

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
September 8, 2026
Regular Meeting

1. Call to Order. President Letourneau called the September 8, 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. Vice President Mocol moved to approve the agenda, seconded by Commissioner Ranua. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.
 3. Public Comment Period. Andrea Lynn spoke on behalf of her mother. She noted an appeal from the Commission's recent exemption from the manual meter reading fees. There are on-going concerns about changing the existing meters.
 4. Consent Agenda. Commissioner DuLaney moved to approve the Consent Agenda as presented, seconded by Commissioner Krieg:
 - (6a) August 3, 2026 Minutes;
 - (6b) September 8, 2026 Warrant List;
 - (6c) Monthly Water Dashboard for July 2026;
 - (6d) July 2026 Financials Report;
 - (6e) Succession Plan Review & Updates;
 - (6f) 2027 Budget Timeline;
 - (6g) Res #2026-16 Resolution Approving of the Estimated Cost of Pipe Oversizing on the Watermain Project: Highview 6th;
 - (6h) Res #2026-17 Resolution Setting the Amount of the Trunk Water Charge, Approving of its Collection and Authorizing Water Services to Certain Property described as: Highview 6th; and
 - (6i) Amended Easement Agreement with Reliakor Services Inc.
- Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.
5. Liaison Report. Commissioner DuLaney attended the MMUA Summer Conference and especially liked the keynote speaker. He extended congratulations to two award winners related to SPU: Gabe Reiter and SPU's Attorney.
 6. Customer Appeal of Manual Meter Reading Fee Exemption. Sharon Walsh, Director of Marketing/Key Accounts, explained the Gavins' appeal from the exemption that the Commission approved on August 3, 2026. Jeanne Gavin spoke on behalf of herself and her husband, David. She referred to her August 13, 2026 letter and expressed concerns with SPU's decision-making process, the AMI system, and the use of non-radiofrequency meters as capable of receiving additional modules and using switch mode power supply. Commissioner DuLaney asked about concerns with the non-radiofrequency meters and the potential use of a replacement analog meter. Ms. Gavin acknowledged that an analog meter without additional meter reading charges

would take care of the matter. The Commission discussed testing the existing meters, potentially moving forward with the non-radiofrequency meters to address the declining performance over time, and the potential use of new analog meters. Greg Drent, General Manager, clarified that SPU does not have analog meters currently and would need to order them. Commissioner DuLaney moved to schedule a date for the changeout of both electric and water meters with analog meters under the remaining terms of the exemption, and subject to disconnection if the customer denies SPU access for this replacement, without financial penalties and timing stated in the Right to Access SPU-Owned Equipment Penalty Policy due to the extended nature of this disagreement. Commissioner Krieg seconded the motion. Ayes: Letourneau, DuLaney, and Ranua. Nays: Vice President Mocol, Commissioner Krieg. The motion passed 3-2. Mr. Drent noted that SPU will offer this approach to the second customer requesting an appeal on this issue.

7. HDR Engineering Amendment No.02 Dean Lake 13.8 Underground Distribution. Brad Carlson, Director of Electric Engineering and Operations, explained that SPU has requested additional professional services for this project. Vice President Mocol moved to approve HDR's proposal to perform the tasks described in Amendment No. 2 on a time-and-materials basis for \$394,890, not to exceed a contract total of \$2,219,843 without prior authorization. Commissioner Krieg seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

8. Dean Lake Distribution Improvements Phase 1 Bid Award. Mr. Carlson reported that on August 27, SPU opened five responses to the Dean Lake Distribution Improvements Phase 1 RFP. He explained that, as noted in the bid tabulation by HDR Engineering, the lowest responsible bidder was JL Theis, Inc. from Jordan. Vice President Mocol moved to award the contract to construct the duct bank to JL Theis, Inc. for \$3,665,056.35. Commissioner DuLaney seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

9. SPU AI/LLM Usage Policy. Philip Dubbe, Director of IT, presented the updated AI/LLM Policy. Commissioner DuLaney moved to approve the updated SPU AI/LLM Usage Policy. Commissioner Krieg seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

10. Large Industrial Electric Services Agreement. Mr. Drent explained that in evaluating this request for additional load, SPU worked with its power supplier to assess capacity availability, ordered a 47 MVA transformer, and completed a system impact study. He noted that the customer is responsible for all up-front infrastructure costs and the redundancy will benefit the area. Mr. Drent also explained that as additional protection for other ratepayers, MMPA will purchase power directly from the market for this customer, and water is limited to domestic use and may not be used for on-going cooling purposes. Mr. Drent also clarified that SPU has additional capacity for small or historic expansion of its current load, but no further locations for significant new load for quite a few years. Commissioner DuLaney asked what revenues would flow to the City; Mr. Drent estimated \$300,000 through the payment in-lieu of taxes transfer, as well as additional increases to the tax base. Vice President Mocol moved to approve the Large Industrial Electric Service Agreement as presented. Commissioner Krieg seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Krieg, and Ranua. Nays: None.

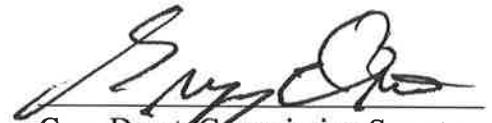
11. Electric Engineering & Operations Report. Mr. Carlson reported that crews continue to work on lots of tree trimming, maintenance upgrades, and new services. He provided an update

on the roundabout at Southbridge and the relocation of circuit 98 out of Dean Lake Substation. He noted that SPU is monitoring harmful harmonics by the hospital. Mr. Carlson reported seven outages since the last Commission meeting, with two caused by contractor hits and four were animal related.

12. Water Engineering & Operations Report. Ryan Halverson, Director of Water Engineering & Operations, reported that staff continue inspection for bacteria sampling at new residential developments, as well as flushing, private hydrant inspection, and locating. SPU is seeking quotes to replace four galvanized steel services. SPU installed check valves in Wells 13 and 21 and replaced items in Well 5 due to the Xcel outage. Mr. Halverson noted that SPU is considering a new vendor for back flow prevention testing records that would be more user-friendly. He reported that in August, SPU pumped an average of 10,136,000 gallons per day, with a maximum daily production of 12,216,000 gallons. He explained that in monitoring water levels in the aquifers, the levels remain consistent with other years that experienced similar dry conditions. He also reported that SPU employed two new water operators.

13. General Manager Report. Mr. Drent noted that the budgeting process is underway and asked for two Commissioner volunteers to participate in an informal working group. President Letourneau and Vice President Mocol volunteered. Mr. Drent attended the MMUA Summer Conference and congratulated Gabe Reiter, Accounting Supervisor, for the Rising Star award. He noted on-going discussions with City staff as to the gravel pit development and raw water lines. Mr. Drent explained that SPU is researching options for renewal of health insurance as well as Minnesota paid family leave benefits. He noted that SPU received some customer comments as to higher bills and ran reports that showed an increase of approximately \$3.49 per month using the same electric usage from last year. Mr. Drent explained that usage during the hot summer months typically increases an average of 300 kWh, which affects electric bills.

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



Greg Drent, Commission Secretary