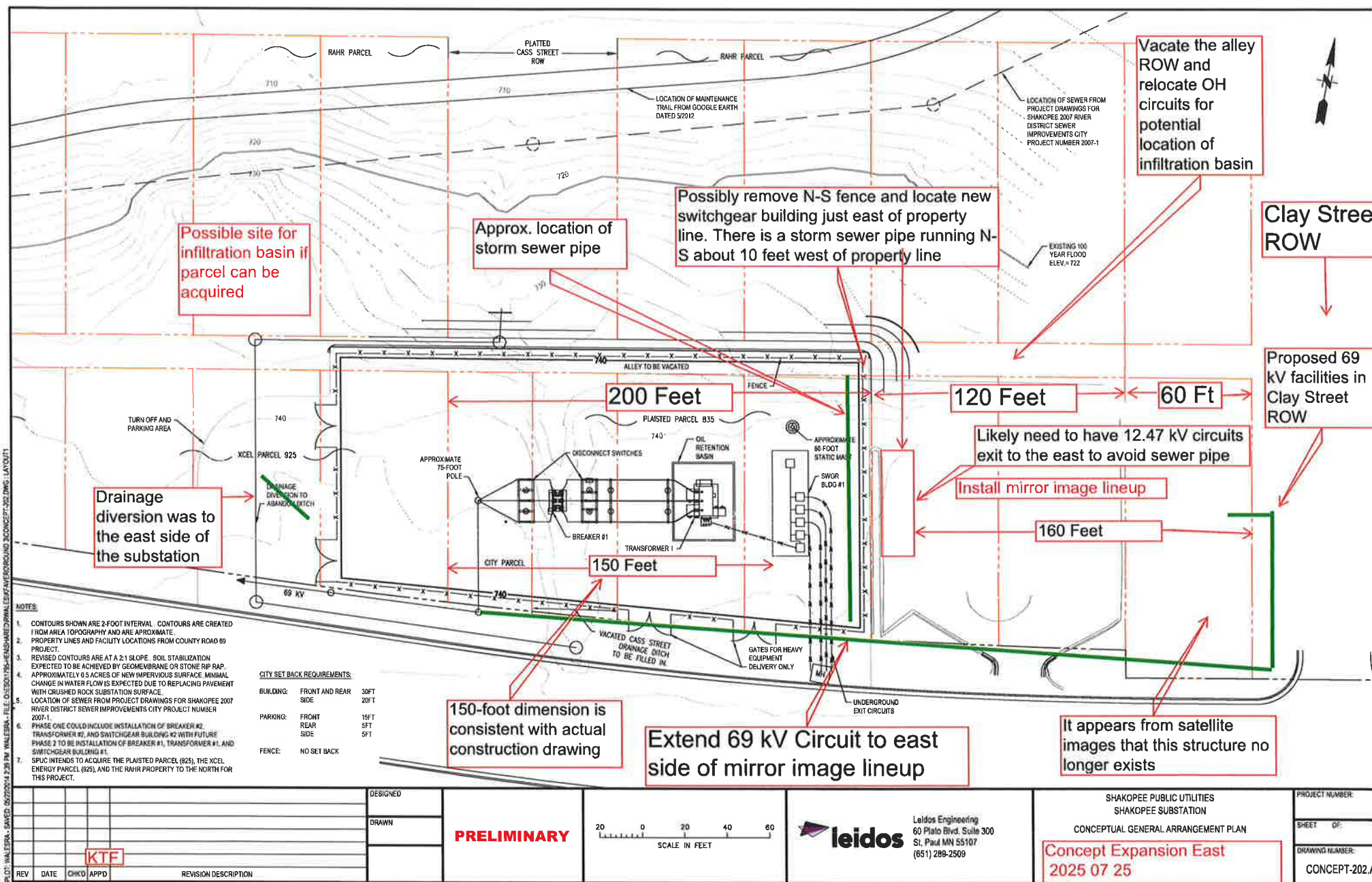
Staff recommend we explore the possibility of acquiring both the privately owned and the city owned parcels for the purpose of land banking them for a future potential expansion of the Shakopee Substation.

REQUESTED ACTION

Staff is requesting permission from the Commission to pursue further discussion with the property owners to gauge their price points to determine acquisition costs.

City





| | |
|----------------------|-----------------------------------|
| Property Card | Parcel ID Number 270011080 |
|----------------------|-----------------------------------|

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|---|
| Taxpayer Information |
| Taxpayer Name SHAKOPEE PUBLIC UTILITIES COM |
| Mailing Address 255 SARAZIN ST SHAKOPEE, MN 55379 |



| |
|--|
| Property Address |
| Address 835 1ST AVE W City Shakopee, MN 55379 |

| Parcel Information | |
|--------------------|---------------------------------------|
| Uses | 958 5E MUNICIPAL-PUBLIC SERVICE-OTHER |
| Calculated Acres | 0.58 |
| Plat | CITY OF SHAKOPEE |
| Lot | 001 |
| Block | 012 |
| Legal Description | CITY OF SHAKOPEE Lot 001 Block 012 |
| Legal Description2 | & LOT 2 & S1/2 VAC ALLEY |

| Building Information | | | |
|----------------------|--|-------------------------|---------------------------|
| Building Style | | AGLA (Sq Ft) 0 | Bedrooms 0 |
| Year Built 0 | | Garage Size (Sq Ft) 0 | Bathrooms 0.00 |
| Model Desc | | Basement Size (Sq Ft) 0 | Basement Finish (Sq Ft) 0 |

| Miscellaneous Information | | | | |
|---------------------------|----------------------|------------------|-------------|-------------|
| School District | Taxing District Code | Homestead Status | Green Acres | Ag Preserve |
| ISD 0720 SHAKOPEE | 2204 | N | N | N |

| Assessor Information | | | | |
|------------------------|----------------------------|----------------------------|--------------|--------------|
| Estimated Market Value | 2024 Values (Payable 2025) | 2023 Values (Payable 2024) | Last Sale | |
| Land | \$202,100.00 | \$202,100.00 | Date of Sale | 08/08/2014 |
| Improvement | \$0.00 | \$0.00 | Sale Value | \$110,000.00 |
| Total | \$202,100.00 | \$202,100.00 | | |



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| | |
|----------------------|-----------------------------------|
| Property Card | Parcel ID Number 270011090 |
|----------------------|-----------------------------------|

| |
|--|
| Taxpayer Information |
| Taxpayer Name PETERSON FREDERICK M |
| Mailing Address 21350 MONTEREY AVE LAKEVILLE, MN 55044 |



| |
|--|
| Property Address |
| Address 815 1ST AVE W City Shakopee, MN 55379 |

| Parcel Information | |
|--------------------|------------------------------------|
| Uses | 233 3A COMMERCIAL PREFERENTIAL |
| Calculated Acres | 0.38 |
| Plat | CITY OF SHAKOPEE |
| Lot | 003 |
| Block | 012 |
| Legal Description | CITY OF SHAKOPEE Lot 003 Block 012 |
| Legal Description2 | & LOT 4 & S1/2 OF VAC ALLEY |

| Building Information | | | |
|----------------------|--|-------------------------|---------------------------|
| Building Style | | AGLA (Sq Ft) 0 | Bedrooms 0 |
| Year Built 0 | | Garage Size (Sq Ft) 0 | Bathrooms 0.00 |
| Model Desc | | Basement Size (Sq Ft) 0 | Basement Finish (Sq Ft) 0 |

| Miscellaneous Information | | | | |
|---------------------------|----------------------|------------------|-------------|-------------|
| School District | Taxing District Code | Homestead Status | Green Acres | Ag Preserve |
| ISD 0720 SHAKOPEE | 2204 | N | N | N |

| Assessor Information | | | | |
|------------------------|----------------------------|----------------------------|--------------|--------------|
| Estimated Market Value | 2024 Values (Payable 2025) | 2023 Values (Payable 2024) | Last Sale | |
| Land | \$170,200.00 | \$170,200.00 | Date of Sale | 06/17/2004 |
| Improvement | \$255,300.00 | \$255,300.00 | Sale Value | \$225,000.00 |
| Total | \$425,500.00 | \$425,500.00 | | |



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| | |
|----------------------|-----------------------------------|
| Property Card | Parcel ID Number 270011100 |
|----------------------|-----------------------------------|

| |
|--|
| Taxpayer Information |
| Taxpayer Name CITY OF SHAKOPEE |
| Mailing Address 485 GORMAN ST SHAKOPEE, MN 55379 |



| |
|----------------------------|
| Property Address |
| Address 801 1ST AVE W |
| City Shakopee, MN 55379 |

| Parcel Information | |
|--------------------|---------------------------------------|
| Uses | 958 5E MUNICIPAL-PUBLIC SERVICE-OTHER |
| Calculated Acres | 0.18 |
| Plat | CITY OF SHAKOPEE |
| Lot | 005 |
| Block | 012 |
| Legal Description | CITY OF SHAKOPEE Lot 005 Block 012 |
| Legal Description2 | & S1/2 OF VACATED ALLEY |

| Building Information | | | |
|----------------------|--|-------------------------|---------------------------|
| Building Style | | AGLA (Sq Ft) 0 | Bedrooms 0 |
| Year Built 0 | | Garage Size (Sq Ft) 0 | Bathrooms 0.00 |
| Model Desc | | Basement Size (Sq Ft) 0 | Basement Finish (Sq Ft) 0 |

| Miscellaneous Information | | | | |
|---------------------------|----------------------|------------------|-------------|-------------|
| School District | Taxing District Code | Homestead Status | Green Acres | Ag Preserve |
| ISD 0720 SHAKOPEE | 2204 | N | N | N |

| Assessor Information | | | | |
|------------------------|----------------------------|----------------------------|--------------|-------------|
| Estimated Market Value | 2024 Values (Payable 2025) | 2023 Values (Payable 2024) | Last Sale | |
| Land | \$143,100.00 | \$143,100.00 | Date of Sale | 01/06/2012 |
| Improvement | \$0.00 | \$0.00 | Sale Value | \$95,000.00 |
| Total | \$143,100.00 | \$143,100.00 | | |

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| | |
|----------------------|-----------------------------------|
| Property Card | Parcel ID Number 270011140 |
|----------------------|-----------------------------------|

| |
|--|
| Taxpayer Information |
| Taxpayer Name NORTHERN STATES POWER CO & PROPERTY TAX DEPT |
| Mailing Address 414 NICOLLET MALL MPLS, MN 55401 |



| |
|--|
| Property Address |
| Address 925 1ST AVE W City SHAKOPEE, MN 55379 |

| | |
|---|------------------------------------|
| Parcel Information | |
| Uses 233 3A COMMERCIAL PREFERENTIAL | Calculated Acres 0.41 |
| | Plat CITY OF SHAKOPEE |
| | Lot 003 |
| | Block 013 |
| Legal Description | CITY OF SHAKOPEE Lot 003 Block 013 |
| Legal Description2 | P/O LOTS 3-5 |

| | | |
|-----------------------------|-------------------------|---------------------------|
| Building Information | | |
| Building Style | AGLA (Sq Ft) 0 | Bedrooms 0 |
| Year Built 0 | Garage Size (Sq Ft) 0 | Bathrooms 0.00 |
| Model Desc | Basement Size (Sq Ft) 0 | Basement Finish (Sq Ft) 0 |


| | | | | |
|---|------------------------------|-----------------------|------------------|------------------|
| Miscellaneous Information | | | | |
| School District ISD 0720 SHAKOPEE | Taxing District Code 2204 | Homestead Status N | Green Acres N | Ag Preserve N |

| | | | |
|-----------------------------|-------------------------------|-------------------------------|-------------------------|
| Assessor Information | | | |
| Estimated Market Value | 2024 Values (Payable 2025) | 2023 Values (Payable 2024) | Last Sale |
| Land | \$130,100.00 | \$130,100.00 | Date of Sale 01/01/1900 |
| Improvement | \$123,500.00 | \$114,500.00 | Sale Value \$0.00 |
| Total | \$253,600.00 | \$244,600.00 | |



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| | |
|----------------------|-------------------------------|
| Property Card | Parcel ID Number 274830010 |
|----------------------|-------------------------------|

| | |
|--|--|
| Taxpayer Information |  |
| Taxpayer Name RAHR MALTING COMPANY & C/O JON GEIS | |
| Mailing Address 800 1 AVE W SHAKOPEE, MN 55379 | |
| Property Address | |
| Address | |
| City | |

| | |
|--|-----------------------------------|
| Parcel Information | |
| Uses 234 3A INDUSTRIAL PREFERENTIAL | Calculated Acres 2.13 |
| | Plat RLS 223 |
| | Lot TCT |
| | Block 00A |
| Legal Description Block 00A Lot TCT RLS | |
| Legal Description2 223 | |

| Building Information | | | |
|-----------------------------|-----------------------|---|---|
| Building Style | AGLA (Sq Ft) | 0 | Bedrooms 0 |
| Year Built 0 | Garage Size (Sq Ft) | 0 | Bathrooms 0.00 |
| Model Desc | Basement Size (Sq Ft) | 0 | Basement Finish (Sq Ft) 0 |

| Miscellaneous Information | | | | |
|---|----------------------------------|---------------------------|----------------------|----------------------|
| School District ISD 0720 SHAKOPEE | Taxing District Code 2204 | Homestead Status N | Green Acres N | Ag Preserve N |

| Assessor Information | | | | |
|------------------------|-------------------------------|-------------------------------|--------------|------------|
| Estimated Market Value | 2024 Values (Payable 2025) | 2023 Values (Payable 2024) | Last Sale | |
| Land | \$54,400.00 | \$52,800.00 | Date of Sale | 01/01/1900 |
| Improvement | \$0.00 | \$0.00 | Sale Value | \$0.00 |
| Total | \$54,400.00 | \$52,800.00 | | |



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DATE: August 26, 2025
TO: Greg Drent, General Manager *GD*
FROM: Kelley Willemssen, Director of Finance & Administration *KW*
SUBJECT: MN Paid Family & Medical Leave (PFML)

Background:

The Minnesota Paid Family and Medical Leave (PFML) program, which becomes effective January 1, 2026, will provide paid, job-protected leave to most Minnesota employees for qualifying medical and family events. Minnesota's PFML program marks a significant shift in employee benefits- providing up to 20 weeks of protected, paid leave for a variety of family and health reasons. The state-run PFML rate for 2026 is 0.88% of employees' wages. The rate will be set each year in July. The program is funded by payroll premiums that are collected, similar to a tax, from both employers and employees. Employers must pay at least 50% of the total state premium (0.44% for 2026). With a 50/50 cost-sharing approach, the estimated cost to SPU for 2026 would be \$26,097. Payroll deductions begin for employers and employees in January 2026. The first quarterly premium due from employers is April 2026.

Employers may opt out of the state-run PFML program by providing an equivalent private plan and paying a fee to the state for doing so. The amount to opt out is \$500.00. Staff have been working with brokers to shop in the market and request proposals from multiple insurance carriers, conducting a cost analysis by comparing the state-run program with insured private plans. Currently, we have one quote that came in at 0.72%, which is 0.16% lower than the state-run plan. The estimated cost to SPU under the private plan with a 50/50 cost-sharing approach would be approximately \$21,352. We will continue to review these quotes as part of the 2026 budget process.

The purpose of this memo is to seek direction from the Commission regarding the employer and employee cost-sharing approach for the new Paid Family & Medical Leave (PFML) program. Many employers in Minnesota are evaluating whether to split the contributions 50/50, pay the full cost on behalf of their employees, or adopt another arrangement that fits their organizational policies. At this time, staff would like to confirm the Commission's position on how contributions should be made. Specifically, should we:

1. Adopt a 50/50 cost-sharing approach in which employees contribute half of the premium and the employer covers the other half?
2. Cover 100% of the premium as the employer, as an enhanced benefit to employees?
3. Consider an alternative split (e.g., 60/40 or 75/25) to balance organizational cost impacts with employee financial responsibility?

Recommendation: Staff recommends option 1, adopt a 50/50 cost-sharing approach in which employees contribute half of the premium and the employer covers the other half.