

Proposed As Consent ItemMINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSIONMay 4, 2026
Regular Meeting

1. Call to Order. President Letourneau called the May 4, 2026 meeting of the Shakopee Public Utilities Commission to order at 5:00 P.M. President Letourneau, Vice President Mocol, Commissioner DuLaney, Commissioner Krieg, and Commissioner Ranua were present.
2. Agenda Approval. Greg Drent , General Manager, explained that item 9d concerning bid responses has updated information that will be handed out and updated online. Vice President Mocol moved, seconded by Commissioner DuLaney, to approve the agenda. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.
3. Communications. Sharon Walsh, Director of Marketing/Key Accounts/Special Projects, explained recent letters with a customer contending that the Backflow Prevention Policy does not apply to devices installed before 2016. She noted that SPU's response includes the regulation, which does not refer to 2016
4. Public Comment Period. No public comments were presented.
5. Consent Agenda. Commissioner DuLaney moved, seconded by Commissioner Ranua, to approve the consent agenda as presented:
 - (6a) April 6, 2026 Minutes;
 - (6b) April 20, 2026 Special Meeting Minutes;
 - (6c) May 4, 2026 Warrant List;
 - (6d) Monthly Water Dashboard for March 2026;
 - (6e) Res #2026-10 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection, and Authorizing Water Servies to Certain Property Described as: Bluff View 2nd Addition; and
 - (6f) 1st Quarter Financials Reports
 Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.
6. Liaison Report. Commissioner DuLaney thanked SPU for the great partnership with the City.
7. 2025 Audited Financials and Presentation. Kelley Willemssen, Director of Finance Administration, provided an overview of the audit process, starting in January and concluding on March 20, 2026. Chris Knopik, CliftonLarsonAllen, reported that no compliance, deficiencies, internal control, or legal compliance issues were identified. He noted that SPU received an unmodified opinion, which is highest level of assurance. Mr. Knopik summarized the financial results for both water and electric utilities. He noted three upcoming changes in government accounting standards. Vice President Mocol moved to accept the 2025 audited financial statements for the year-ending December 31, 2025. Commissioner Ranua seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

8. Reliability and Outage Report. Brad Carlson, Director of Electric Engineering & Operations, reported that the American Public Power Association (APPA) honored 239 public power utilities with a “Certificate of Excellence” for their reliable performance. SPU has received the Certificate of Excellence since 2017 and 2026 marks the eighth year. Jamie VonBank, SPU Electric Superintendent, presented the indices concerning’s SPU reliability performance and decreased outages in 2025.

9. Substation Power Transformer and Circuit Breaker Bid Results/Award Follow-up. Joseph Adams, Director of Planning & Engineering, explained that this item follows up on sealed bid responses for up to three 47 MVA substation transformers (of which the Commission already awarded two to Virginia Transformer) and up to three 115 kV breakers (of which the Commission already awarded two to GE Verona). Noting the radial feed for the Shakopee Substation and long lead times, Mr. Adams discussed the concept of a spare substation power transformer capable of being a backup unit. He explained that SPU has requested a System Impact Study (SIS) on the transmission line connected to the West Shakopee Substation due to interest from a potential large demand customer, but the results not expected for at least three months.

Commissioner DuLaney moved to authorize the purchase of a third 47 MVA transformer from Virginia Transformer to serve as backup for the multiple units energized at 115 KV transmissions voltage now in service and/or as the next unit to be installed should the West Shakopee Substation SIS approve the proposed expansion, with similar terms and conditions to the first two already authorized (at a cost of up to \$2,760,921 with a delivery date no later than 5/15/28). Commissioner Ranua seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None. Vice President Mocol moved to table a potential change order to modify design specifications, which Commissioner Krieg seconded. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None. Commissioner Krieg moved to authorize the purchase of a third 115 kV substation circuit breaker from Border States/GE Verona to serve as a backup for the multiple units now in service and/or as the next unit to be installed should the West Shakopee Substation SIS approve the proposed expansion, with similar terms and conditions as the first two already authorized (at a cost of up to \$209,102 and delivery by 5/8/28). Vice President Mocol seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

10. 15 KV Pad Mount Switchgear Bid Award. Mr. Adams provided an updated memo with the results from today’s bid opening. He reported that SPU received three responses. Mr. Admas explained that although the Border States/Trayer bid had the lowest apparent cost, it was not responsive because it did not include three items: (a) freight (estimated to add \$47,500 to the cost); (b) an oil sampler on each switch to monitor the integrity of the insulating fluid; and (c) split hoods (as called for in the specifications for safety reasons for single-person operation). In addition, this response had longer lead times; Mr. Adams noted the importance of timing to replace failing equipment. He recommended that the Commission award the contract to Border States/Eaton as the lowest responsive bid. Vice President Mocol moved to award the contract for the 19 pad mount switches to Border States/Eaton in the amount of \$968,170.91. Commissioner DuLaney seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

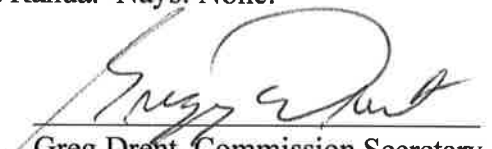
11. Election Operations and Engineering Report. Mr. Carlson reported that crews continue to relocate overhead and underground facilities for Marystown Road, with streetlighting at the end of the project, as well as pole replacements, annual oil testing for larger transformers, and planning for the data center project. Mr. Carlson reported five outages since the last Commission meeting, including one large one. He explained that Xcel Energy dropped transmission service to an entire substation, which affected 2,900 customers. Although SPU has asked Xcel for more information on the cause, it appears that Xcel representatives opened the wrong switch. SPU responded and rerouted the load, restoring service within approximately thirty minutes. Mr. Carlson also noted that an elbow failure on the West side affected about 184 customers for approximately 42 minutes.

12. Water Operations and Engineering Report. Ryan Halverson, Director of Water Engineering & Operations, reported that construction started on the Tank #9 watermain, the Adams Street watermain extension update, work continues to identify service line materials, and work on the Marystown Road roundabout for taps for irrigation and offset of the watermain. Mr. Halverson explained that many fiber optic projects are underway, requiring SPU locating. He noted that staff is working on equipment replacement for 2026, the backflow prevention compliance engine, and the EPA Risk and Resilience Plan. Mr. Halverson noted that he just received the Consumer Confidence Report and will update the Commission and the Health Department. He described the significant number of commercial projects and coordination with City staff.

13. General Manager Report. Mr. Drent reported that SPU received the first payment under the Electric Service Agreement, started ordering equipment, and that SPU continues to work on the tariff. He explained that the MMPA Board meeting last week discussed large loads and a potential separate rate to avoid risk exposure to other customers. Mr. Drent noted that service territory discussions continue with Xcel Energy, and that SPU plans to provide a map. He noted on-going discussions with a developer on the West end for an Electric Service Agreement. Mr. Drent presented a draft one-page summary concerning potential large customers over 10 MW, which the Commission discussed and offered input.

14. Future Agenda Items. Commissioner Ranua offered topic suggestions for the upcoming workshop, including stewardship and sustainability, seasonal usage patterns, and trends in consumption and renewable energy options.

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


Greg Drent, Commission Secretary