

REVISED AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
AUGUST 17, 2020

Following the March 13, 2020 Declaration of Peacetime Emergency by Governor Walz (as amended), the Commission is holding its regular meeting on August 17, 2020 at 5:00pm by telephone or other electronic means (WebEx) according to MN Statutes, Section 13D.021. The Commission President has concluded that an in-person meeting is not practical or prudent because of the health pandemic declared under the Emergency Order and according to current guidance from the MN Department of Health and the CDC. The Commission President will be at the regular meeting location for the Commission. The public may monitor the meeting:

Call-In Phone Number 1-408-418-9388
Enter Access Code 126 083 9836
When Prompted for Password, enter #

1. **Call to Order** at 5:00pm in the SPUC Service Center, 255 Sarazin Street.
2. **Approval of Minutes**
3. **Communications**
4. **Approve the Agenda**
5. **Approval of Consent Business**
6. **Bills: Approve Warrant List**
 - 6a) August 3, 2020
 - 6b) August 17, 2020
7. **Liaison Report**
8. **Reports: Water Items**
 - 8a) Water System Operations Report – Verbal
 - 8b) Resn. #1280 – Vacation of Utility Easement Within a Portion of Lot 1, Block 1 and Outlot A, Powers First Addition and Lot 1, Block 1, Jackson Elementary School, Shakopee, Scott County, Minnesota
 - 8c) Nitrogen Fertilizer Use Restrictions
 - 8d) Quarterly Water Projects - Presentation
9. **Reports: Electric Items**
 - 9a) Electric System Operations Report – Verbal
 - 9b) Quarterly Electric Projects - Presentation
10. **Reports: Human Resources**

11. **Reports: General**

- 11a) SPU Communications and Rebranding - Overview
- 11b) Proposed 2021 Budget Planning Schedule
- C=> 11c) COVID Dashboard Metrics – July 2020
- C=> 11d) Monthly Financial Results – July 2020
- 11e) Update From SPU Counsel on Directives From August 13th, 2020
Special Commission Meeting

12. **New Business**

13. **Tentative Dates for Upcoming Meetings**

- Regular Meeting -- September 8 (Tuesday)
- Mid Month Meeting -- September 21
- Regular Meeting -- October 5
- Mid Month Meeting -- October 19

14. **Adjourn to 9/8/20 at the SPUC Service Center, 255 Sarazin Street**

MINUTES
OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
(Regular Meeting)

President Amundson called the regular session of the Shakopee Public Utilities Commission to order at the Shakopee Public Utilities meeting room at 5:00 P.M., August 3, 2020.

MEMBERS PRESENT: Commissioners Amundson, Meyer, Mocol, Brennan and Fox. Utilities Manager Crooks, Planning and Engineering Director Adams, Electric Superintendent Drent, Marketing/Customer Relations Director Walsh, as well as Commissioners Meyer, Mocol, Brennan and Fox attended via WebEx.

Motion by Fox, seconded by Mocol to approve the minutes of the July 20, 2020 Commission meetings. Motion carried.

There were no Communication items to report.

President Amundson offered the agenda for approval. It was requested by Commissioner Fox to add an item to the Agenda as presented. The agenda item would be to have the Special Meeting of the Commission being held on August 13, 2020 be an open meeting.

Motion by Fox, seconded by Mocol to add the agenda item as presented by Commissioner Fox. President Amundson would have the item be under New Business. Motion carried 4-1 with Commissioner Meyer dissenting.

Motion by Brennan, seconded by Fox to approve the amended agenda as described. Motion carried 4-1 with Commissioner Meyer dissenting.

There were no Consent Business items on the agenda.

The warrant listing for bills paid July 20, 2020 was presented.

Commissioner Brennan asked for a clarification of the warrant item listed as check #56181 AAR Building Service Co. There were no decimal points for the amount of the check. Utilities Manager Crooks stated that he would bring back the corrected amount for the warrant list to the next Regular Commission meeting. The August 3 warrant list was tabled by Commissioner Brennan and will be brought back, corrected, at the August 17, 2020 Commission meeting.

Motion by Meyer, seconded by Mocol to approve the warrant listing dated August 3, 2020 as presented. Motion fails 0-5.

Commissioner Brennan stated there was no Liaison Report.

Water Superintendent Schemel reported on water operations. In July, the average day pumpage was 8.2 million gallons per day with a total pumpage of 254 million gallons for the month. Well #10 has been put back into service and rehabilitation work was completed. Hydrant flushing continues.

Mr. Schemel reported that Short, Elliot and Hendrickson will perform the analysis update of the Water Treatment Plant Feasibility Study from May 2001, as directed at the July 20, 2020 meeting. It is anticipated to receive their proposal for the work within two weeks.

Electric Operations were reviewed by Electric Superintendent Drent. One electric outage was reported and discussed. The outage was caused by a squirrel. An overview of the squirrel deterrent program was provided. Construction project updates were provided.

Mr. Crooks presented the MMPA Board Meeting Public Summary for July, 2020. Discussion followed on the effect of the Shakopee Energy Park on electric rates in Shakopee.

Discussion took place with the potential of having SPU assist customers with COVID related financial hardships. Mr. Crooks reviewed several options that are being investigated. Contact will be made with the CAP Agency. The COVID-19 Housing Assistance Program will be researched.

Shared financial services between SPU and the City of Shakopee were discussed. Mr. Crooks provided an overview of the third meeting with Assistant City Administrator Nate Burkett that took place July 13, 2020. Also attending the meeting were members of each of the organization finance teams.

Mr. Crooks requested the Commissioners complete the acknowledgment page with the SPU Governance Handbook and to provide contact information as listed in the Handbook.

Commissioner Fox discussed the issue of whether to have the investigative report and recommendations, scheduled for August 13, 2020 be an open meeting or a closed meeting. SPU legal counsel Kaela Brennan provided information regarding the issue. Commission consensus was to have the August 13, 2020 Commission meeting begin as an open meeting with the agenda item regarding whether to close or keep open the Report findings and recommendations portion of the meeting.

Motion by Meyer, seconded by Fox to adjourn to the Special Meeting to take place on August 13, 2020. Motion carried.



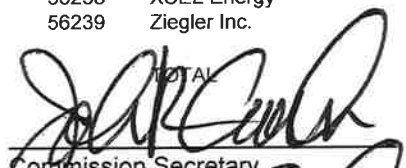

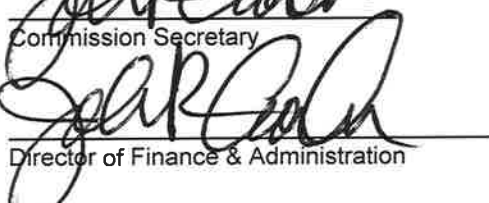
Commission Secretary: John R. Crooks

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

August 3, 2020

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:

56180	Allstream	2412.50
56181	AAR Building Service Co.	3610.00
56182	Arrow Ace Hardware	103.11
56183	BDS Laundry Systems	242.57
56184	Robert Berndtson	136.85
56185	Bird's Lawn Care	3,205.00
56186	Bob's Lawn & Landscaping Inc.	30.07
56187	Border States Electric Supply	11,091.20
56188	Centerpoint Energy	300.47
56189	Choice Electric Inc.	112.26
56190	Choice Underground, LLC	2,560.00
56191	Cintas Corp. #754	54.40
56192	City of Shakopee	3,444.56
56193	City of Shakopee	192,000.00
56194	City of Shakopee	738.75
56195	CSK Auto	309.82
56196	Shakopee Cub Foods	96.00
56197	Customer Contract Services	425.62
56198	Delta Dental	5,328.55
56199	DGR Engineering	5,977.20
56200	Fastenal Ind. & Const Supplies	25.23
56201	Wendy S Foley	500.00
56202	FS3 Inc.	31,297.67
56203	Further	614.55
56204	Grainger Inc.	1,365.47
56205	Hawkins Inc.	6,565.78
56206	HealthPartners	76,874.67
56207	Ideal Service Inc.	2,530.00
56208	Impact Mailing of Minnesota, Inc.	1,018.74
56209	Innovative Office Solutions LLC	2,303.76
56210	KLM Engineering Inc.	33,860.00
56211	Timothy Koerner	6,000.00
56212	Lennar	53.69
56213	Link Excavating, Inc.	12,050.00
56214	Locators & Supplies Inc.	576.22
56215	Traut Companies	44,811.00
56216	William Patrick Mathews	205.00
56217	Minn Valley Testing Labs Inc.	734.00
56218	MN Dept. of Health Environmental Health Division	150.00
56219	Nagel Companies LLC	16,512.00
56220	Napa Auto Parts	135.52
56221	NCPERS Group Life Ins.	192.00
56222	Gerry Neville	110.40
56223	Cindy Nickolay	170.78
56224	PLIC - SBD Grand Island	3,444.93
56225	Patchin Messner & Dodd	2,500.00
56226	Paymentus Corporation	13,778.65
56227	Priority 1 Outdoors Inc.	138.46
56228	SCSI	5,733.00
56229	Sambatek	736.00
56230	Sherwin Williams	248.18
56231	Subsurface Solutions	192.20
56232	Towing Services Inc.	322.13
56233	Gregory Triplett	131.10
56234	Verizon Connect NWF Inc.	158.71
56235	Gene & Angelique Vogel	6,000.00
56236	Greta Wallgren	6,000.00
56237	WESCO Receivables Corp.	8,642.87
56238	XCEL Energy	5,000.00
56239	Ziegler Inc.	77.47
TOTAL		523,939.11
 Commission Secretary		 Commission President
 Director of Finance & Administration		

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

August 17, 2020

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:

56240	City of Shakopee	66,406.00
56319	American Messaging	1,547.39
56320	Apple Ford of Shakopee	197.99
56321	My Appliance Source	144.92
56322	Arrow Ace Hardware	203.90
56323	Robert Berndtson	222.53
56324	BGMN, Inc	128.46
56325	Brenda Blaisdell	148.50
56326	Bob's Lawn & Landscaping Inc.	30.07
56327	Border States Electric Supply	121.12
56328	Brad Carlson	150.00
56329	CBT Nuggets, LLC	1,286.35
56330	Centerpoint Energy	554.12
56331	Choice Underground, LLC	4,535.00
56332	Cintas Corp. #754	54.40
56333	City of Shakopee	443,526.68
56334	City of Shakopee	505.00
56335	Comcast	2.25
56336	Dahlen Sign Company	9,485.00
56337	Dakota Supply Group	66,100.47
56338	DSI/LSI	238.56
56339	DitchWitch of Minnesota	5,242.92
56340	Emergency Automotive Technologies I	462.94
56341	Ferguson Enterprises, LLC	996.12
56342	Further	2,495.73
56343	General Security Services Corp.	442.92
56344	Gopher State One-Call	1,065.15
56345	Abraham Hovey	100.00
56346	Interstate All Battery Center	720.73
56347	Impact Mailing of Minnesota, Inc.	12,595.58
56348	Innovative Office Solutions LLC	67.18
56349	Integrated Process Solutions Inc.	983.81
56350	Irby - Stuart C Irby Co.	61,476.65
56351	JT Services	72,980.64
56352	L & S Electric Inc.	1,073.75
56353	Locators & Supplies Inc.	770.48
56354	McGrann Shea Carnival Straughn & Lamb, Chartered	6,480.88
56355	Minn Valley Testing Labs Inc.	635.00
56356	MMPA c/o Avant Energy	3,930,019.54
56357	MMUA	195.00
56358	MN Dept. of Revenue	278,544.00
56359	NAPA Auto Parts	85.59
56360	Gerry Neville	132.83
56361	Cindy Nickolay	168.48
56362	Northern States Power Co.	5,729.24
56363	Bluetarp Financial, Inc.	552.16
56364	Plunket's Pest Control, Inc.	175.24
56365	Pomp's Tire Service Inc.	522.23
56366	Cory & Wendy Ramaker	500.00
56367	Reserve Account	2,000.00
56368	Robert Romansky	399.98
56369	Sambatek	5,643.00
56370	Schilz Ornamental Iron Inc.	304.00
56371	Sherwin Williams	183.65
56372	Short Elliott Hendrickson Inc.	8,462.90
56373	Southwest New Media	455.98
56374	Gregory Triplett	161.58
56375	Verizon Connect NWF Inc.	498.70
56376	Verizon Wireless	1,220.03

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

August 17, 2020

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:

56377	Vivid Image, Inc.	4,230.00
56378	Michael Vourlos	134.55
56379	Sharon Walsh	3,403.79
56380	Wells Fargo Bank MN NA	1,250.00
56381	Wesco Receivables Corp.	5,617.54
56382	Xcel Energy	2,763.72

TOTAL	<u>5,017,532.92</u>
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Commission Secretary

Commission President



Interim Director of Finance & Administration

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

August 17, 2020

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:

56240	City of Shakopee	66,406.00	WO#2259 Deposit tree management fee
56319	American Messaging	1,547.39	Smart Switch 8/1/- 8/31/20
56320	Apple Ford of Shakopee	197.99	Elec. Dept. rotate tires
56321	My Appliance Source	144.92	Water filters
56322	Arrow Ace Hardware	203.90	\$198.54 - Water dept. - nozzle, table, paint, screwdriver, elbow, connector, foam tape, wasp killer - \$5.36- Elec. Dept. Brush
56323	Robert Berndtson	222.53	Mileage reimbursement
56324	BGMN, Inc	128.46	Spray lubricant - Electric Dept.
56325	Brenda Blaisdell	148.50	2020 Rebate - Water Sense Toilet
56326	Bob's Lawn & Landscaping Inc.	30.07	Black dirt - Water dept.
56327	Border States Electric Supply	121.12	Shockwave 12 pt - Elec. Dept.
56328	Brad Carlson	150.00	Reimbursement for Safety Boots
56329	CBT Nuggets, LLC	1,286.35	Training Subscription for IT Dept.
56330	Centerpoint Energy	554.12	Gas usage at SPU bldg.
56331	Choice Underground, LLC	4,535.00	Montecito Dr. - Install HDPE WO#2409
56332	Cintas Corp. #754	54.40	Red shop towels
56333	City of Shakopee	443,526.68	July Sewer (\$338,977.41), Storm (\$104,549.27)
56334	City of Shakopee	505.00	July R.O.W. Permits
56335	Comcast	2.25	Cable bill for Aug.
56336	Dahlen Sign Company	9,485.00	WO#2406 - Large reflective logos
56337	Dakota Supply Group	66,100.47	\$60,344.75 - 1500KVA Pad mount transformer, \$2142.14 - Hydrant Diffuser, \$3613.58 Crossarm, O-ring, Valve set
56338	DSI/LSI	238.56	Garbage Service for Aug.
56339	DitchWitch of Minnesota	5,242.92	Trk #640 Hyd Pump Tandem - Elec.
56340	Emergency Automotive Technologies I	462.94	Light bar for Water dept. WO#2350
56341	Ferguson Enterprises, LLC	996.12	Hyd Red, Hose, Dual Chk Vlv - Water dept.
56342	Further	2,495.73	Claim Reimb. For Dental and Dependent care
56343	General Security Services Corp.	442.92	NVR Extended Warranty 8/1-10/31/20
56344	Gopher State One-Call	1,065.15	July tickets - Locates
56345	Abraham Hovey	100.00	2019 Res. Appliance Rebate - Reissued check from 4/15/2019
56346	Interstate All Battery Center	720.73	\$171.91 Trk #645 Batteries, \$124.13 - Batteries for Inventory, \$194.90 Trk #615 Batteries, \$113.71 - Batteries for Fire Protection Panel and \$124.73 - Batteries for Elec. Dept.
56347	Impact Mailing of Minnesota, Inc.	12,595.58	Collection letters and statements for 6/26-7/30/20
56348	Innovative Office Solutions LLC	67.18	Office Supplies
56349	Integrated Process Solutions Inc.	983.81	Valley Creek Services - Water dept.
56350	Irby - Stuart C Irby Co.	61,476.65	Cable for inventory
56351	JT Services	72,980.64	Pole street light breakaway - Inventory
56352	L & S Electric Inc.	1,073.75	Radio install & Pike Lake sub.
56353	Locators & Supplies Inc.	770.48	Sunscreen & Bug spray
56354	McGrann Shea Carnival Straughn & Lamb, Chartered	6,480.88	Purchase agreement Windermere Water #2281 & SPU Tank Site - All went to G.L. 310.00.03.00.00 per Kelley.
56355	Minn Valley Testing Labs Inc.	635.00	Coliform, Nitrates and Nitrite
56356	MMPA c/o Avant Energy	3,930,019.54	July power bill
56357	MMUA	195.00	2020 Summer Conf. Virtual for J.C.
56358	MN Dept. of Revenue	278,544.00	Sales & Use tax for July 2020
56359	NAPA Auto Parts	85.59	Halogen sealed beams
56360	Gerry Neville	132.83	Mileage reimbursement
56361	Cindy Nickolay	168.48	Mileage reimbursement
56362	Northern States Power Co.	5,729.24	July power bill
56363	Bluetarp Financial, Inc.	552.16	Mulch - Electric dept.
56364	Plunket's Pest Control, Inc.	175.24	Pest control program - May, June, July

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

August 17, 2020

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:

56365	Pomp's Tire Service Inc.	522.23	New tires for Water dept. Trk #635
56366	Cory & Wendy Ramaker	500.00	2019 Res. Rebate - Reissued check from 6/3/2019
56367	Reserve Account	2,000.00	Replenish postage in mail machine
56368	Robert Romansky	399.98	GO Daddy SSL Certification renewal
56369	Sambatek	5,643.00	WO#2259 Elevated Water Tank #8
56370	Schilz Ornamental Iron Inc.	304.00	Repair Vacuum Tank
56371	Sherwin Williams	183.65	Paint for Elec. Dept.
56372	Short Elliott Hendrickson Inc.	8,462.90	\$6,190.65 - Hanson Blvd. Rehab. study WO#2356, \$1,664.78 for WO#2357 - Stone Meadow WM Ext., \$607.47 - Water Eng. Services
56373	Southwest New Media	455.98	July legals
56374	Gregory Triplett	161.58	Mileage reimbursement
56375	Verizon Connect NWF Inc.	498.70	July monthly services for All dept.
56376	Verizon Wireless	1,220.03	Cell phones - monthly fee
56377	Vivid Image, Inc.	4,230.00	Website project - Sharon Walsh
56378	Michael Vourlos	134.55	Mileage reimbursement
56379	Sharon Walsh	3,403.79	Glass barriers for front office CSR's
56380	Wells Fargo Bank MN NA	1,250.00	2nd Qtr. Adm. Fee
56381	Wesco Receivables Corp.	5,617.54	Inventory items \$3984.85 - Insulator pin, socket meters, module 4 point feed thru, \$259.96 End caps for Electric dept., \$1372.73 pop up wipes and electrical tape for Elec. Dept.
56382	Xcel Energy	2,763.72	Valley Park Dr. Elec. Charge 6/22-7/22/20
TOTAL		<u><u>5,017,532.92</u></u>	

Commission Secretary

Commission President

Interim Director of Finance & Administration

RESOLUTION #1280

A RESOLUTION FOR VACATION OF UTILITY EASEMENT
WITHIN A PORTION OF LOT 1, BLOCK 1 AND OUTLOT A, POWERS FIRST ADDITION
AND LOT 1, BLOCK 1, JACKSON ELEMENTARY SCHOOL, SHAKOPEE, SCOTT
COUNTY, MINNESOTA

WHEREAS, VA CBOC Properties, LLC, a Colorado limited liability company (VA), is the owner of Lot 1, Block 1, Powers First Addition, Shakopee, Scott County, Minnesota, ("VA Property") and

WHEREAS, Trident – Shakopee West, LLC, a Minnesota limited liability company (Trident), is the owner of Outlot A, Powers First Addition, Shakopee, Scott County, Minnesota, ("Trident Property") and

WHEREAS Independent School District No. 720, an Independent School District organized under the laws of the State of Minnesota, (ISD) is the owner of Lot 1, Block 1, Jackson Elementary School, Shakopee, Scott County, Minnesota, ("ISD Property") and

WHEREAS, There presently exists a Watermain Easement across portions of the VA Property, Trident Property and the ISD Property granted to the Shakopee Public Utilities Commission (SPUC), filed as Document No A990965 in the Office of the Registrar of Titles Scott County, Minnesota and

WHEREAS, There presently exists a Utility Easement across the same portions of the VA Property, Trident Property and the ISD Property granted to the SPUC, filed as Document No. A1085418 in the Office of the Registrar of Titles Scott County, Minnesota Collectively (the "Utility Easement"), and

WHEREAS, VA CBOC Properties, LLC, Trident – Shakopee West, LLC, and ISD No. 720 desire that the Utility Easement be vacated, and

WHEREAS, SPUC is willing to agree to the vacation of the Utility Easement.

NOW THEREFORE, BE IT RESOLVED, SPUC vacates the Utility Easement, filed as Document No. A1085418.

Passed in regular session of the Shakopee Public Utilities Commission, this 17th day of August, 2020.

Commission President: Debra Amundson

ATTEST:

Commission Secretary: John R. Crooks

RELEASE AND TERMINATION OF UTILITY EASEMENT

THIS RELEASE AND TERMINATION OF UTILITY EASEMENT (this "Release") is made and entered into this _____, 2020, by Independent School District No. 720, an independent school district organized under the laws of the State of Minnesota, ("ISD"), VA CBOC Properties, LLC, a Colorado limited liability company ("VA") and Trident – Shakopee West, LLC, a Minnesota limited liability company ("Trident").

RECITALS

WHEREAS, Trident is the owner of Outlot A, Powers First Addition, Scott County, Minnesota, VA is the owner of Lot 1, Block 1, Powers First Addition, Scott County, Minnesota (collectively, the "Benefitted Property");

WHEREAS, ISD is the owner of Lot 1, Block 1, Jackson Elementary School, Scott County, Minnesota (the "Burdened Property"); and

WHEREAS, the Benefitted Property constitutes all of the real property benefitted by that certain Utility Easement dated January 29, 2020, and recorded February 4, 2020 in the Office of the Scott County Recorder, as Document No. **A1085418** (the "Easement"), and the Burdened Property constitutes all of the real property burdened by the Easement; and

WHEREAS, Trident, VA and ISD desire to terminate and release the Easement.

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. **Recitals.** The above made recitals are incorporated herein.
2. **Termination of Easement.** Trident, VA and ISD hereby terminate and release the Easement, and neither party shall have any further rights or obligations under the Easement.

[Signatures Contained on Following Pages]

IN WITNESS WHEREOF, the parties have caused this Release and Termination of Utility Easement to be executed on or as of the day and year indicated above.

ISD:

INDEPENDENT SCHOOL DISTRICT
NO. 720, an independent school district
organized under the laws of the State of
Minnesota

By: _____

Name: _____

Title: _____

INDEPENDENT SCHOOL DISTRICT
NO. 720, an independent school district
organized under the laws of the State of
Minnesota

By: _____

Name: _____

Title: _____

STATE OF MINNESOTA)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me on _____, 2020, by _____, as the _____ of Independent School District No. 720, an independent school district organized under the laws of the State of Minnesota, and by _____, as the _____ of Independent School District No. 720, an independent school district organized under the laws of the State of Minnesota, on behalf of said independent school district.

Notary Public

VA:

VA CBOC PROPERTIES, LLC,
a Colorado limited liability company

By: Marc Biagiotti
Its: President

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2020 by Marc Biagiotti, as the President of VA CBOC PROPERTIES, LLC, a Colorado limited liability company, on behalf of said limited liability company.

Notary Public

TRIDENT:

TRIDENT – SHAKOPEE WEST, LLC, a
Minnesota limited liability company

By: _____

Name: Jeffrey J. Drown

Title: President

STATE OF MINNESOTA)
) ss.
COUNTY OF SCOTT)

The foregoing instrument was acknowledged before me on _____, 2020, by
_____ the _____ of TRIDENT – SHAKOPEE
WEST, LLC, a Minnesota limited liability company, on behalf of said limited liability company.

Notary Public

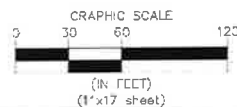
THIS INSTRUMENT DRAFTED BY:

Siegel Brill, P.A.
100 Washington Avenue South
Suite 1300
Minneapolis, MN 55401

[illegible]

3890 PHEASANT RIDGE DRIVE NE, SUITE 100, BLAINE, MN 55449
TEL 763.489.7900 \ FAX 763.489.7969 \ CARLSONMCCAIN.COM

Sheet: 2 of 2 Sheets



The undersigned hereby consents to the Release and Termination of Utility Easement by and among Independent School District No. 720, an independent school district organized under the laws of the State of Minnesota, VA CBOC Properties, LLC, a Colorado limited liability company and Trident – Shakopee West, LLC, a Minnesota limited liability company, to which this Consent is attached.

Siegel Brill, P.A.
100 Washington Avenue South
Suite 1300
Minneapolis, MN 55401

Receipt# 637351

A1085418

EAS \$46.00

Return to:
CARVER COUNTY
ABSTRACT & TITLE CO
411 N. CHESTNUT ST
CHASKA MN 55318



Certified Filed and/or recorded on:

2/4/2020 3:44 PM

Office of the County Recorder
Scott County, Minnesota
Julia K. Hanson, County Recorder

A (16-23)

UTILITY EASEMENT

This UTILITY EASEMENT (this "Easement") is hereby made effective this 29 day of January, 2020 by and between INDEPENDENT SCHOOL DISTRICT NO. 720, an independent school district organized under the laws of the State of Minnesota ("Grantor") and TRIDENT – SHAKOPEE WEST, LLC, a Minnesota limited liability company, its successors and assigns ("Grantee").

Recitals

- A. Grantor is the fee owner of certain real property located in the City of Shakopee, Scott County, Minnesota, and legally described on Exhibit A, attached hereto and incorporated herein (the "Grantor Property").
- B. Grantee is the fee owner of certain real property located in the City of Shakopee, Scott County, Minnesota, and legally described on Exhibit B, attached hereto and incorporated herein (the "Grantee Property").
- C. Grantor desires to grant Grantee an easement over the ten (10) foot strip of land within the Grantor Property the centerline of which shall be co-located with the existing water main line on the Grantor Property and which is generally depicted on Exhibit C, attached hereto and incorporated herein, (the "Easement Area") for utility purposes, subject to the terms and conditions set forth herein.

Agreement

1. Grant of Utility Easement. Grantor, as the owner of the Grantor Property, hereby grants and conveys to Grantee, its successors and assigns, a non-exclusive perpetual appurtenant easement (the "Utility Easement") over, under, through and across the Easement Area for utility purposes, including, without limitation, of excavating for, operating, inspecting, maintaining, repairing, replacing, altering, installing, constructing, adding to and/or removing a water main line and facilities related and appurtenant thereto on, under, and through the Easement Area.

2. Restoration. Grantee, at its sole cost and expense, shall, promptly after entry upon the Easement Area to exercise of any rights granted herein, repair any damage to the

Grantor Property caused by such activities and restore the Grantor Property to as near their original condition as is commercially reasonable. Grantor shall not damage or disrupt any utilities installed within the Easement Area.

3. Compliance with Laws. Grantee shall comply with all applicable laws and regulations in connection with its exercise of its rights under the Utility Easement.

4. Easement to Run with the Land. The Utility Easement granted herein shall run with the land constituting the Grantor Property and is binding upon and shall inure to the benefit of the parties and their respective successors and assigns.

[Signature Pages Follow]

[Grantor Signature Page to Utility Easement]

IN WITNESS WHEREOF, Grantor and Grantee have executed this Easement effective as of the date and year first above written.

GRANTOR:

INDEPENDENT SCHOOL DISTRICT NO. 720,
an independent school district organized under the laws of the State of Minnesota

By: 
Kristi Peterson
Its: School Board Chairperson

By: 
Paul Christiansen
Its: School Board Clerk

STATE OF MINNESOTA)
) ss.
COUNTY OF Carver)

The foregoing instrument was acknowledged before me this 29th day of January, 2020 by Kristi Peterson, as the Chairperson, and Paul Christiansen, as the Clerk, of the School Board of INDEPENDENT SCHOOL DISTRICT NO. 720, an independent school district organized under the laws of the State of Minnesota, by and on behalf of said independent school district.


Notary Public



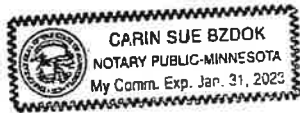
GRANTEE:

TRIDENT – SHAKOPEE WEST, LLC, a
Minnesota limited liability company

By: [Signature]
Its: President

STATE OF MINNESOTA)
COUNTY OF Seams) ss.

The foregoing instrument was acknowledged before me this 28th day of January, 2020 by [Signature] as the President of TRIDENT – SHAKOPEE WEST, LLC, a Minnesota limited liability company, by and on behalf of said limited liability company.



[Signature]
Notary Public

Drafted by:

Siegel Brill, P.A.
100 Washington Ave S
Suite 1300
Minneapolis, MN 55401

EXHIBIT A

LEGAL DESCRIPTION OF GRANTOR PROPERTY

Lot 1, Block 1, Jackson Elementary School, Scott County, Minnesota.

274170010

EXHIBIT B

LEGAL DESCRIPTION OF GRANTEE PROPERTY

Outlot A, Powers First Addition, Scott County, Minnesota;

AND 274930020

Lot 1, Block 1, Powers First Addition, Scott County, Minnesota.

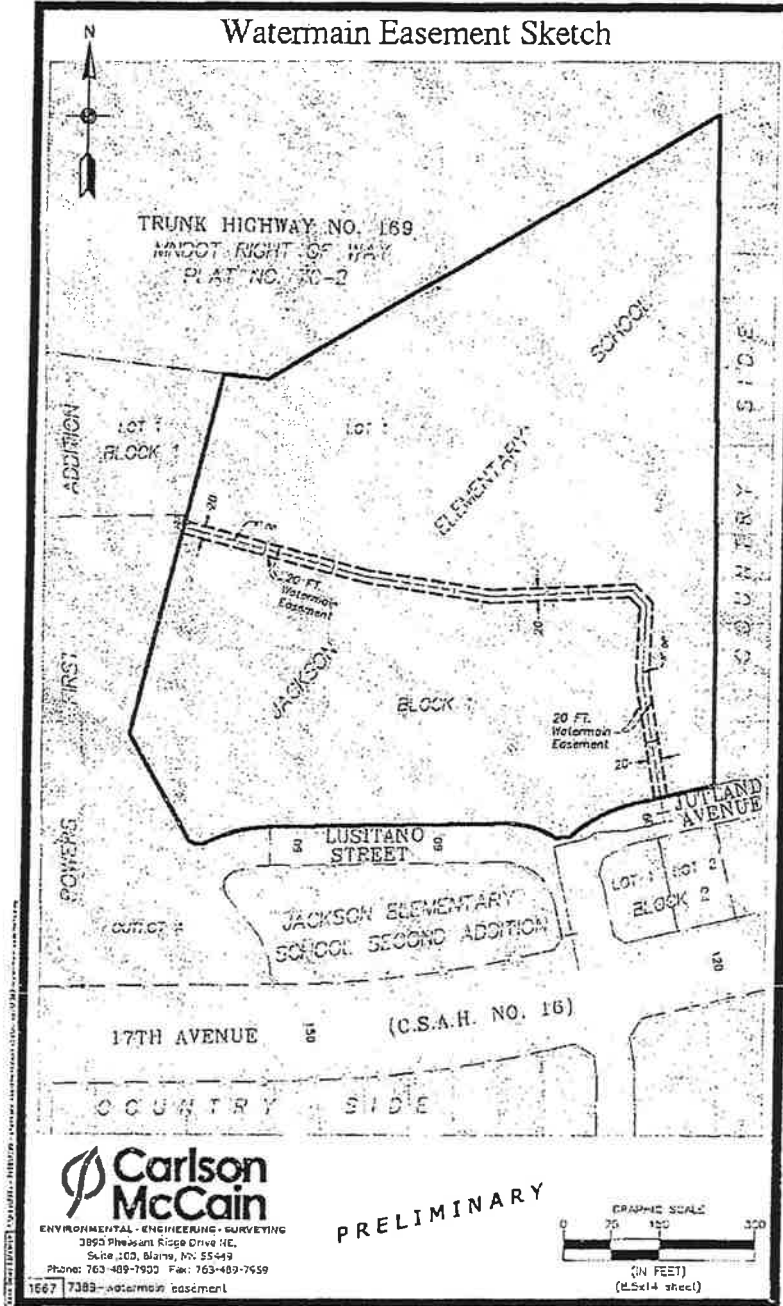
274930010

EXHIBIT C

DEPICTION AND LEGAL DESCRIPTION OF EASEMENT AREA

[Contained On Following Page]

Watermain Easement Sketch



The undersigned hereby consents to the Release and Termination of Utility Easement by and among Independent School District No. 720, an independent school district organized under the laws of the State of Minnesota, VA CBOC Properties, LLC, a Colorado limited liability company and Trident – Shakopee West, LLC, a Minnesota limited liability company, to which this Consent is attached.

Siegel Brill, P.A.
100 Washington Avenue South
Suite 1300
Minneapolis, MN 55401

Receipt# 539505

EAS \$46.00

Return to:
SAMBATEK INC
12300 WHITEWATER DRIVE
SUITE 140
MINNETONKA, MN 55343

A990965



Certified Filed and/or recorded on:

11/5/2015 9:30 AM

Office of the County Recorder
Scott County, Minnesota
James L. Hennings, County Recorder

WATERMAIN EASEMENT

The undersigned, hereinafter called "Grantor", in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration to Grantor in hand paid by Shakopee Public Utilities Commission, a municipal utility commission organized under Minnesota law, hereinafter called "SPUC", does hereby grant to SPUC, its successors and assigns, the perpetual right, privilege and easements to install, operate, maintain, remove, replace, and repair water main or mains with such fixtures and appurtenances, including meters, as are from time to time necessary or useful for the supply of water, all under, over and across portions of the following described lands situated in the County of Scott, State of Minnesota, to-wit:

"Premises"

Lot 1, Block 1, JACKSON ELEMENTARY SCHOOL, according to the recorded plat thereof, Scott County, Minnesota.

274170010

Said easement area shall be limited to a 20.00 foot wide strip of land over, under, and across that part of the herein before described "Premises", which lies 10.00 feet on each side of the following described centerline, depicted on Exhibit A:

Commencing at the southeast corner of said Lot 1; thence South 76 degrees 54 minutes 08 seconds West, along south line of said Lot 1, a distance of 70.85 feet to the point of beginning of the centerline to be described; thence North 12 degrees 57 minutes 48 seconds West a distance of 191.30 feet; thence North 03 degrees 15 minutes 18 seconds East a distance of 340.68 feet; thence North 37 degrees 02 minutes 18 seconds West a distance of 39.82 feet to a point hereinafter described as POINT A; thence continue North 37 degrees 02 minutes 18 seconds West a distance of 32.05 feet; thence North 77 degrees 19 minutes

54 seconds West a distance of 179.52 feet; thence North 80 degrees 25 minutes 10 seconds West a distance of 34.90 feet to a point hereinafter described as POINT B; thence continue North 80 degrees 25 minutes 10 seconds West a distance of 46.98 feet; thence North 66 degrees 23 minutes 24 seconds West a distance of 97.58 feet; thence South 66 degrees 18 minutes 08 seconds West a distance of 29.39 feet; thence South 29 degrees 55 minutes 51 seconds West a distance of 59.04 feet; thence South 37 degrees 26 minutes 46 seconds West a distance of 77.00 feet; thence South 09 degrees 55 minutes 58 seconds East a distance of 53.85 feet; thence South 57 degrees 45 minutes 29 seconds East a distance of 70.75 feet to a point hereinafter described as POINT C; thence South 31 degrees 24 minutes 59 seconds West a distance of 15.15 feet; thence South 12 degrees 40 minutes 06 seconds West a distance of 103.23 feet to a point hereinafter described as POINT D; thence South 78 degrees 28 minutes 30 seconds East a distance of 86.25 feet to a point hereinafter described as POINT E; thence continue South 78 degrees 28 minutes 30 seconds East a distance of 97.20 feet; thence North 86 degrees 09 minutes 11 seconds East a distance of 200.76 feet to a point hereinafter described as POINT F; thence continue North 86 degrees 09 minutes 11 seconds East a distance of 26.29 feet; thence South 86 degrees 44 minutes 42 seconds East a distance of 35.43 and said centerline there terminating.

The sidelines of said easement shall be prolonged or shortened to terminate at said south line of described property.

Together with a 20.00 foot easement for watermain purposes. The centerline of said easement is described as follows:

Beginning at said POINT A; thence North 52 degrees 57 minutes 42 seconds East a distance of 22.85 feet and said centerline there terminating.

Together with a 20.00 foot easement for watermain purposes. The centerline of said easement is described as follows:

Beginning at said POINT B; thence North 09 degrees 34 minutes 50 seconds East a distance of 17.73 feet and said centerline there terminating.

Together with a 20.00 foot easement for watermain purposes. The centerline of said easement is described as follows:

Beginning at said POINT C; thence South 62 degrees 42 minutes 23 seconds East a distance of 23.63 feet and said centerline there terminating.

Together with a 20.00 foot easement for watermain purposes. The centerline of said easement is described as follows:

Beginning at said POINT D; thence North 77 degrees 06 minutes 25 seconds West a distance of 301.19 feet and said centerline there terminating. The sidelines of said easement shall be prolonged or shortened to terminate at the West line of the described property.

Together with a 20.00 foot easement for watermain purposes. The centerline of said easement is described as follows:

Beginning at said POINT E; thence North 11 degrees 31 minutes 30 seconds East a distance of 18.08 feet and said centerline there terminating.

Together with a 20.00 foot easement for watermain purposes. The centerline of said easement is described as follows:

Beginning at said POINT F; thence North 03 degrees 50 minutes 49 seconds West a distance of 17.37 feet and said centerline there terminating.

The rights granted herein may be exercised at any time subsequent to the execution of this document.

The grant of easement herein contained shall also include the right to enter upon the Premises, to survey for and locate said lines with the Easement and shall also include the right to trim or remove from said Easement any structures, trees or objects, which in the opinion of SPUC will interfere with said lines, Grantor agrees to not erect any buildings, structures or other objects, permanent or temporary, upon the Easement. Grantor further agrees not to plant any trees within the Easement without the prior express written approval from SPUC, nor to not perform any act which will interfere with or endanger said lines.

The grant of easement herein contained shall also include the right of SPUC to have reasonable access to said Easement across the Premises described herein. The grant of easement herein contained shall also include the right of reasonable temporary use by SPUC of that area of the Premises that is within 10 feet adjacent to the outer boundaries of said Easement during construction, repair or replacement of said watermain lines, for additional construction area.

Prior to entering the Premises for the purpose permitted by this Easement, and except in cases of emergency, SPUC shall give the Grantor no less than 10 business days advance written notice of SPUC's activities to be undertaken on the Premises. The written notice to Grantor shall include (i) the work to be undertaken on the Premises; (ii) the location of the Premises where the work is to be done; (iii) the dates for the start

and completion of the work to be done on the Premises; (iv) the hours during each day the work will occur; (v) the number of workers undertaking the work. SPUC shall carry statutory workers compensation insurance for all employees working on the Premises.

SPUC shall secure, at its sole cost and expense, all required permits, insurance, approvals, equipment, labor, materials, services, utilities, and other items to be used in conducting any work on the Premises. SPUC shall not permit any liens or encumbrances to be placed on the Premises. SPUC and its contractors, subcontractors and agents shall conduct their activities on the Premises in an orderly and lawful manner and shall not unduly interfere with, disrupt or disturb the Grantor's use of the Premises. During any work on the Premises permitted by this Easement, SPUC, its contractors, subcontractors and agents shall keep the Premises in a neat, clean and safe condition. Upon completion of any work, SPUC shall reasonably resort the Premises to as near its original condition as is reasonably possible and shall replace any damaged improvements.

SPUC shall defend, protect, indemnify and save the Grantor, the Grantor's respective officers, employees and agents, harmless from and against any and all liabilities, losses, damages, costs and expenses, including reasonable attorney's fees, and claims or actions for such, from any act or negligence of SPUC, its officers, employees, contractors and agents, arising out of the activities or work on or use of the Premises, except for the negligent or intentional torts of the Grantor.

Grantor reserves the right to cultivate, use and occupy said Easement area, in a manner that is not inconsistent with SPUC's rights granted herein.

SPUC shall pay for all damages to improvements caused by construction or maintenance of said lines.

Grantor covenants with SPUC to execute and deliver to SPUC, at SPUC's cost without additional compensation, any additional documents needed to correct the legal description of the Easement described therein, so that it describes the Easement within the Premises that was originally intended to be granted therein.

It is mutually understood and agreed that this instrument covers all the agreements and stipulations between the parties and that no representation or statements, verbal or written, have been made modifying, adding to or changing the terms hereof.

In witness whereof, the undersigned has caused this instrument to be duly executed this 23rd day of October, 2015.

Independent School District No. 720

By:

Mike Burlager
Mike Burlager, Director of Finance

State of Minnesota

County of Scott

The foregoing instrument was acknowledged before me this 23rd day of October, 2015 by Mike Burlager, Business Services Manager, for Independent School District No. 720, an independent school district under Minnesota law, on behalf of the school district.

Sarah L. Koehn
Notary Public



This instrument was drafted by: JCB
Sambatek, Inc.
12800 Whitewater Drive, Suite 140
Minnetonka, MN 55343

CERTIFICATION

I, Lori J. Hensen, City Clerk, City of Shakopee, do hereby certify that the above Resolution No. R2019-129 is an accurate copy of the Resolution adopted by the City Council of the City of Shakopee at an authorized meeting held on the 17th day of December 2019, as shown by the minutes of the meeting in my possession.




Lori J. Hensen, City Clerk

Receipt# 637351

VAC \$46.00

Return to:
CARVER COUNTY
ABSTRACT & TITLE CO
411 N. CHESTNUT ST.
CLASKA MN 55318

A1085405



Certified Filed and/or recorded on:

2/4/2020 3:44 PM

Office of the County Recorder
Scott County, Minnesota
Julie K. Hanson, County Recorder

RESOLUTION NO. R2019-129

a (2-23)

A RESOLUTION APPROVING A VACATION OF PUBLIC DRAINAGE & UTILITY EASEMENTS AND A SIDEWALK & TRAIL EASEMENT LOCATED WITHIN THE JACKSON ELEMENTARY SCHOOL AND COUNTRYSIDE SUBDIVISIONS

WHEREAS, Shakopee ISD 720 and Greg & Irene Powers, property owners, and Trident Development, LLC, applicant, have made application proposing the vacation of public drainage & utility easements and a sidewalk & trail easement within the Jackson Elementary School and Countryside subdivisions, located north of 17th Avenue (CSAH 16), east of Marystown Road (CSAH 15) and west of Jackson Elementary School; and

WHEREAS, it has been presented to the Shakopee City Council that public drainage & utility easements within Outlot A, Jackson Elementary School and Outlot E, Countryside, are no longer of public use or interest; and

WHEREAS, the proposed vacation is described as: the drainage & utility easements lying over, under and across Outlot A, Jackson Elementary School, and the drainage & utility and the sidewalk & trail easement lying over, under and across Outlet E, Countryside, as dedicated on said plat and as created in the sidewalk and trail easement per document number #A725323; and

WHEREAS, the Shakopee Planning Commission considered the request at its meeting of December 5, 2019, and unanimously recommended approval to the City Council; and

WHEREAS, a public hearing to consider the action to vacate the public drainage & utility easements and sidewalk & trail easement was held in the Council Chambers of the City Hall in the City of Shakopee at 7:00 P.M. on the 17th day of December, 2019; and

WHEREAS, ten days published notice was provided by publication of the notice in the SHAKOPEE VALLEY NEWS and posted notice was provided by posting such notice on the bulletin board on the main floor of the Scott County Courthouse, the bulletin board at the U.S. Post Office, the bulletin board at the Shakopee Public Library, and the bulletin board in the Shakopee City Hall.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SHAKOPEE, MINNESOTA, that it finds and determines that the vacation of public drainage and utility easements and sidewalk & trail easement as identified above is in the public interest, provided the following conditions are met:

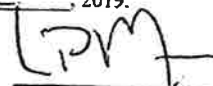
1. The vacation shall be concurrent with new drainage & utility easements being granted with the proposed POWERS FIRST ADDITION per city standards and at the requested size and locations, including a 15 ft. easement consistent with the existing drainage and utility easement adjacent to the north Right-of-Way line of 17th Avenue.

2. An 8 in. water main shall be extended across property and connected to the 8 in. water main on the east property line, the 12 in. water main near the south property line, and the 8 in water main on the west side of Marystown Road (County Road 15). All public watermain located on private property shall be installed in a watermain easement 20 feet minimum in width dedicated to Shakopee Public Utilities Commission.
3. A title search shall be conducted to confirm other interest from utility holders in any existing/underlying easements on the property.
4. Comcast shall be provided an easement over their underground facilities located adjacent to the north Right-of-Way line of 17th Avenue.

After the adoption of the Resolution, the City Clerk shall file certified copies hereof with the County Auditor and County Recorder of Scott County.

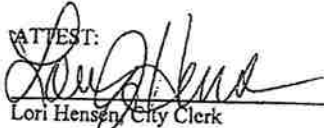
Adopted in the regular session of the City Council of the City of Shakopee,

Minnesota held the 17 day of December, 2019.



Mayor of the City of Shakopee

ATTEST:





Lori Hensen, City Clerk

JACKSON ELEMENTARY SCHOOL				
LOT	BLOCK	PID		
1	1	274170010		
1	2	274170020		
2	2	274170030		
OUTLOTS				
A		274170040		
B (NKA JACKSON ELEMENTARY SCHOOL 2ND ADDN)				
JACKSON ELEMENTARY SCHOOL 2ND ADDN				
LOT	BLOCK	PID		
1	1	274640010		
COUNTRYSIDE				
OUTLOT				
A		273904380		



po box 470 • 255 sarazin :
shakopee, mn 5
main # 952.445-1988 • fax # 952.445
www.shakopeeutilities.com

8c

TO: John R. Crooks, Utility Manager 
FROM: Lon R. Schemel, Water Superintendent 
SUBJECT: Nitrogen Fertilizer Use Restrictions
DATE: August 13, 2020

On January 24, 2020, the water utility had a meeting with the Minnesota Department of Health to discuss the nitrate article that appeared in the Star Tribune. The result of that meeting was for the utility to continue its enhanced monitoring program to generate data for the state.

The state requires 36 source water samples per year but the utility takes an additional 175 samples for a more in-depth nitrate profile. All of these results are presented to the Commission quarterly. I have attached the memo that went to the Commission covering the background of the article. The Minnesota Department of Health thanked us for our efforts.

Crooks, John

From: Schemel, Lon
Sent: Tuesday, August 11, 2020 1:58 PM
To: Crooks, John
Subject: Nitrate Initiative
Attachments: Star Trib Response to Nitrate Article.docx

On January 24, 2020, the water utility had a meeting with the Minnesota Department of Health to discuss the nitrate article that appeared in the Star Tribune. The result of that meeting was for the utility to continue it's enhance monitoring program to generate data for the state. The state requires 36 source water samples per year but the utility takes an additional 175 samples for a more in-depth nitrate profile. All of these results are presented to the Commission quarterly. I have attached the memo that went to the Commission covering the background of the article. The Minnesota Department of Health thanked us for our efforts.

Lon R. Schemel

Water Superintendent, SPU

A 255 Sarazin St, Shakopee, MN 55379

P (952) 233-1504

E lschemel@shakopeeutilities.com

W <https://spucweb.com>

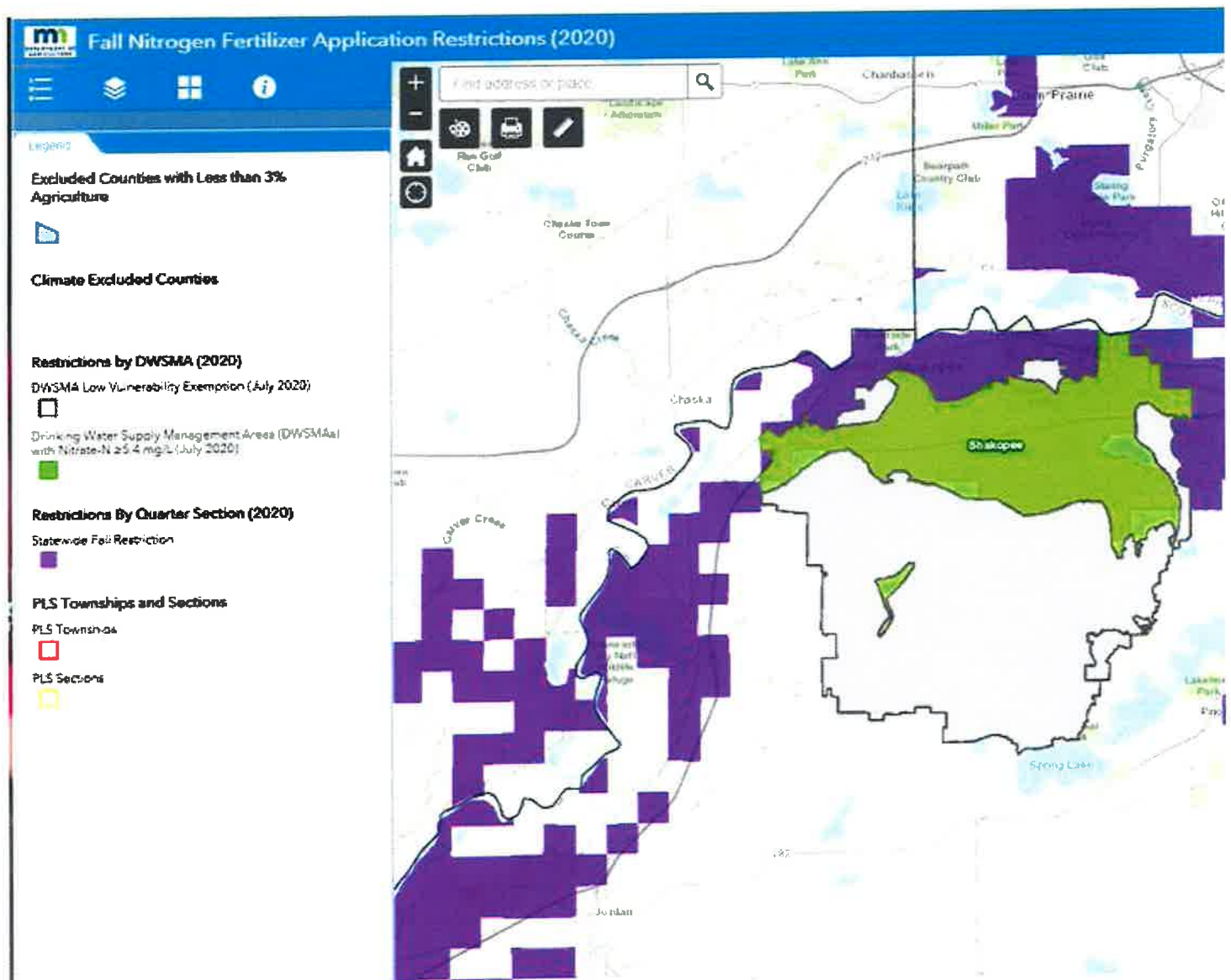


Crooks, John

From: Steve Lillehaug <SLillehaug@shakopeemn.gov>
Sent: Monday, August 10, 2020 1:16 PM
To: Crooks, John; Adams, Joe
Subject: Nitrogen Fertilizer Use Restrictions Begin in September
Attachments: Groundwater Protection Rule Part 1 2.28.20b.pdf; Groundwater Protection Rule Part 2. 2.28.20b.pdf

Hello John and Joe,

Below and attached are general info pertaining to Nitrogen fertilizer use restrictions per the state. Please update me with SPUC's initiatives pertaining to this and any assistance needed on the city's end (e.g. ordinance update, development review, etc.). I want to ensure all is in order as this is important with the existing levels of Nitrates in the city's drinking water. Thank you.





Steve Lillehaug, PE, PTOE

Public Works Director/City Engineer, City of Shakopee

952-233-9361 | slillehaug@ShakopeeMN.gov | www.ShakopeeMN.gov

From: Hirman, Travis (MDA) <Travis.Hirman@state.mn.us>

Sent: Friday, August 7, 2020 2:14 PM

To: Hirman, Travis (MDA) <Travis.Hirman@state.mn.us>

Subject: Nitrogen Fertilizer Use Restrictions Begin in September

This is a follow-up to the phone conversation or message I left discussing the nitrogen fertilizer use restrictions that begin in September. Please see the news release below that includes links for additional information. Learn where the restrictions apply, the exceptions to the rule, and view a prerecorded video or [live webinar coming up on August 12](#). Please share this message with any of your staff or local contacts whom you think should also receive this notice. Thanks in advance for any assistance you can provide sharing this notification.

New Release:

<https://www.mda.state.mn.us/nitrogen-fertilizer-restrictions-begin-september-1>

Link to fall restriction map:

<https://www.mda.state.mn.us/chemicals/fertilizers/nutrient-mgmt/nitrogenplan/mitigation/wrpr/wrprpart1/vulnerableareamap>

Regards,

Travis Hirman

Soil Scientist

Pesticide & Fertilizer Management Division

625 Robert St N

St. Paul, MN 55155

O: (651) 201-6566

C: (612) 201-4194



PART 1 OF THE GROUNDWATER PROTECTION RULE



Minnesota's Groundwater Protection Rule went into effect on June 24, 2019. The purpose of the rule is to minimize potential nitrogen fertilizer sources of nitrate pollution to the state's groundwater and protect our drinking water. The rule contains two parts. Each part contains separate criteria and requirements. Depending on where you farm you may be subject to one part of the rule, both parts, or none at all.

Part 1 of the Groundwater Protection Rule restricts the application of nitrogen fertilizer in the fall and on frozen soils. If you farm in 1) an area with vulnerable groundwater or 2) the protected area around a public well with high nitrate you cannot apply nitrogen fertilizer in the fall or on frozen soils. Part 2 of the rule responds to public water supply wells with elevated nitrate.

This factsheet provides a summary of Part 1 of the rule. It does not present the Groundwater Protection Rule in its entirety and should not be viewed as comprehensive. A complete copy of the Groundwater Protection Rule is available at: www.mda.state.mn.us/nfr.

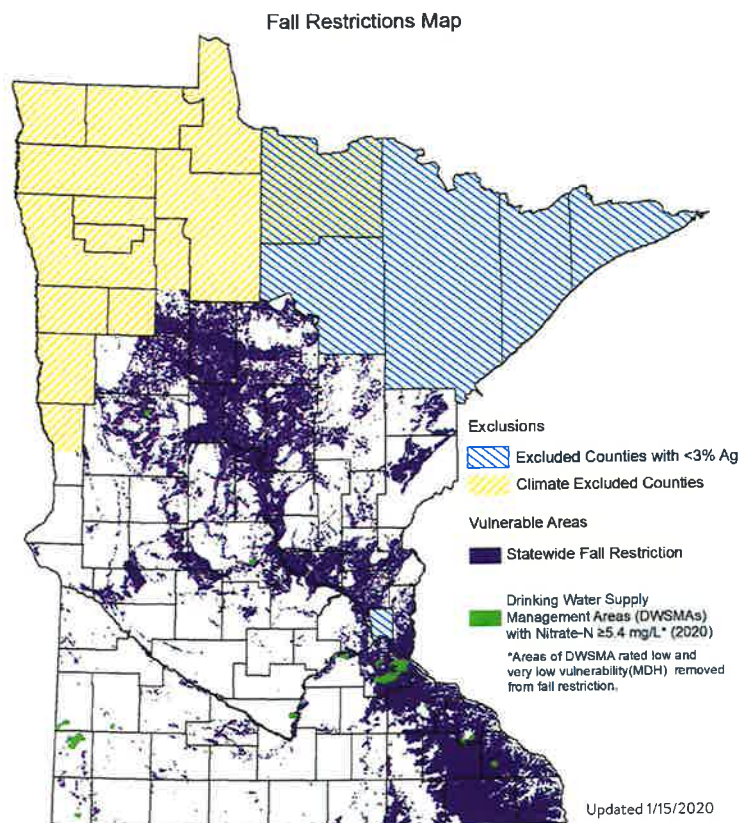
Part 1: Nitrogen fertilizer application restriction in the fall and on frozen soil

Vulnerable Groundwater Area

The nitrogen fertilizer restriction applies to vulnerable groundwater areas. In these areas, nitrate can move easily through soil and into groundwater, contaminating drinking water sources. They are determined by coarse textured soils, shallow bedrock, or karst geology and are designated by quarter sections. An entire quarter section is included if 50% or more of a quarter-section is considered vulnerable. Determinations are made using the United States Department of Agriculture's Natural Resources Conservation Service soil maps and the Department of Natural Resources karst geology maps.

Drinking Water Supply Management Areas

The restriction also applies to drinking water supply management areas (DWSMAs) of public water supply wells with nitrate-nitrogen concentrations at or in excess of 5.4 mg/L. A DWSMA is the surface and subsurface area surrounding a public water supply, including the wellhead protection area. The DWSMA boundaries are based on highways, section lines or other well-known features.



View the interactive map at:
www.mda.state.mn.us/vulnerableareamap

Some portions of the DWSMAs have low and very low vulnerability, those areas are not subject to the fall restriction.

Notification of areas subject to fall application restrictions under Part 1 of the rule will be made each year and a map will be posted by January 15. Restrictions will begin September 2020.

Exclusions

Certain counties of the State are excluded from the fall nitrogen fertilizer application restriction depending on the area's planting season and the amount of cropland. These exclusions do not apply to drinking water supply management areas with nitrate-nitrogen levels greater than or equal to 5.4 mg/L.

Exclusion: Climate excluded counties

Counties with low nitrate leaching potential based on precipitation and evapotranspiration rates and a short planting season are excluded from the fall nitrogen fertilizer restriction if 50% or more of the land area in the county meets the criteria. These counties are primarily located in northwest Minnesota. Farmers are still restricted from applying nitrogen fertilizer to frozen soils.

Exclusion: Less than 3% of land used for cropland

Counties are excluded from the fall nitrogen fertilizer restriction if less than 3% of the land is used for cropland. These counties are primarily located in northeast Minnesota and include Ramsey County.



Minnesota Ag Water Quality Certification Program

An operation that is certified through the Minnesota Agricultural Water Quality Certification Program is deemed to be in compliance with the Groundwater Protection Rule for the duration of the ag producer's water quality certification.

Exceptions

There are several exceptions to the fall application restriction of nitrogen fertilizer that can be applied to all regions of the state.

Exception: Crop specific

Fall application of nitrogen fertilizer will be allowed if the University of Minnesota recommended nitrogen rates and best management practices are used:

- to establish winter grains planted in the fall;
- for fall pasture fertilization;
- for perennial crops;
- for grass seed production;
- for cultivated wild rice; or
- for growing fall cover crops within a potato rotation to reduce applications of soil fumigants to future potato crops.

View the University of Minnesota nitrogen rates at: extension.umn.edu/nutrient-management/nitrogen

Exception: Other

Listed below are additional exceptions to the fall nitrogen fertilizer restriction. Fall nitrogen fertilizer is allowed in the following situations.

- Ammoniated polyphosphate (MAP and DAP) or micronutrient formulations containing nitrogen can be applied as long as the average applied rate does not exceed 40 pounds of nitrogen per acre in a field.
- Fields with low or very low phosphorus soil test levels are exempt from the 40 pounds per acre total nitrogen rate restriction.
- Fall nitrogen fertilizer applications will be allowed for agricultural research and demonstrations for academic purposes, provided the area is limited to 20 acres or less, unless a higher amount is approved by the Commissioner of Agriculture.
- When land applying Minnesota Department of Agriculture (MDA) approved agricultural chemical contaminated media.

PART 2 OF THE GROUNDWATER PROTECTION RULE



Minnesota's Groundwater Protection Rule went into effect on June 24, 2019. The purpose of the rule is to minimize potential nitrogen fertilizer sources of nitrate pollution to the state's groundwater and protect our drinking water. The rule contains two parts. Each part contains separate criteria and requirements. Depending on where you farm you may be subject to one part of the rule, both parts, or none at all.

Part 1 of the Groundwater Protection Rule restricts the application of nitrogen fertilizer in the fall and on frozen soils. If you farm in 1) an area with vulnerable groundwater or 2) the protected area around a public well with high nitrate you cannot apply nitrogen fertilizer in the fall or on frozen soils. Part 2 of the rule responds to public water supply wells with elevated nitrate.

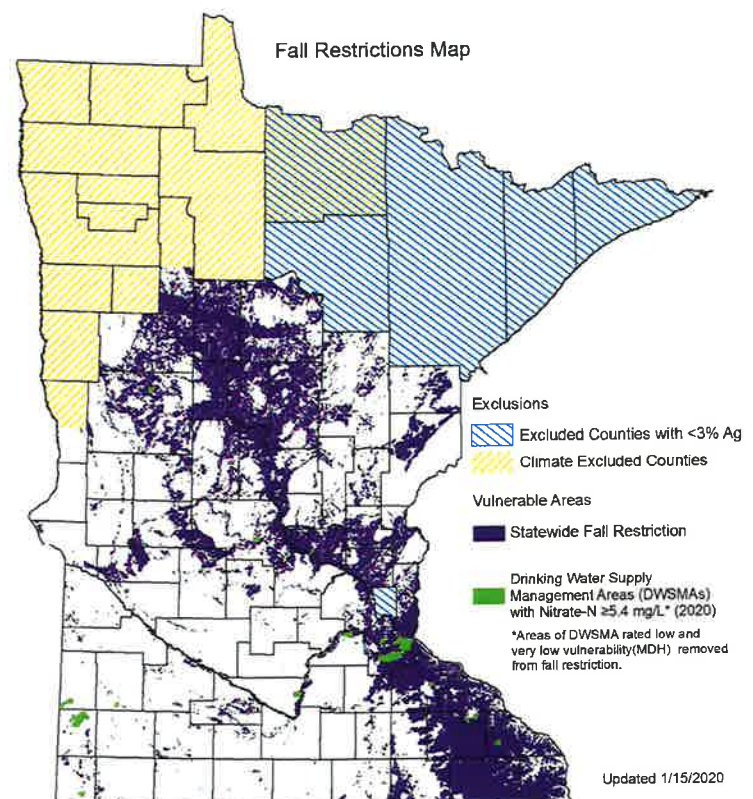
This factsheet provides a summary of Part 2 of the rule. It does not present the Groundwater Protection Rule in its entirety and should not be viewed as comprehensive. A complete copy of the Groundwater Protection Rule is available at: www.mda.state.mn.us/nfr.

Why is nitrogen fertilizer a concern?

Nitrate is one of the most common contaminants in Minnesota's groundwater. The majority of Minnesota households have access to safe drinking water supplies. However, in areas vulnerable to groundwater contamination, some public and private wells have nitrate levels that exceed the health risk limit for nitrate. While elevated levels of nitrate in groundwater can result from several factors, a major contributor in rural Minnesota is nitrogen fertilizer that leaches past the crop root zone.

Nitrogen Fertilizer Management Plan

Much of the rule is based on a process for addressing areas with high nitrate from the state's Nitrogen Fertilizer Management Plan (NFMP). The MDA uses the NFMP as the primary blueprint for preventing and minimizing impacts of nitrogen fertilizer on groundwater. The NFMP promotes the nitrogen fertilizer best management practices (BMPs) developed by the University of Minnesota and was developed using a multi-stakeholder advisory committee and a public review process. It emphasizes involving local farmers and agronomists in problem-solving for local groundwater concerns when nitrate from fertilizer is a key contributor. Authority for the NFMP and rule comes from the Groundwater Protection Act, Minnesota Statute 103H.



Drinking Water Supply Management Area (DWSMA): the surface and subsurface area surrounding a public water supply well, including the wellhead protection area. The DWSMA boundaries are marked by highways, section lines and other well-known features.

Part 2 – Mitigation efforts in Drinking Water Supply Management Areas (DWSMAs) with elevated levels of nitrate

The rule focuses mitigation efforts on protecting public water supply wells before they exceed the drinking water standard.

This part of the rule is a combination of voluntary and regulatory efforts and is designed to work with local farmers and their agronomists to find solutions that are tailored to their specific situation. There are four mitigation levels in Part 2 of the rule. Levels 1 and 2 are voluntary and Levels 3 and 4 are regulatory. Under Levels 2, 3, and 4 the Commissioner of Agriculture will work with local advisory teams to consider the appropriate recommended and required practices for the respective levels.

Mitigation Level Determinations

The MDA determines the mitigation levels for the DWSMAs of community supply wells based on monitoring data provided by the Minnesota Department of Health. All areas identified with elevated nitrate begin in a voluntary Mitigation Level (Level 1 or 2), unless the MDA determines there is a point source causing the well to exceed these levels or the MDA delays the determination of a mitigation level decision for good cause. A delay for good cause would allow MDA to collect additional information such as to evaluate a potential point source that may be a significant source of nitrate in the public well.

The process for determining the mitigation level includes conducting a review of the quality of the monitoring data, the condition and vulnerability of the well, the hydrogeology and groundwater flow paths for groundwater flowing into the well, and potential point sources such as an agricultural chemical facility, septic system(s), feedlot(s) or a poorly constructed well that may be contributing significantly to nitrate levels in the well.

View the current list of determinations at:

www.mda.state.mn.us/mitigation-level-determination

View the interactive map at:

www.state.mn.us/vulnerableareamap

Level One

Community public water supply wells (and their DWSMAs) with monitoring results of 5.4 to less than 8 mg/L nitrate-nitrogen fall under Level 1. At this mitigation level the MDA will encourage the voluntary adoption of the University of Minnesota nitrogen fertilizer BMPs and other practices which can reduce nitrate levels in groundwater such as precision agriculture, perennial crops, forages, cover crops, nitrification inhibitors, new hybrids, or taking

targeted land out of production. These other practices are collectively referred to as alternative management tools or AMTs. Approved AMTs may substitute for nitrogen fertilizer BMPs.

DWSMAs at mitigation Level 1 are subject to Part 1 of the rule but are not subject to Part 2 of the rule.

Level Two

Community public water supply wells (and their DWSMAs) with monitoring results at or exceeding 8.0 mg/L nitrate-at any point during the previous 10 years, or projected to exceed the drinking water standard of 10 mg/L nitrate-nitrogen in the next ten years, will be included in Level 2.

For DWSMAs at Level 2, the MDA will work with local farmers to adopt practices that can reduce nitrate levels in groundwater. A local advisory team will be formed to include local farmers, agronomists, and others to help recommend the BMPs and AMTs that should be used. In addition, a local groundwater monitoring well network may be developed. The MDA will promote the implementation of appropriate nitrogen fertilizer BMPs and AMTs. To help facilitate AMT implementation, the MDA has worked with other agencies to make DWSMAs with elevated nitrate among the highest priority areas for state and federal funding.

The MDA will conduct surveys to assess the adoption rates of BMPs and other practices and use computer modeling to estimate the change in nitrate losses over a DWSMA. The modeling will consider the soils, crops, agricultural practices and precipitation in the DWSMA and help local farmers estimate whether changes in practices will improve water quality.

Level Three

Level 3 is the first regulatory level. A Level 2 site will progress to Level 3 if one of the following occurs: after not less than 3 growing seasons or the estimated lag time, whichever is longer, the recommended BMPs are not adopted on 80% of the cropland acres (excluding soybean acres); or the nitrate concentrations in groundwater continue to increase; or, after not less than three growing seasons the residual soil nitrate below the root zone increases. The estimated lag time is the time it takes for changes in practices to have an effect on groundwater quality or on the public well with elevated nitrate. This time may vary significantly based on the local soils, hydrogeology and actual precipitation. Computer

modeling and groundwater age estimates can be used to determine the estimated lag time. Residual soil nitrate testing below the root zone is a more difficult process of testing nitrate levels in soil. It is used to determine if nitrate is increasing or decreasing over time and may be used in locations with very long lag times.

The Commissioner of Agriculture – in consultation with a local advisory team – would then require landowners to implement actions such as BMPs, soil testing, record keeping, and educational programs. The Commissioner may delay moving to a regulatory level if computer modeling indicates that the adopted practices are going to be effective in reducing nitrate levels below 8 mg/L.

Level Four

Level 4 is the second regulatory level. If nitrate-nitrogen in the public water supply well exceeded 9 mg/L for any three samples in the previous 10 years; or after three years

the residual soil nitrate below the root zone increases; or after three years or the estimated lag time, whichever is longer, the nitrate levels continue to increase, then the DWSMA would be given a Level 4 designation. The Commissioner of Agriculture – in consultation with a local advisory team – could require landowners to implement additional practices beyond best management practices. These practices would be determined on a site-specific basis following guidance outlined in MN Statutes Chapter 103H.275 Subd. 2(a). However, they shall not include restrictions on the primary crop or require fertilizer rates below the low end of the University of Minnesota recommended fertilizer rate range.

DWSMAs will be monitored and will move up or down a mitigation level according to changes in water quality. DWSMAs may only move up one mitigation level at a time. For example, a DWSMA will never go from Level 1 to Level 3 in a single cycle.




Minnesota Ag Water Quality Certification Program

An operation that is certified through the Minnesota Agricultural Water Quality Certification Program is deemed to be in compliance with the Groundwater Protection Rule for the duration of the ag producer's water quality certification.

SHAKOPEE PUBLIC UTILITIES
MEMORANDUM

TO: John R. Crooks, Utilities Manager

FROM: Lon R. Schemel, Water Superintendent 

SUBJECT: **Star Tribune Nitrate Article**

DATE: January 16, 2020

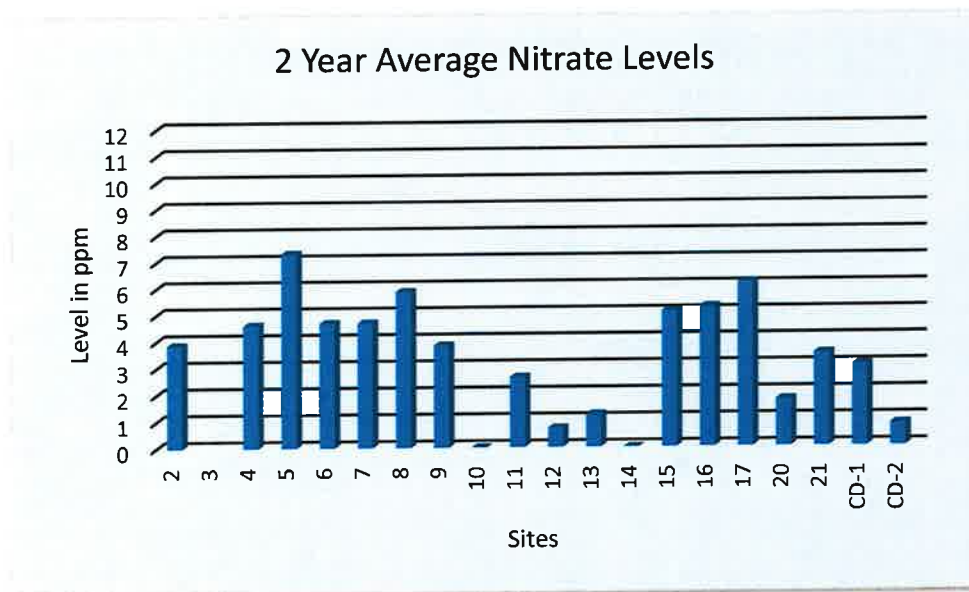
On January 14, 2020, the Star Tribune published an article about nitrate-tainted drinking water in Minnesota. There was a map on page B5 showing areas that are affected by the Groundwater Protection Rule which places limits on agriculture's use of fertilizer in these areas. The map does not address nitrate compliance with the Safe Drinking Water Act. That compliance comes from the Minnesota Department of Health and not the Department of Agriculture. Shakopee is shown as an area that will not be allowed to apply fertilizer in the fall. This comes from a conversation that I had with Larry Gunderson in the Pesticide & Fertilizer Management office in the Department of Agriculture.

As for the Environmental Working Groups claim that the standard should be lowered, Tannie Eshenaur, the Planning Director in Drinking Water Protection for the Minnesota Department of Health states, "No, I don't see any indications that the standard will change in the near future. We use EPA's maximum contaminant levels (MCL) as our regulatory standard here in Minnesota (as you know). There are no hints that EPA will be revising the nitrate MCL as far as I know. We do have Minnesota values that can be used to guide actions above and beyond the regulatory limits. But, as I mentioned in the interview (with KMSP), while our health risk assessment staff are reviewing the scientific studies, there is not enough support for a revised value at this time." I put the same question to Karla Peterson, Community Water Systems Supervisor with the Minnesota Department of Health. Her response is, "The health risks described by the EWG don't concur

with risks confirmed by scientists at MDH. Our scientists recently re-reviewed the health guidance for nitrate using more current research, and it stays at 10ppm (same as the enforceable SDWA MCL of 10ppm). I don't anticipate MDH guidance to change, as nitrate is one of the more studied contaminants of concern when it comes to health risks, and each time there is a formal review, MDH has not seen the need to revise the guidance. I would also be very surprised if EPA would revise the SDWA MCL in the near future, if at all."

Shakopee Public Utilities has always worked very closely with our regulators to ensure a safe drinking water supply. Should anything become necessary for the treatment of nitrates or any other contaminant, the utility maintains monies in its capital improvement program to remediate the problem.

Nitrate results are presented to the Commission on a quarterly basis for their review. The results show the values for the previous 2 years along with a trend showing the sample values. The following graph was presented to the Commission at the April 15, 2019, public meeting.



One in eight Minnesotans drink nitrate-tainted tap water, report says

★ startribune.com/one-in-eight-minnesotans-drink-nitrate-tainted-water/566960262

Jennifer Bjorhus

Brian Peterson – Star Tribune

Years of unchecked pollution from farm chemicals have brought Minnesota "to the brink of a public health crisis," according to a new report. Above, University of Minnesota students checked the growth of Kernza grass at a field at the U's St. Paul campus.

When the aging nitrate-removal plant in Clear Lake, Minn., started failing, the city took its problem well offline and decided it had to dig a new one. That's an expensive undertaking for a town of 610 people described by public works director Dustin Luhning as a "bedroom community with a lot of farms."

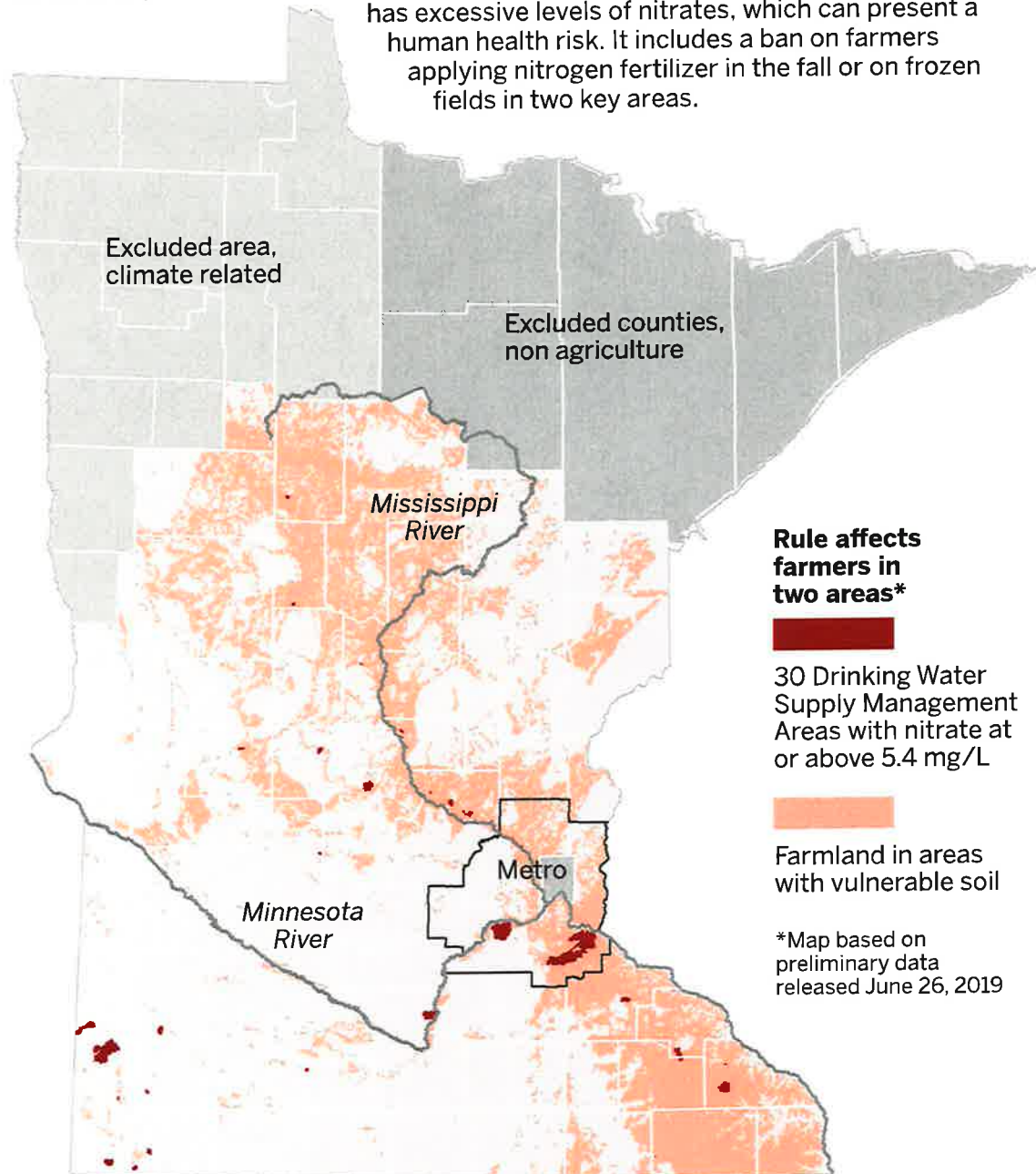
Now, with a \$1.3 million loan from the state, Clear Lake has finally broken ground on a well it hopes will rid them for good of the farm chemicals — a triumph for Luhning.

"I've been trying to get this drilled since roughly 2013," he said.

Clear Lake is one of at least 10 Minnesota communities forced to install costly nitrate-removal systems or drill new wells to find clean water in the state's ongoing battle with growing nitrate pollution. Many more now face undertaking the burdensome projects.

Protecting drinking water

Minnesota's Groundwater Protection Rule places limits on farmers' use of nitrogen fertilizer in parts of the state with vulnerable soil or where municipal drinking water has excessive levels of nitrates, which can present a human health risk. It includes a ban on farmers applying nitrogen fertilizer in the fall or on frozen fields in two key areas.



Source: Minnesota Department of Agriculture RAY GRUMNEY • Star Tribune

A report released Tuesday morning by a national environmental group says that one in eight Minnesotans are drinking nitrate-tainted tap water.

Years of unchecked pollution from farm chemicals have brought Minnesota "to the brink of a public health crisis," according to the Environmental Working Group, which based its findings on public records from the state Department of Health and Department of Agriculture.

"We should be moving faster to prevent it from entering crisis mode," said Sarah Porter, a senior mapping analyst in the organization's Minneapolis office and co-author of the study.

The group's one-in-eight count includes wells where at least one test in recent years detected nitrate above 3 milligrams per liter, the level at which the state Department of Health deems nitrate concentrations to be from a human source. The state and federal health limit for nitrate is 10 milligrams per liter, or 10 parts per million.

One of the most surprising findings, the authors said, is the extent of contamination in private wells across the state.

The analysis found that more than 3,000 Minnesota households drink from private wells with concentrations of nitrate at or above 10 milligrams per liter.

But only a fraction of the estimated 200,000 private wells around the state have been tested, said Anne Weir Schechinger, a senior economic analyst in the Environmental Working Group's Minneapolis office who co-authored the report.

"I think we would all be surprised how much nitrate is in these wells if we actually tested them," she said.

Drinking water high in nitrate has been linked to different types of cancer, elevated heart rates and a potentially fatal condition known as blue baby syndrome in which infants are deprived of oxygen. Most of the nitrate contamination comes from nitrogen fertilizer applied to row crops, as well as manure spread as fertilizer.

The Environmental Working Group analyzed five sets of state and federal data to create interactive maps so the public can easily find the drinking water information in one place.

The analysis focuses on groundwater and includes public water systems, community systems such as those serving a mobile home park, and private wells.

A separate study will examine nitrate concentrations in surface waters such as lakes and streams.

The group also said it wants to see the state's legal nitrate limit reduced because of new research linking even the lower levels of the contaminant to increased risk of colorectal cancer, for example.

The analysis comes as Minnesota begins formal enforcement of the Groundwater Protection Rule, a landmark provision aimed at curbing the use of nitrogen fertilizer in certain strategic areas.

On Wednesday, the state Department of Agriculture will post on its website official maps of the land subject to the state rule.

They will show growers exactly who is affected, although earlier maps gave many farmers a good idea.

Years in the making, the new rule prohibits applying commercial nitrogen fertilizer in the fall or on frozen fields in parts of the state with soil vulnerable to leaching chemicals, such as karst or sand, and in drinking water supply management areas that already have elevated nitrate levels.

The rule also establishes an enforcement program, albeit one that relies heavily on encouraging farmers to adopt greener practices.

Warren Formo, executive director of the nonprofit Minnesota Agricultural Water Resource Center, whose members include about two dozen major agriculture groups, said farmers support the new nitrogen fertilizer restrictions. He said he's optimistic the changes will have an impact on water.

"We know that farmers are taking it very seriously," he said. "The discussion about the rule has really generated a lot of conversation between farmers. Farmers are receptive."

Conservation groups and some agricultural experts have criticized the rule as too narrow. It doesn't address manure or contamination of private wells, and ultimately only covers only about 13% of the state's total cropland.

It also focuses only on when commercial fertilizer is applied and not how much is applied.



That's a big miss, retired University of Minnesota soils scientist Gyles Randall said when the final rule was first announced, because surveys show Minnesota farmers use too much commercial nitrogen.

The Environmental Working Group cited a 2014 survey by the state Department of Agriculture showing that 61% of fields across the state were getting more nitrogen fertilizer than the amount recommended by the U, and 71% of fields were getting more manure nitrogen than recommended.

Still, the advocacy group praised the rule as a strong first step, and said other states are watching to see how it's implemented.

"The Groundwater Protection Rule has its issues, but it's still a first in-the-nation rule," Weir Schechinger said.

**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: John Crooks, Utilities Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: Water Projects - 2020
DATE: August 12, 2020

ISSUE

Attached are the updated quarterly list and map of current water projects.

BACKGROUND

Staff has combined the SPU 2020 Capital Projects and City, County and Developer Projects that impact the water utility into one comprehensive list and mapped them for review and discussion purposes. Projects are placed onto the list and map when they have been officially announced, either by an application being filed with the city or by being included in either the city, county or utility's capital improvement plan.

DISCUSSION

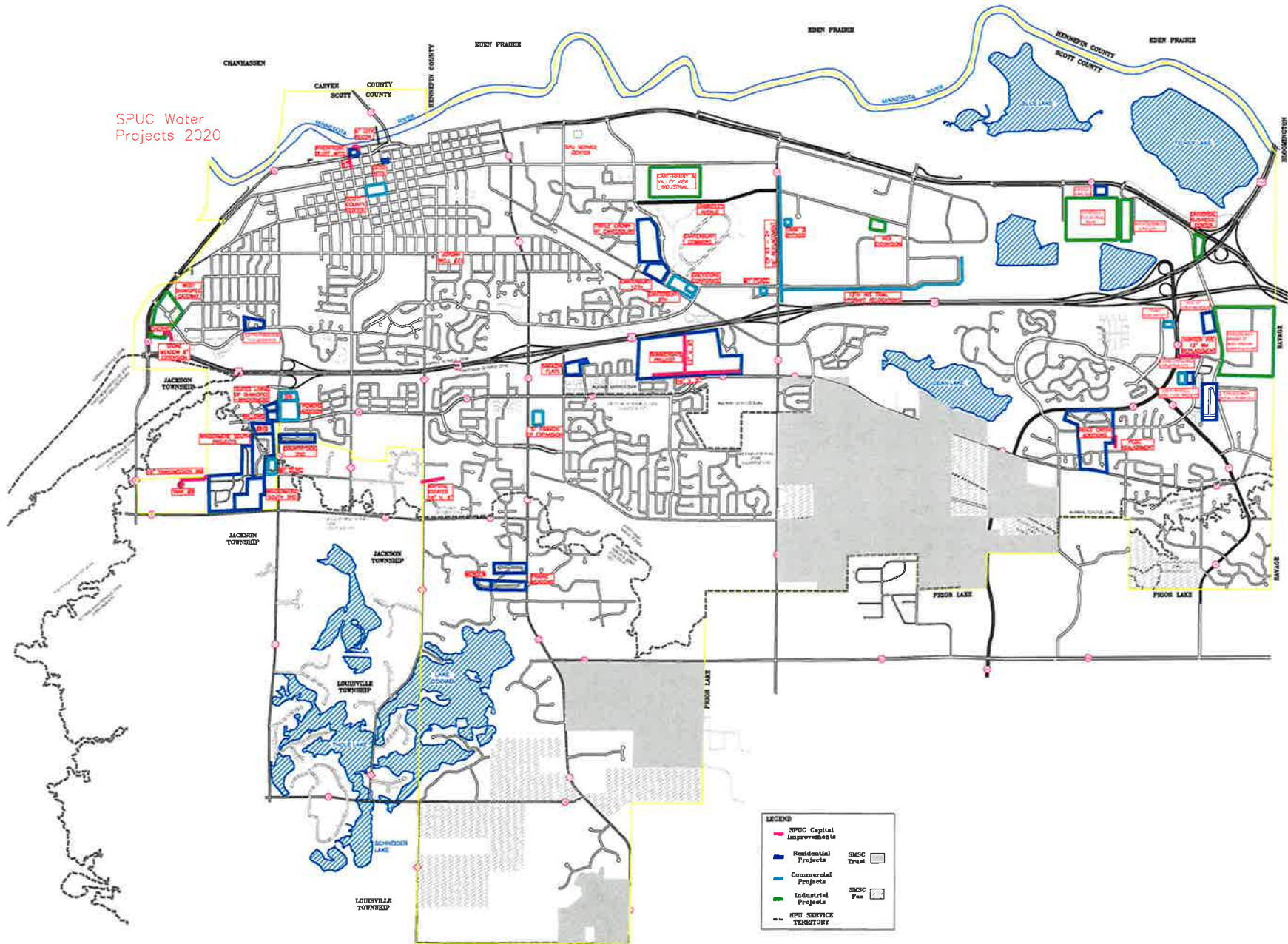
Staff is prepared to discuss the status of each of these projects and answer questions the Commission may have.

REQUESTED ACTION



No action by the Commission is necessary at this time.

	Development	Address/Location	Type	Development Timing	Development Status	Projected Water demand (Equiv. SAC Units)	Residential Units Left to Build/Rent	Public Water Improvements
1	Countryside 2nd Addition	Lusitano/Pena	Single-Family	2018-Ongoing	Completed	31	20	Watermain
2	Menden Addition	Jennifer Lane	Single-Family	2017-Ongoing	Completed	12	5	Watermain
3	MT Olive Church Addition	Windermere Way	Single-Family	2019-2020	Completed	3	2	Watermain
4	Prairie Meadows - 1st	Jennifer Lane	Single-Family	2017-Ongoing	Completed	26	12	Watermain
5	Prairie Meadows - 2nd	Jennifer Lane	Single-Family	2019-Ongoing	Completed	24	14	Watermain
6	Ridge Creek 1st Addition	Oakridge Trail	Single-Family	2017-2020	Completed	44	9	Watermain
7	Ridge Creek 2nd Addition	Crossings BLVD	Single-Family	2019-2020	Completed	29	9	Watermain
8	Ridge Creek 3rd Addition	Crossings BLVD	Single-Family	2019-2022	Completed	31	29	Watermain
9	South Parkview 5th Addition	Vierling west of Adams St	Single-Family	2012-Ongoing	Completed	21	4	Watermain
10	Southbridge @ Stagecoach	Stagecoach/Riverside	Single-Family	2018-Ongoing	Completed	59	37	Watermain
11	Windermere	17th Ave and CR 15	Single & Multi-Family	2018-2019	Completed	64	0	Watermain
12	Windermere 2nd Addition	17th Ave and CR 15	Single-Family	2017-2018	Completed	27	0	Watermain
13	Windermere South 1st	Windermere Way	Single-Family	2018-Ongoing	Completed	31	3	Watermain
14	Windermere South 2nd	128th St & CR 15	Single-Family	2019-2020	Completed	125	105	Watermain
15	Sarazin Flats I	1575 Sarazin Street	Multi-Family	2019	Completed	60	0	Watermain
16	Sarazin Flats II	1595 Sarazin Street	Multi-Family	2020	Completed	51	41	Watermain
17	SB Crossings Apartments - 1st BLDG	1341 Crossings BLVD	Multi-Family	2018-2021	Completed	102	60	Watermain
18	Summergate (Church Addition)	CR 16 & CR 83	Multi-Family	2017-2019	Completed	13	0	Watermain
19	West Vierling Acres	1601 Harvest Lane	Multi-Family	2018-Ongoing	Completed	136	50	Watermain
20	2800 4th Ave Storage	2800 4th Ave E	Commercial	2018-2019	Completed	6		Service Line Only
21	Doggie Doo's	2555 Vierling Drive W	Commercial	2019	Completed	8		Service Line Only
22	My Place Hotel	3912 12th Ave E	Commercial	2019	Completed	34		Service Line Only
23	Northstar Treatment Center - BLDG 1	1250 Lincoln St	Commercial	2019	Completed	6		Service Line Only
24	SB Crossings Apartments - Clubhouse	1331 Crossings BLVD	Commercial	2018	Completed	1		Watermain
25	Triple Crown - Clubhouse	840 Shenandoah Drive	Commercial	2019	Completed	1		Service Line Only
26	Canterbury Business Park North	3200 4th Ave E	Industrial	2020	Completed	43		Watermain
27	Microsource/Gavilon	7632 County Road 101 E	Industrial	2020	Completed	2		NA
28	Universal Business Center	961 Stagecoach Rd	Industrial	2019	Completed	10		Watermain
29	Valley View Business Park 3rd - Phase 1	2700 4th Ave E	Industrial	2019	Completed	30		Watermain
30	Valley View Business Park 3rd - Phase 2	2650 4th Ave E	Industrial	2019	Completed	18		Watermain
31	The Deco Apartments	129 Holmes ST	Mixed Use	2021	Construction	92	89	Service Line Only
32	The Willows Apartments	1655 Willow Cir	Multi-Family	2020-Ongoing	Construction	48	60	Service Line Only
33	Triple Crown - 1st Phase	830 Shenandoah Drive	Multi-Family	2020-Ongoing	Construction	323	321	Service Line Only
34	Triple Crown - 2nd Phase	850 Shenandoah Drive	Multi-Family	2021	Construction	307	305	Service Line Only
35	BHS - Senior Living	1705 Windermere Way	Commercial	2020	Construction	118		Watermain
36	Scott County Government Center 2	200 4th Ave W	Government	2021	Construction	42		Service Line Only
37	KEB America - Expansion	5100 Valley Ind BLVD S	Industrial	2020	Construction	18		Service Line Only
38	Summerland Place Addition	17th Ave/Phillip Dr	Single & Multi-Family	2020-2023	Design	288	288	Watermain
39	Canterbury Park 12th Addition - Town Homes	Shenandoah Drive	Multi-Family	2021	Design	160	160	Watermain
40	SB Crossings Apartments - 2nd BLDG	1341 Crossings BLVD	Multi-Family	2021	Design	140	140	Watermain
41	Summerland Place Addition - Apartments	17th Ave	Multi-Family	2023	Design	300	300	Watermain
42	Trident Apartments - Powers 2nd Addition	Lusitano Street/Marystown R	Multi-Family	2021	Design	140	140	Watermain
43	River Bluff Apartments	Levee & Scott	Mixed Use	2021	Design	200	170	Watermain
44	Canterbury Park Ninth Addition	Shenandoah/Vierling	Commercial	2020-2022	Design	200		Watermain
45	Canterbury Park 12th Addition - Senior Housing	Shenandoah Drive	Commercial	2021	Design	100		Watermain
46	Texas Roadhouse	8170 Old Carriage CT N	Commercial	2020	Design	25		Service Line Only
47	VA Clinic - Powers Addition	12312 Marystown Rd	Commercial	2021	Design	6		Watermain
48	St Francis - ER Expansion	1455 St Francis Ave	Commercial	2020	Design	4		NA
49	Medical Office - Powers 2nd Addition	Lusitano Street/Marystown R	Commercial	2021	Design	20		Watermain
50	Cherne - Vierling Industrial	2300 Vierling Dr W	Industrial	2021	Design	37		Watermain
51	Opus Spec - Vierling Industrial	2400 Vierling Dr W	Industrial	2021	Design	12		Watermain
52	Suites of Shakopee - Windermere	Windermere Way	Multi-Family	2021-2022	Design	18		Service Line Only
53	Cargo Van-Go	7380 CR 101 E	Commercial	2020	Design	2		Service Line Only
54	Core Crossings Apartments	Southbridge Crossings East	Multi-Family	2021-2022	Design	62		Service Line Only
55	Greystone Corporate Office	Canterbury Ninth	Commercial	2021	Design	10		Service Line Only
56	Hansen Ave/Maras St Improvements	Hansen and Maras	Industrial	2021	Design			Watermain
57	Hentges Industrial Park	70th and Cretex	Industrial	2021-2022	Design			Watermain

SPUC Water
Projects 2020



**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: John Crooks, Utilities Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: Electric Projects - 2020
DATE: August 12, 2020

ISSUE

Attached are the updated quarterly list and map of current electric projects.

BACKGROUND

Staff has combined the SPU 2020 Capital Projects and City, County and Developer Projects that impact the electric utility into one comprehensive list and mapped them for review and discussion purposes. Projects are placed onto the list and map when they have been officially announced, either by an application being filed with the city or by being included in either the city, county or utility's capital improvement plan.

DISCUSSION

Staff is prepared to discuss the status of each of these projects and answer questions the Commission may have.

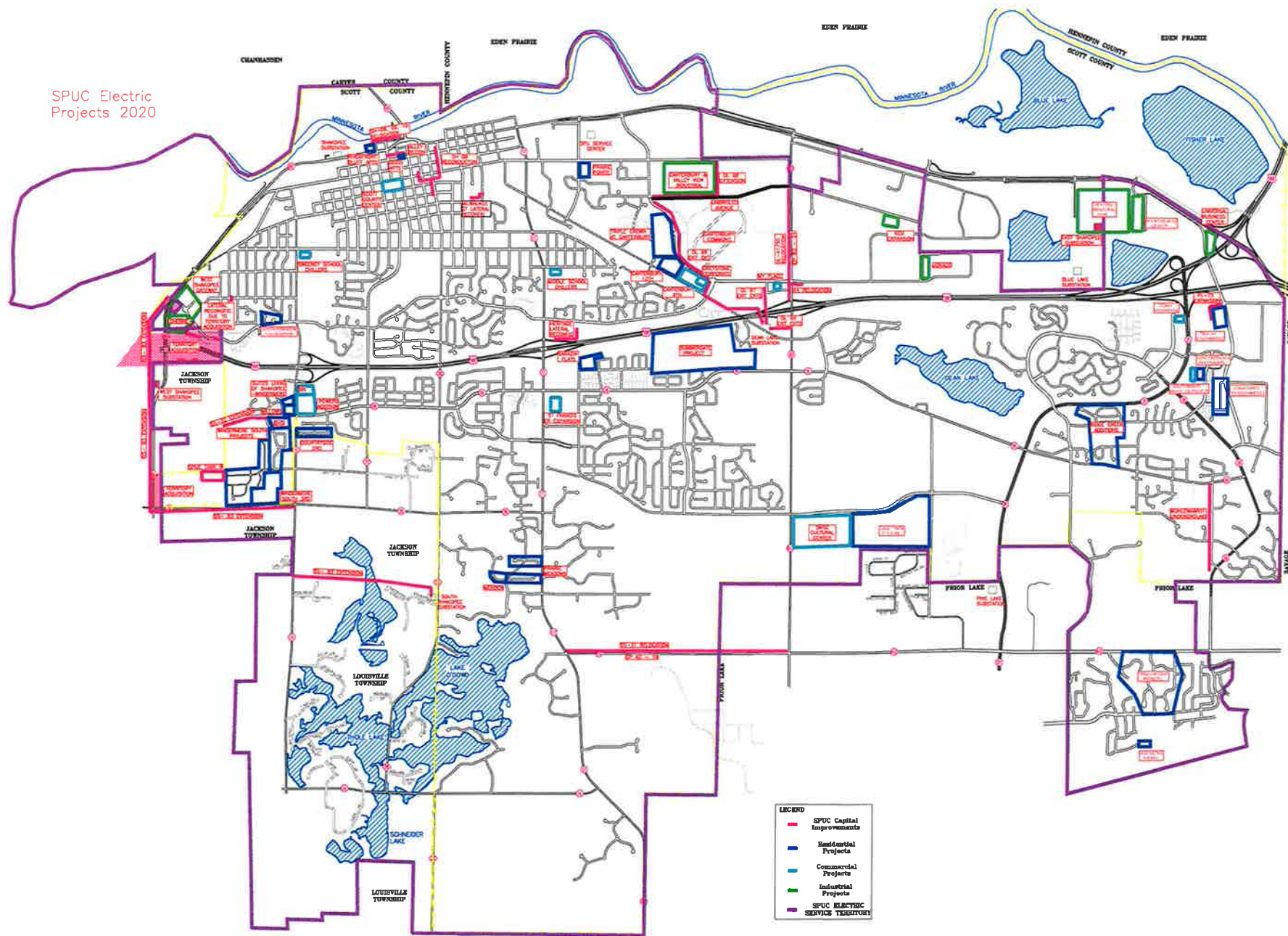
REQUESTED ACTION

No action by the Commission is necessary at this time.

	Development	Address/Location	Type	Development Timing	Development Status	Projected Load (kW)	Additional Load for 2020
1	Countryside 2nd Addition	Lusitano/Pena	Single-Family	2018-Ongoing	Completed	125	50
2	Menden Addition	Jennifer Lane	Single-Family	2017-Ongoing	Completed	50	20
3	MT Olive Church Addition	Windermere Way	Single-Family	2019-2020	Completed	10	5
4	Prairie Meadows - 1st	Jennifer Lane	Single-Family	2017-Ongoing	Completed	100	40
5	Prairie Meadows - 2nd	Jennifer Lane	Single-Family	2019-Ongoing	Completed	90	40
6	Ridge Creek 1st Addition	Oakridge Trail	Single-Family	2017-2020	Completed	175	40
7	Ridge Creek 2nd Addition	Crossings BLVD	Single-Family	2019-2020	Completed	115	55
8	Ridge Creek 3rd Addition	Crossings BLVD	Single-Family	2019-2022	Completed	125	50
9	SMSC Tinta Otunwe	Tiwahe Drive/Tintaocanku	Single-Family	2019-Ongoing	Completed	720	300
10	South Parkview 5th Addition	Vierling west of Adams St	Single-Family	2012-Ongoing	Completed	85	25
11	Southbridge @ Stagecoach	Stagecoach/Riverside	Single-Family	2018-Ongoing	Completed	235	70
12	Trillium Cove - 1st Phase	Prior Lake - Meadowlawn Trail	Single & Multi-Family	2017-2020	Completed	330	75
13	Trillium Cove - 2nd Phase	Prior Lake - Meadowlawn Trail	Single & Multi-Family	2018-2021	Completed	370	100
14	Trillium Cove - 3rd Phase	Prior Lake - Meadowlawn Trail	Single-Family	2019-2022	Completed	100	50
15	Windermere	17th Ave and CR 15	Single & Multi-Family	2018-2019	Completed	105	0
16	Windermere 2nd Addition	17th Ave and CR 15	Single-Family	2017-2018	Completed	110	0
17	Windermere South 1st	Windermere Way	Single-Family	2018-Ongoing	Completed	125	15
18	Windermere South 2nd	128th St & CR 15	Single-Family	2019-2020	Completed	500	250
19	Sarazin Flats I	1575 Sarazin Street	Multi-Family	2019	Completed	200	200
20	Sarazin Flats II	1595 Sarazin Street	Multi-Family	2020	Completed	170	170
21	SB Crossings Apartments - 1st BLDG	1341 Crossings BLVD	Multi-Family	2018-2021	Completed	350	100
22	Summergate (Church Addition)	CR 16 & CR 83	Multi-Family	2017-2019	Completed	50	0
23	West Vierling Acres	1601 Harvest Lane	Multi-Family	2018-Ongoing	Completed	465	100
24	2800 4th Ave Storage	2800 4th Ave E	Commercial	2018-2019	Completed	90	0
25	Doggie Doo's	2555 Vierling Drive W	Commercial	2019	Completed	70	70
26	My Place Hotel	3912 12th Ave E	Commercial	2019	Completed	150	150
27	Northstar Treatment Center - BLDG 1	1250 Lincoln St	Commercial	2019	Completed	100	100
28	Park Place Storage	1822 115th St W	Commercial	2018	Completed	250	100
29	SB Crossings Apartments - Clubhouse	1331 Crossings BLVD	Commercial	2018	Completed	60	0
30	Shakopee Vet Clinic	12675 Marystown Rd	Commercial	2019	Completed	60	60
31	SMSC Cultural Center	2300 Tiwahe Cir	Commercial	2019	Completed	600	200
32	Triple Crown - Clubhouse	840 Shenandoah Drive	Commercial	2019	Completed	100	100
33	Canterbury Business Park North	3200 4th Ave E	Industrial	2020	Completed	600	200
34	Jonaco Machine	1157 Valley Park Drive	Industrial	2020	Completed	800	500
35	Microsource/Gavilon	7632 County Road 101 E	Industrial	2020	Completed	300	300
36	Universal Business Center	961 Stagecoach Rd	Industrial	2019	Completed	450	350
37	Valley View Business Park 3rd - Phase 1	2700 4th Ave E	Industrial	2019	Completed	800	200
38	Valley View Business Park 3rd - Phase 2	2650 4th Ave E	Industrial	2019	Completed	400	100
39	The Deco Apartments	129 Holmes ST	Mixed Use	2021	Construction	350	50
40	The Willows Apartments	1655 Willow Cir	Multi-Family	2020-Ongoing	Construction	200	50
41	Triple Crown - 1st Phase	830 Shenandoah Drive	Multi-Family	2020-Ongoing	Construction	1200	400
42	Triple Crown - 2nd Phase	850 Shenandoah Drive	Multi-Family	2021	Construction	1200	50
43	BHS - Senior Living	1705 Windermere Way	Commercial	2020	Construction	700	200
44	Scott County Government Center 2	200 4th Ave W	Government	2021	Construction	500	100
45	East Junior High - Chiller Addition	1137 Marschall Rd	Schools	2020	Construction	350	350
46	Sweeney Elementary - Chiller Addition	1001 Adams St	Schools	2020	Construction	150	150
47	KEB America - Expansion	2100 Valley Ind BLVD S	Industrial	2020	Construction	400	50
48	Distinctive Shores	Beach Street - Prior Lake	Single-Family	2020-2021	Design	25	0

	Development	Address/Location	Type	Development Timing	Development Status	Projected Load (kW)	Additional Load for 2020
49	Summerland Place Addition	17th Ave/Phillip Dr	Single & Multi-Family	2020-2023	Design	1100	0
50	Canterbury Park 12th Addition - Town Homes	Shenandoah Drive	Multi-Family	2021	Design	500	0
51	SB Crossings Apartments - 2nd BLDG	1341 Crossings BLVD	Multi-Family	2021	Design	480	0
52	Summerland Place Addition - Apartments	17th Ave	Multi-Family	2023	Design	1000	0
53	Trident Apartments - Powers 2nd Addition	Lusitano Street/Marystown Rd	Multi-Family	2021	Design	500	0
54	River Bluff Apartments	Levee & Scott	Mixed Use	2021	Design	850	50
55	Canterbury Park Ninth Addition	Shenandoah/Vierling	Commercial	2020-2022	Design	800	0
56	Canterbury Park 12th Addition - Senior Housing	Shenandoah Drive	Commercial	2021	Design	300	0
57	Texas Roadhouse	8170 Old Carriage CT N	Commercial	2020	Design	200	100
58	VA Clinic - Powers 2nd Addition	Lusitano Street/Marystown Rd	Commercial	2021	Design	100	50
59	Medical Office - Powers 2nd Addition	Lusitano Street/Marystown Rd	Commercial	2021	Design	150	0
60	Cherne - West Shakopee Gateway 2nd	2300 Vierling Dr W	Industrial	2021	Design	400	50
	Opus Spec - West Shakopee Gateway 2nd	2400 Vierling Dr W	Industrial	2020-2021	Design	600	50

SPUC Electric
Projects 2020



- LEGEND**
- SPUC Capital Improvements
 - Residential Projects
 - Commercial Projects
 - Industrial Projects
 - SPUC ELECTRIC SERVICE TERRITORY



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August 14, 2020

TO: John Crooks *JRC*
FROM: Sharon Walsh *SNW*
SUBJECT: Communications and Rebranding Review

Overview

Developing a communications campaign and rebranding Shakopee Public Utilities has been a mission and ongoing project since joining SPU in 2015. The following provides a summary of the changes implemented and future plans to be explored.

SPU has consistently provided great and reliable electric and water services. Getting our message to the people and/or responding to changing customer expectations has not always been as prevalent. Acknowledging that, we've been working diligently to engage with our customers and the community. Internal processes have been, and continue to be, assessed and modified for meeting current public expectations. We are utilizing both technology and personal interactions to improve service perceptions and provide positive customer experiences.

Action Required

No action is required at this time.



Communications and Rebranding Review

August 17, 2020

Agenda

- Where we've been and where we're headed
- Why this is important to our customers
- SPU vs SPUC
- What's new – what's next
- Questions

Looking back – to see forward

- Focus has been on electric and water systems – FABULOUS SERVICES!
 - Investments in infrastructure
 - “Quality and reliability”
- Administrative/customer-facing services have lagged
- Customer perceptions
 - Lack of choice
 - Limited flexibility
- Social Media influence
- Change in thought process

Customer Impact

- We are listening!
- Communications, communications and more communications
- Knowledge is critical
 - Trust
 - Understanding
- Benefits, not just features

SPU vs SPUC

- We are the utilities – not the commission
- Reduce confusion between the City and SPU services
 - Customers – service questions, identifying vehicles
 - Vendors – process flow
- Updated image of the utility
- Tangible change for people



Communication Improvements

- Collection Communications
 - Moved from warning to notification

*****FINAL NOTICE*****

NOTICE OF PROPOSED DISCONNECTION

Our records indicate that we have not received your utility payment.
Your utility service is subject to disconnection

*****CRITICAL DETAILS*****

SPU MUST RECEIVE FULL PAYMENT OR APPROVE PAYMENT PLAN BEFORE DATE AND TIME
SHOWN BELOW

ELECTRIC SERVICE DISCONNECTS WILL BEGIN AT
7:30 AM ON MONDAY, AUGUST 24TH, 2015

***** Did You Forget To Pay Your Utility Bill? *****

Our records show we have not received your FEB 15th payment.
If you recently made this payment, please disregard this letter.

The past due amount must be paid in full or a payment plan for your
account balance must be setup by 4:00 p.m., MONDAY, 3/18
Failure to do so will result in disconnection of service beginning

7:30 AM ON TUESDAY, MARCH 19TH, 2019

Communication Improvements

■ Payment Plans

- Clarified the process for customers
 - Work together
 - Goal is to get current

■ Coaching Opportunities/Customer Advocates

- Taking time with customers when signing up for service
- Welcoming customers to Shakopee and SPU

Billing System Upgrade

```
COMMM  CULIBSPU  Daffron's Master Menu  User: SHARONW
System: SHAKOPEE

Select one of the following:

1. Security menu
2. Accounts payable menu
3. Accounts receivable menu
4. Units to material menu
5. Consumer accounting menu
6. Fixed assets menu
7. General ledger menu
8. Inventory menu
9. Payroll menu
10. Transportation menu
11. Work order menu
12. AS/400 Communications menu

More...

Selection or command
==>

F3=Exit  F4=Prompt  F6=Display messages  F9=Retrieve
F12=Previous  F14=Work with submitted jobs  F18=Work with output
```

Daffron CISXP: Customer Information System

Info Center Tasks Processing Maintenance Reports Transformer AMR Properties myJobs Help

Search Criteria

Account Sub Service RSP Rate Type
District Run ID Cycle Book Area
Followup Date From To
Amount From To
Collector Collection Status Source Special Collection Type
On Hold Budget Customer Has Phone
Has SO Last SO Type Last SO code
Cut Has Deposit Has History Since Due
Has Disconnect Collar Service Order No
Filter Save Clear

List Status Update Reprint

Account Insert

Account Name Amount Amount Due Cl Stat SO number Follow Up Date Book Hold Cut SO Status Loc Critical
(no records exist)

Account Insert

Lobby Remodel



Additional Lobby Upgrade - Safety



Phones

- Greeting


Thank you for calling Shakopee Public Utilities. If you know your party's 4-digit extension, you may enter it at any time.


Thank you for calling Shakopee Public Utilities. Our normal business hours are from 7:30 a.m. to 4:00 p.m., Mon-Fri. To make a payment by credit card, debit card or electronic check, please visit our website at www.spucweb.com and click Make a Payment. You can also pay your bill by phone. Dial 1-855-381-2688. A small service fee will apply. If you know your party's extension you may enter it at any time.


- Call Routing


- Agent Reporting


Online Payment and Customer Info


 Accounts


 Pay My Bill


 AutoPay

 Bill History

 Online Payments

 My Wallet

 My Profile

 Log out

Powered by **Paymentus**

[Privacy Policy](#)


[Privacy Notice to California Residents](#)

[Website Conditions of Use](#)

[Payment Authorization Terms](#)

Accounts

Utility Bill # 5002001


Account Details 

Date Due


Aug 17, 2020


Amount Due

\$142.89

Paperless 


☐ No

 paper

AutoPay 

More

[View All Payments](#)

 Add Account

Pay Bill

View Bill

AutoPay



Facebook Page



Shakopee Public Utilities Commission

June 18 · 🌐

Everyone should have power. If you do not please call 952-445-1988 and press "1" to let us know.
"Thank you" to our customers for your patience and thanks to the crews who were out in this weather.
Have a good night everyone!

The crews needed to replace an insulator at 7th and Apgar. Most likely hit by lightning. Repair nearly complete.... [See More](#)

939

128

Boost Post

People Reached

Engagements

👍 14

4 Comments 4 Shares

👍 Like

💬 Comment

➦ Share

 ▾

Most Relevant ▾



Comment as Shakopee Public Utilities Co...



View comments



Shakopee Public Utilities Commission

June 1 · 🌐

We had a very small, limited outage over the weekend thanks to our bushy-tailed friend (or nemesis?) .



634

63

Boost Post

People Reached

Engagements

👍 🍌 12

4 Comments 1 Share

👍 Like

💬 Comment

➦ Share

 ▾

Most Relevant ▾



Comment as Shakopee Public Utilities Co...



View comments

Newsletter



focus

[insights from Shakopee Public Utilities]

SUMMER 2019



Splash Pad

While small in size, the Splash Pad's impact on the water system is significant. It is projected to use 10,000 gallons of fresh water per day. This is equivalent to the usage of 35 single family homes.

At the June 17th Commission meeting, no formal decision was made on the Water Capacity Charge (WCC). A request was made by the Lions Club to partner with them, in an effort to support the Splash Pad, the Commission requested additional information on this project from SPU staff. More information related to the WCC will follow.

[top stories]

Why does SPU have a Commission?

Explanation of SPU Water Rates

Did You Know, SPU...



SHAKOPEE PUBLIC UTILITIES
255 Sarazen Street • PO Box 470
Shakopee, MN 55379
952.465.5566 • www.spu.org

Signage



Fleet



Previous SPU Website



New SPU Website



New SPU Website

Residential

SPU is proud to offer premier services at competitive prices with residential electric rates lower than our neighbors, Xcel and MVEC.

[I am a residential customer](#)

Business

We know how critical utilities are to your business, so we like to boast about our 99.998% reliability rating.

[I manage/operate a business](#)



[Online Account Management +](#)



[Community Involvement +](#)

SHAKOPEE PUBLIC UTILITIES
COMMISSION

[Commission Meetings +](#)



[Online Account Management +](#)



[Community Involvement +](#)

COVID-19 Update

[Commission Meetings +](#)



COVID-19 Update

Two things have lead us through this pandemic thus far - one is the commitment to ongoing, uninterrupted delivery of quality utility services to our customers. The second is safeguarding the health of our customers and staff.

By closing the front lobby and utilizing remote work stations to reduce in-office staffing, we have been able to continue 'work as usual' while practicing social distancing. Crews have been working split shifts to reduce overlap and minimize exposure to each other. We adapted internal practices to accommodate the needs of customers and barring face-to-face interactions, we have found most customers appreciate

Closing

- Continual improvement to interactions and communications with our customers
 - Ratepayers
 - Developers
 - 3rd Parties
- Facility enhancements
- Technology
 - AMI
 - Payments
 - OMS

Closing

QUESTIONS?



po box 470 • 255 sar;
shakopee, r
main # 952.445-1988 • fax # 952
www.shakopeeutilities.com

11b

TO: SHAKOPEE PUBLIC UTILITIES COMMISSION
FROM: JOHN R. CROOKS, UTILITIES MANAGER
SUBJECT: PROPOSED 2021 BUDGET PLANNING SCHEDULE
DATE: AUGUST 5, 2020

Attached is a proposed 2020 Budget Planning Schedule. The items highlighted in yellow indicate the dates that Commission participation/action is required.



Overview of Key Dates for the SPU Commission

- 8/17/20 Request Commission Direction on Wage Planning
- 10/5/20 Commission Decision on General Wage Range Increases
- 11/2/20 Commission Review of Draft CIP, Cash Flow and Budget
- 11/16/20 Final Budget Approval by Commission
- 12/7/20 Commission Adoption of Various Fee/Rate Resolutions

Requested Action

In prior years, the SPU Commission has designated a Sub-Committee to address wage planning. Staff would like direction on the approach the Commission would like to take for the 2021 wage planning.

August 7, 2020

TO: John Crooks, Utilities Manager 
FROM: Kelley Willemssen, Senior Accounting Specialist 
SUBJECT: Dashboard Metrics - July, 2020

The SPU Commission requested staff to provide information regarding trends in customer sales and customer receivables in order to monitor the potential impacts of the COVID-19 pandemic on SPU's business. The graphs and data reflect monthly metrics and year to date.

The following reports are included for Commission review:

- SPU kWH Sales
- SPU Water Gallons Sales
- SPU Electric Accounts Receivable # & \$ of Accounts: 31-60 Days
- SPU Water Accounts Receivable # & \$ of Accounts: 31- 60 Days
- SPU Electric Accounts Receivable # & \$ of Accounts: > 120 Days
- SPU Water Accounts Receivable # & \$ of Accounts: > 120 Days
- SPU 07/31/20 Accounts Receivable Aging Summary Report (2 pages)

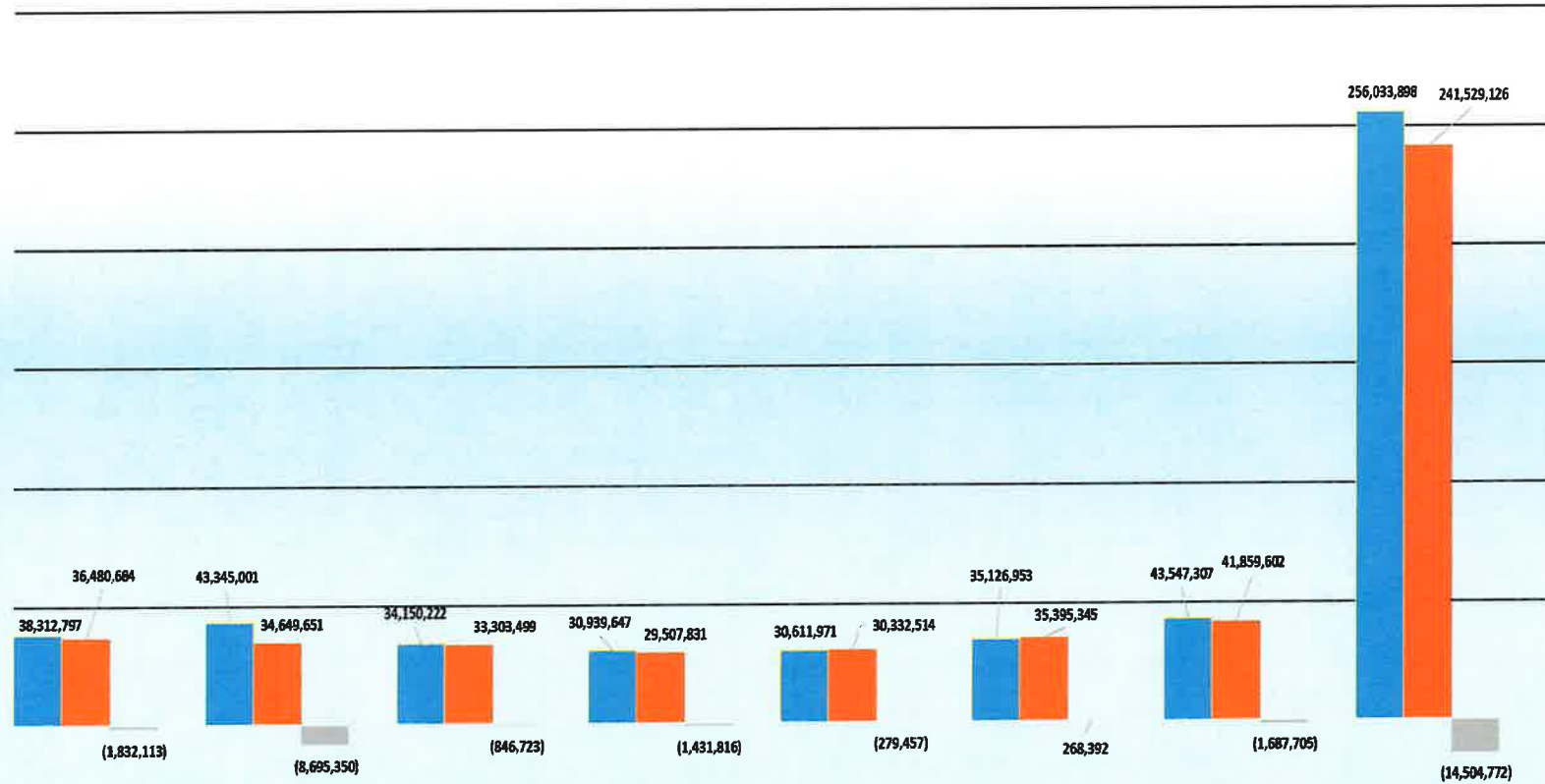
Thank you.

SPU ELECTRIC KWH SALES

(*INCLUDES UME)

■ 2019 Electric kWh Sales* ■ 2020 Electric kWh Sales* ■ Better/(Worse) ■ % Better/(Worse)

NUMBER OF KWH SOLD



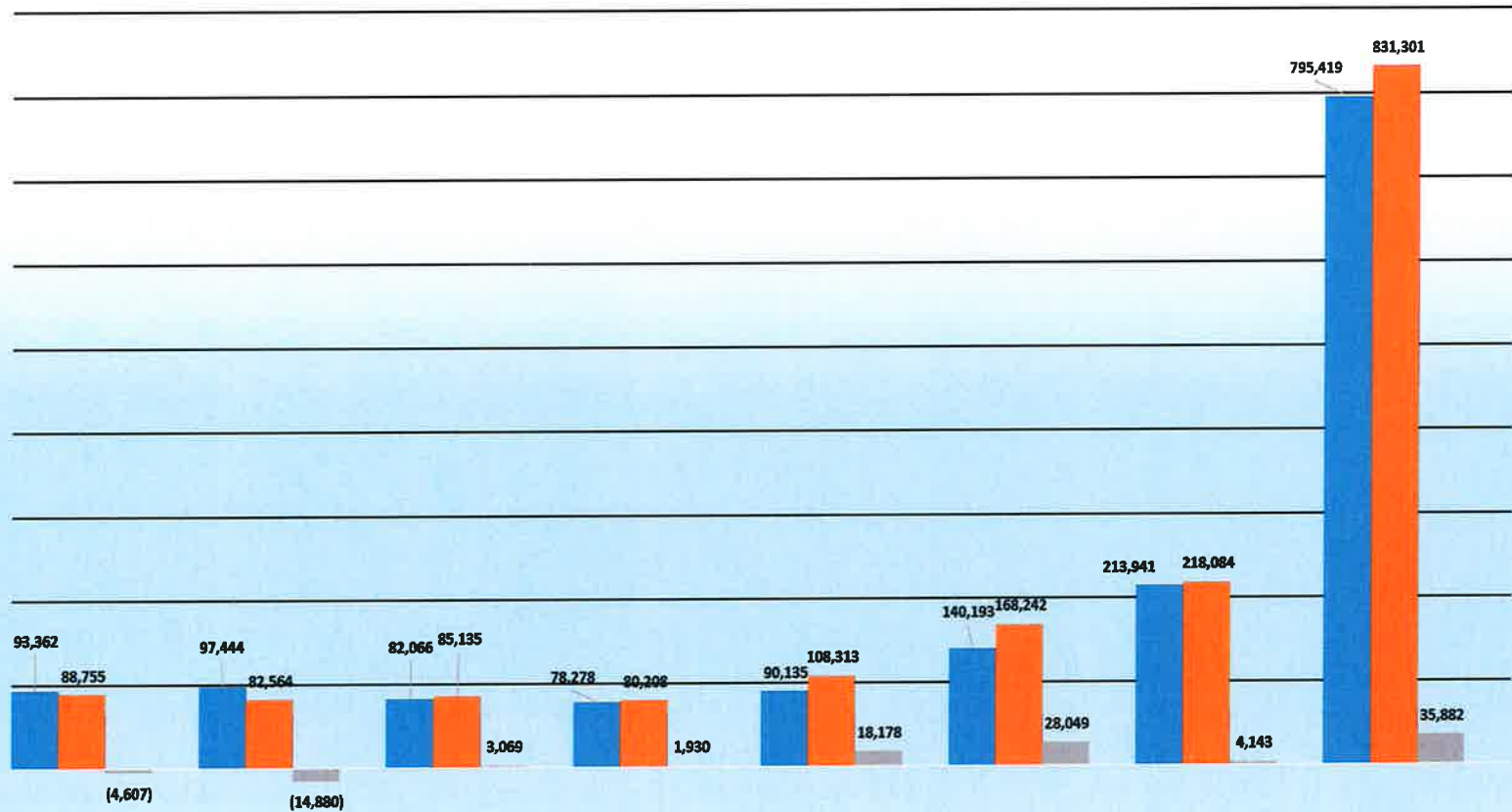
	Jan	Feb	Mar	Apr	May	Jun	July	YTD
■ 2019 Electric kWh Sales*	38,312,797	43,345,001	34,150,222	30,939,647	30,611,971	35,126,953	43,547,307	256,033,898
■ 2020 Electric kWh Sales*	36,480,684	34,649,651	33,303,499	29,507,831	30,332,514	35,395,345	41,859,602	241,529,126
■ Better/(Worse)	(1,832,113)	(8,695,350)	(846,723)	(1,431,816)	(279,457)	268,392	(1,687,705)	(14,504,772)
■ % Better/(Worse)	-4.8%	-20.1%	-2.5%	-4.6%	-0.9%	0.8%	-3.9%	-5.7%

SPU WATER GALLONS SALES (IN THOUSANDS)

(*EXCLUDES HYDRANT SALES)

■ 2019 Water Gallons Sold in Thousands* ■ 2020 Water Gallons Sold in Thousands* ■ Better/(Worse) ■ % Better/(Worse)

WATER GALLONS SOLD

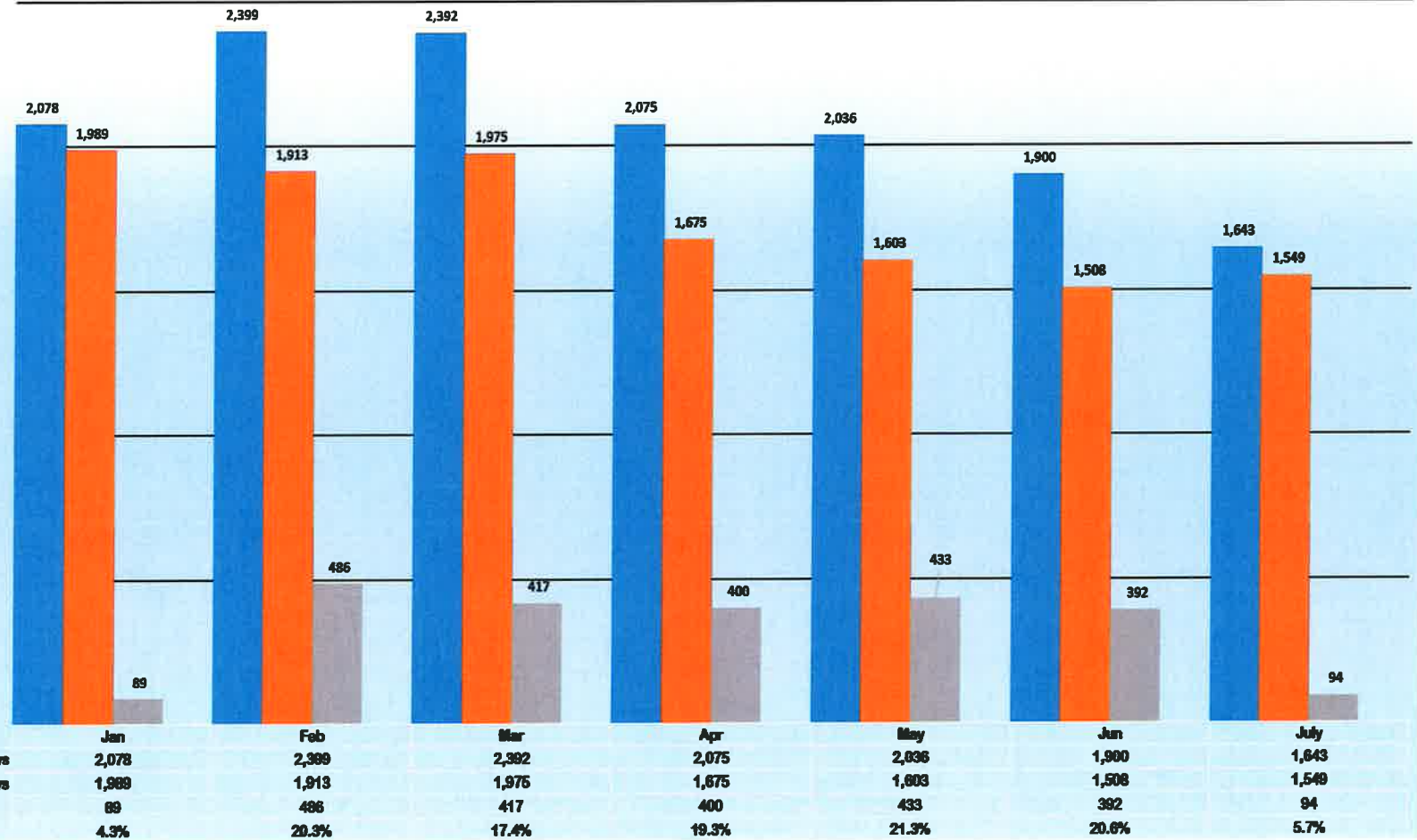


	Jan	Feb	Mar	Apr	May	Jun	July	YTD
■ 2019 Water Gallons Sold in Thousands*	93,362	97,444	82,066	78,278	90,135	140,193	213,941	795,419
■ 2020 Water Gallons Sold in Thousands*	88,755	82,564	85,135	80,208	108,313	168,242	218,084	831,301
■ Better/(Worse)	(4,607)	(14,880)	3,069	1,930	18,178	28,049	4,143	35,882
■ % Better/(Worse)	-4.9%	-15.3%	3.7%	2.5%	20.2%	20.0%	1.9%	4.5%

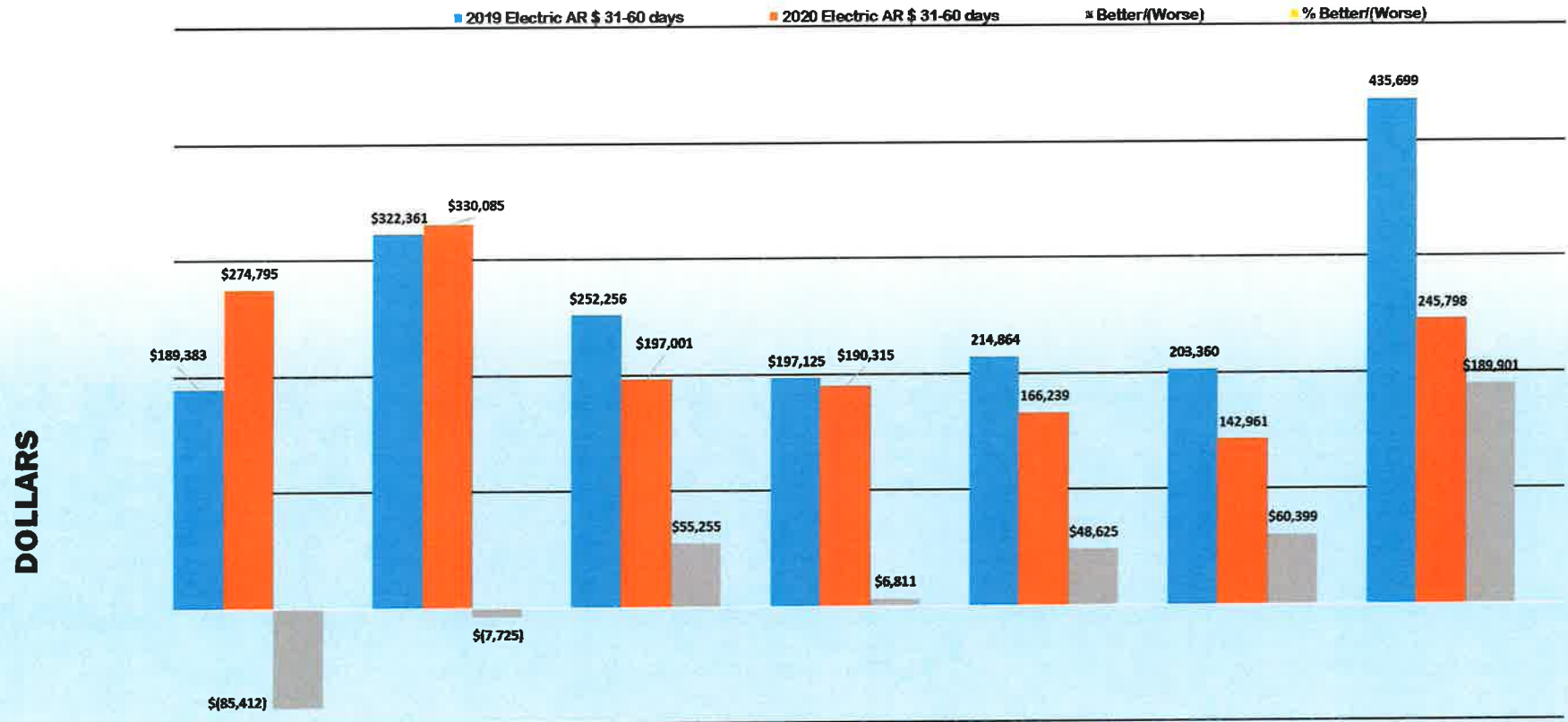
SPU ELECTRIC AGED RECEIVABLES 31 - 60 DAYS: # OF ACCOUNTS

■ 2019 Electric AR # Accounts 31-60 days ■ 2020 Electric AR # Accounts 31-60 days ■ Better/(Worse) ■ % Better/(Worse)

NUMBER OF ACCOUNTS



SPU ELECTRIC AGED RECEIVABLES \$ 31 - 60 DAYS

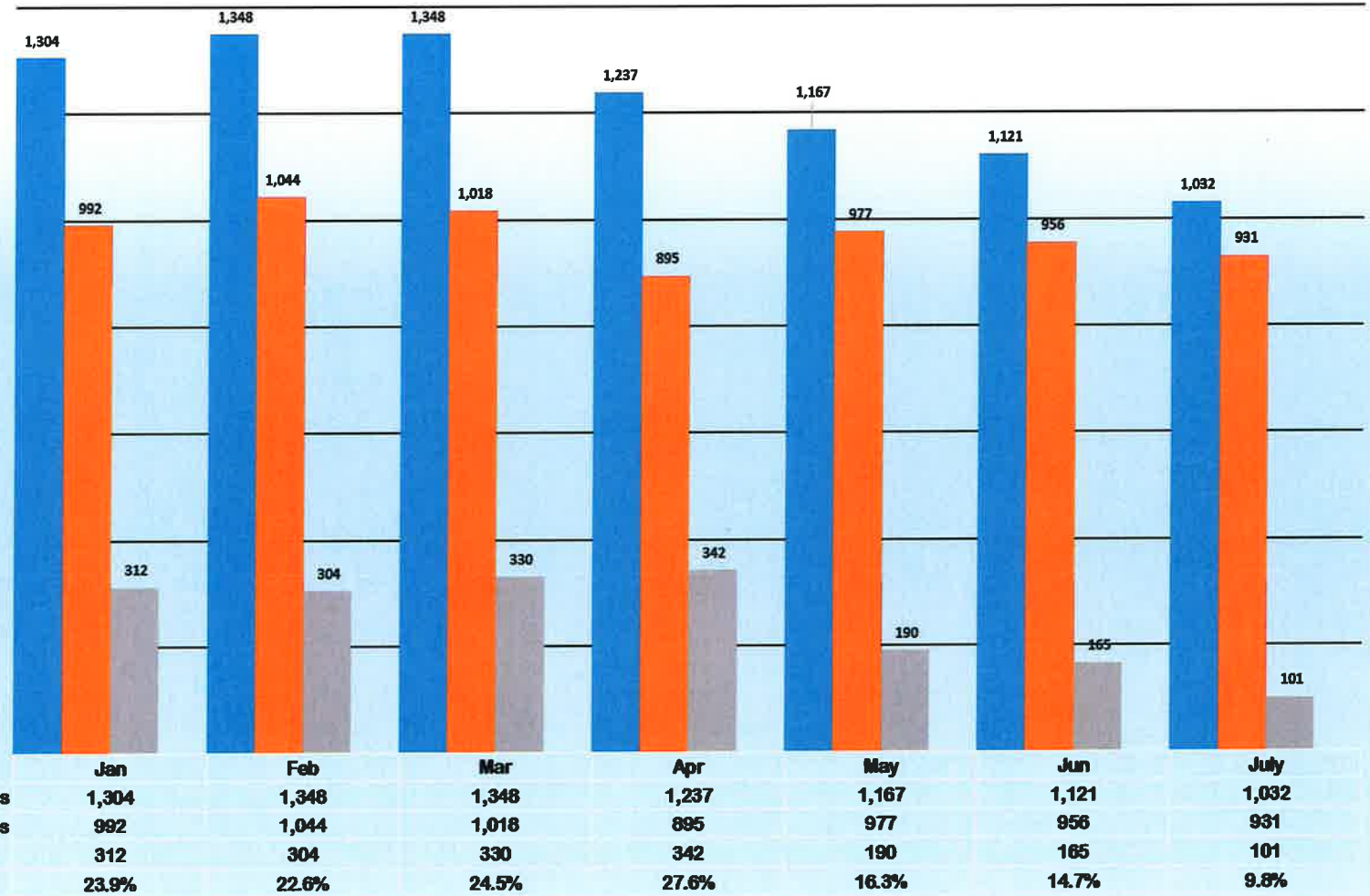


	Jan	Feb	Mar	Apr	May	Jun	July
■ 2019 Electric AR \$ 31-60 days	\$189,383	\$322,361	\$252,256	\$197,125	214,864	203,360	435,699
■ 2020 Electric AR \$ 31-60 days	\$274,795	\$330,085	\$197,001	\$190,315	166,239	142,961	245,798
■ Better/(Worse)	\$(85,412)	\$(7,725)	\$55,255	\$6,811	\$48,625	\$60,399	\$189,901
■ % Better/(Worse)	-45.1%	-2.4%	21.9%	3.5%	22.6%	29.7%	43.6%

SPU WATER AGED RECEIVABLES 31 - 60 DAYS: # OF ACCOUNTS

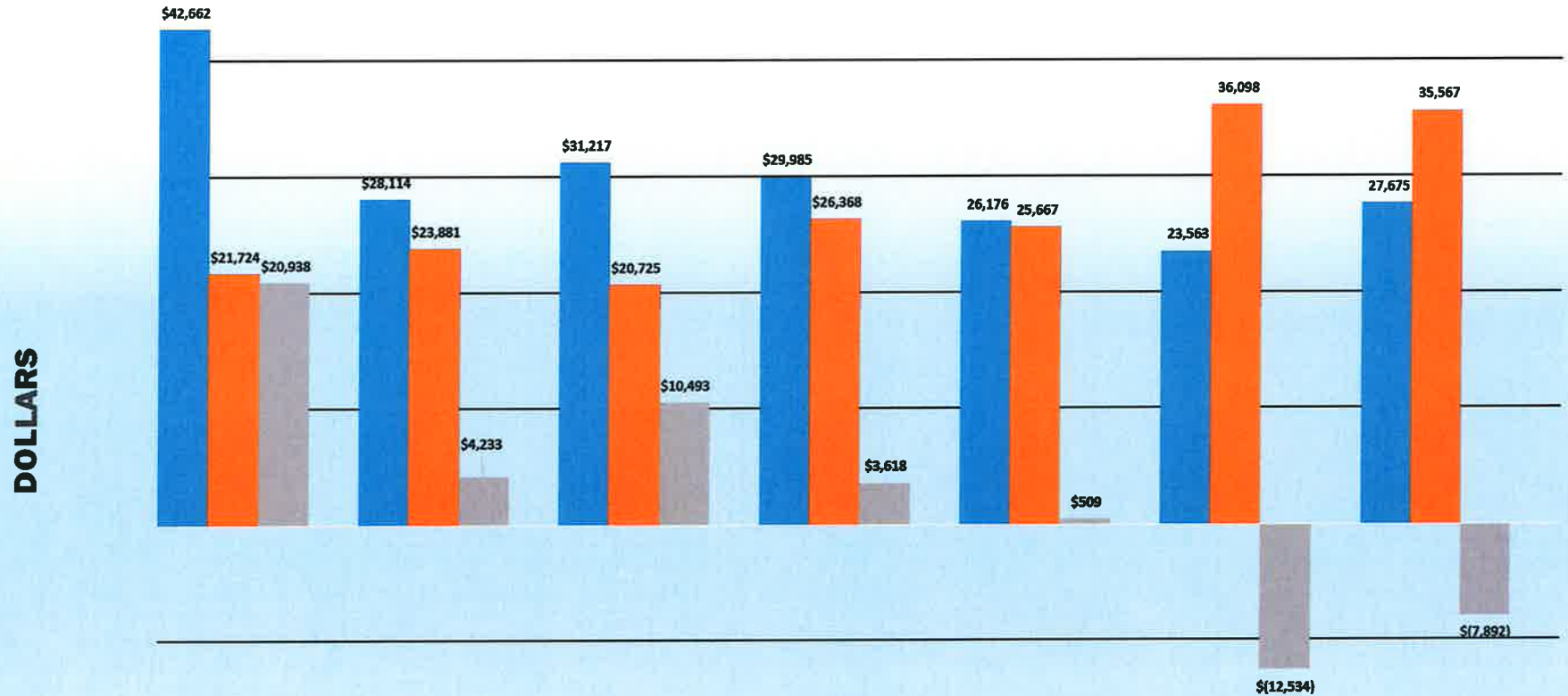
■ 2019 Water AR # Accounts 31-60 days ■ 2020 Water AR # Accounts 31-60 days ■ Better/(Worse) ■ % Better/(Worse)

NUMBER OF ACCOUNTS



SPU WATER AGED RECEIVABLES \$ 31 - 60 DAYS

■ 2019 Water AR \$ 31-60 days ■ 2020 Water AR \$ 31-60 days ■ Better/(Worse) ■ % Better/(Worse)

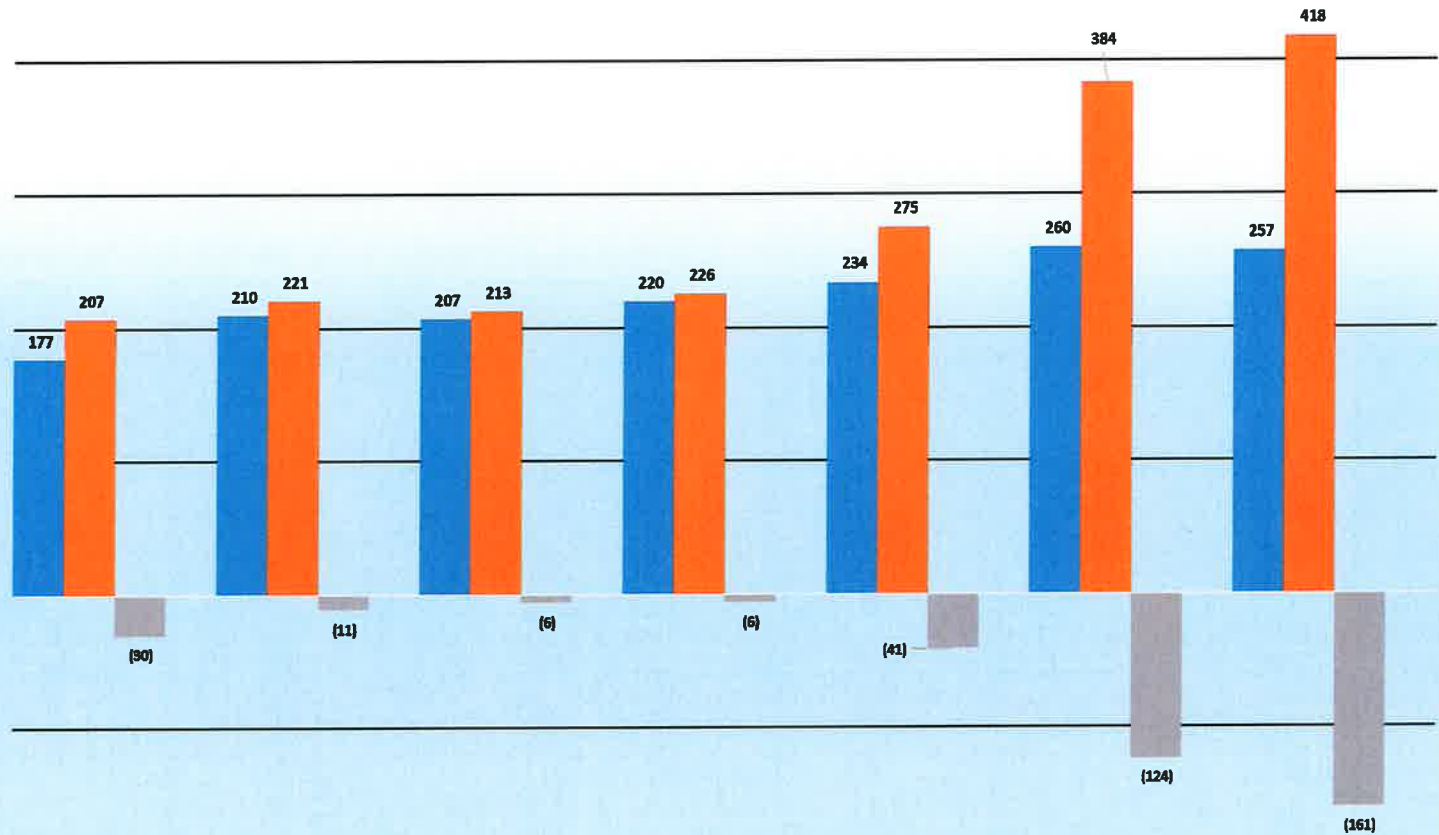


	Jan	Feb	Mar	Apr	May	Jun	July
■ 2019 Water AR \$ 31-60 days	\$42,662	\$28,114	\$31,217	\$29,985	26,176	23,563	27,675
■ 2020 Water AR \$ 31-60 days	\$21,724	\$23,881	\$20,725	\$26,368	25,667	36,098	35,567
■ Better/(Worse)	\$20,938	\$4,233	\$10,493	\$3,618	\$509	\$(12,534)	\$(7,892)
■ % Better/(Worse)	49.1%	15.1%	33.6%	12.1%	1.9%	-53.2%	-28.5%

SPU ELECTRIC AGED RECEIVABLES > 120 DAYS: # OF ACCOUNTS

■ 2019 Electric AR # Accounts Over 120 days ■ 2020 Electric AR # Accounts Over 120 days ■ Better/(Worse) ■ % Better/(Worse)

NUMBER OF ACCOUNTS

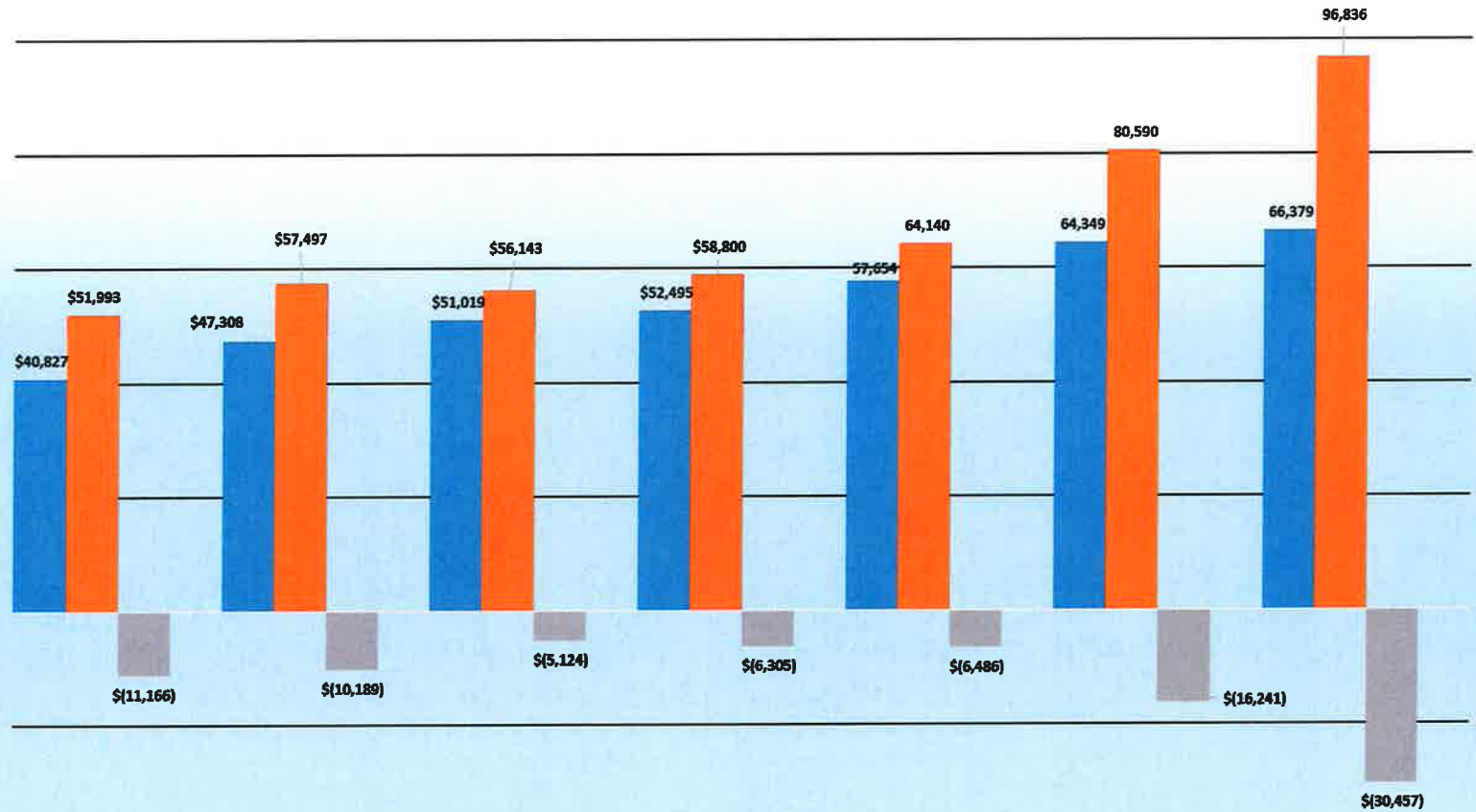


	Jan	Feb	Mar	Apr	May	Jun	July
■ 2019 Electric AR # Accounts Over 120 days	177	210	207	220	234	260	257
■ 2020 Electric AR # Accounts Over 120 days	207	221	213	226	275	384	418
■ Better/(Worse)	(30)	(11)	(6)	(6)	(41)	(124)	(161)
■ % Better/(Worse)	-16.9%	-5.2%	-2.9%	-2.7%	-17.5%	-47.7%	-62.6%

SPU ELECTRIC AGED RECEIVABLES \$ >120 DAYS

■ 2019 Electric AR \$ Over 120 Days ■ 2020 Electric AR \$ Over 120 Days ■ Better/(Worse) ■ % Better/(Worse)

DOLLARS

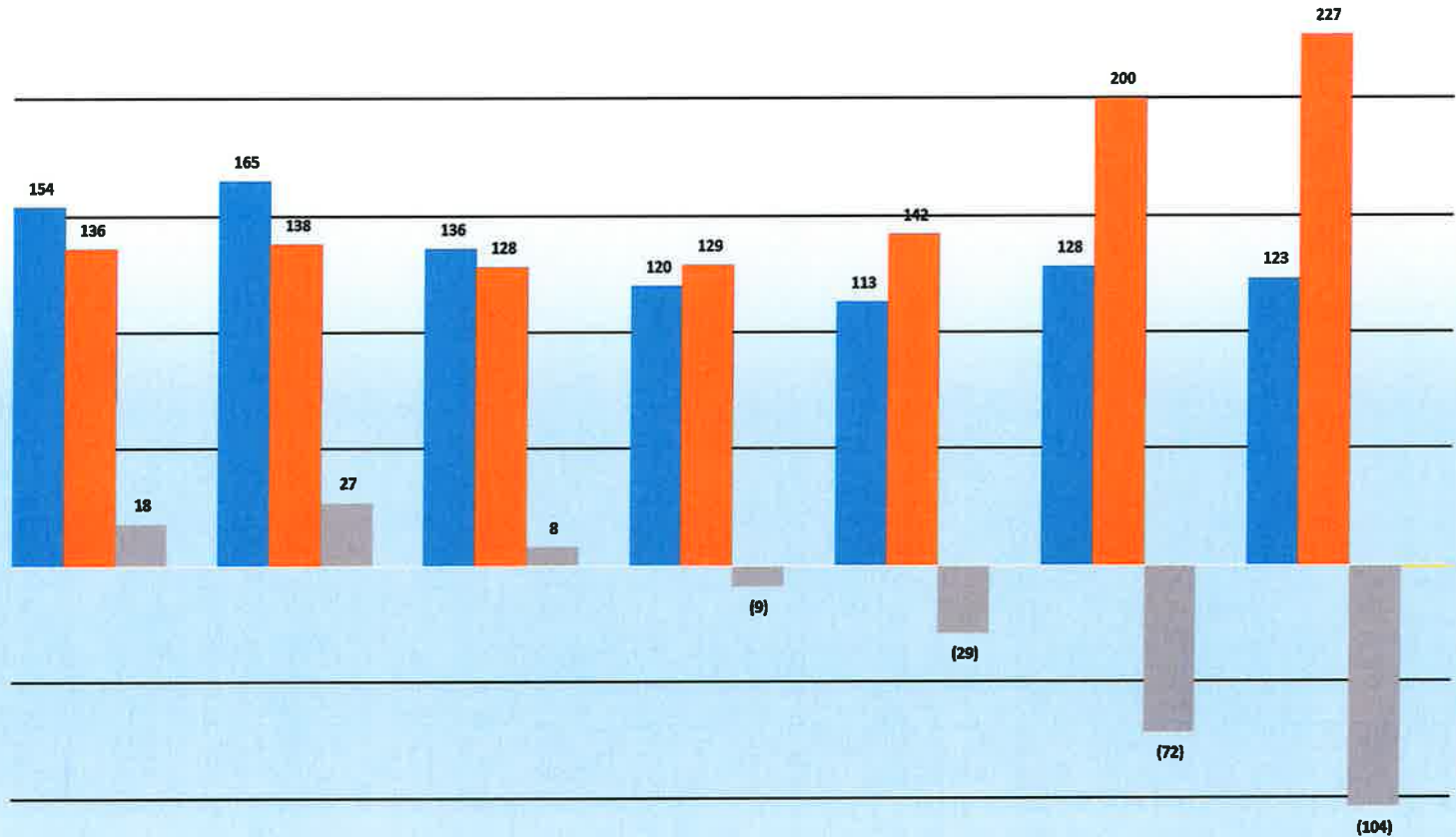


	Jan	Feb	Mar	Apr	May	Jun	July
■ 2019 Electric AR \$ Over 120 Days	\$40,827	\$47,308	\$51,019	\$52,495	57,654	64,349	66,379
■ 2020 Electric AR \$ Over 120 Days	\$51,993	\$57,497	\$56,143	\$58,800	64,140	80,590	96,836
■ Better/(Worse)	\$(11,166)	\$(10,189)	\$(5,124)	\$(6,305)	\$(6,486)	\$(16,241)	\$(30,457)
■ % Better/(Worse)	-27.3%	-21.5%	-10.0%	-12.0%	-11.3%	-25.2%	-45.9%

SPU WATER AGED RECEIVABLES > 120 DAYS: # OF ACCOUNTS

■ 2019 Water AR # Accounts Over 120 Days ■ 2020 Water AR # Accounts Over 120 Days ■ Better/(Worse) ■ % Better/(Worse)

NUMBER OF ACCOUNTS

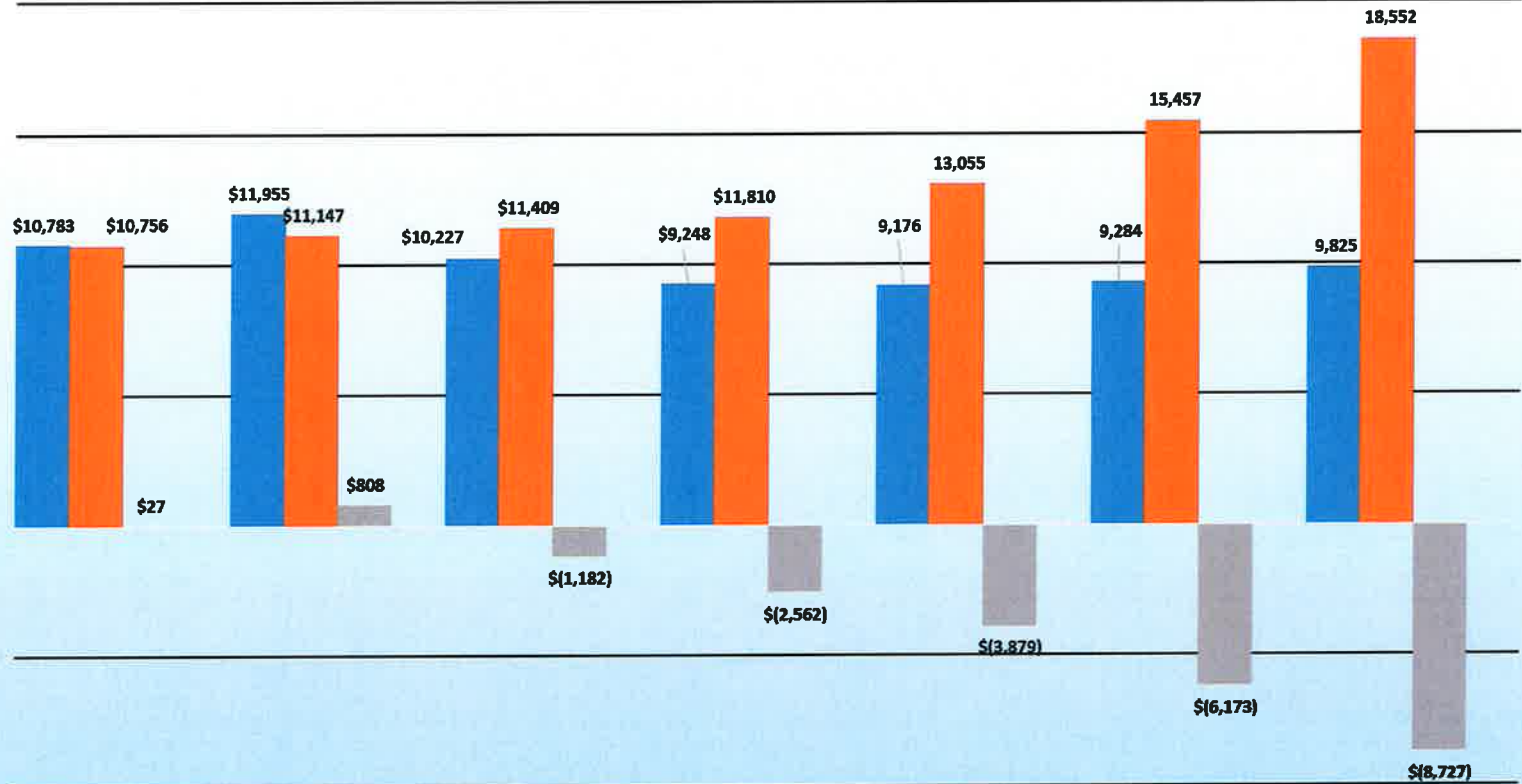


	Jan	Feb	Mar	Apr	May	Jun	July
■ 2019 Water AR # Accounts Over 120 Days	154	165	136	120	113	128	123
■ 2020 Water AR # Accounts Over 120 Days	136	138	128	129	142	200	227
■ Better/(Worse)	18	27	8	(9)	(29)	(72)	(104)
■ % Better/(Worse)	11.7%	16.4%	5.9%	-7.5%	-25.7%	-56.3%	-84.6%

SPU WATER AGED RECEIVABLES \$ >120 DAYS

■ 2019 Water AR \$ Over 120 Days ■ 2020 Water AR \$ Over 120 Days ■ Better/(Worse) ■ % Better/(Worse)

DOLLARS



	Jan	Feb	Mar	Apr	May	Jun	July
■ 2019 Water AR \$ Over 120 Days	\$10,783	\$11,955	\$10,227	\$9,248	9,176	9,284	9,825
■ 2020 Water AR \$ Over 120 Days	\$10,756	\$11,147	\$11,409	\$11,810	13,055	15,457	18,552
■ Better/(Worse)	\$27	\$808	\$(1,182)	\$(2,562)	\$(3,879)	\$(6,173)	\$(8,727)
■ % Better/(Worse)	0.2%	6.8%	-11.6%	-27.7%	-42.3%	-66.5%	-88.8%

Shakopee Public Utilities

Accounts Receivable Aging Summary Report

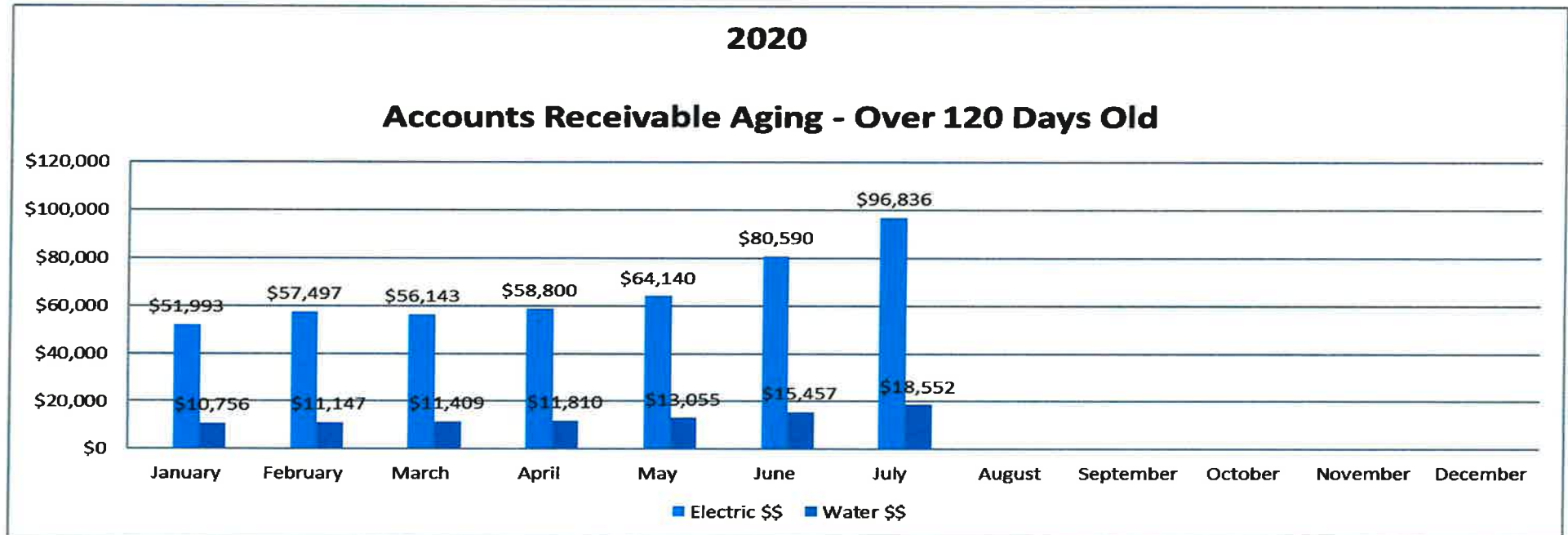
As of 7/31/2020

Summary of Accounts								
Service	1 to 30	31 to 60	61 to 90	91 to 120	Over 120	Total	General Ledger (GL)	Total - GL
Electric	\$4,452,261.20	\$245,798.13	\$47,293.82	\$27,840.75	\$96,836.22	\$4,870,030.12	\$4,870,030.12	\$0.00
Water	\$668,397.45	\$35,567.04	\$7,991.93	\$4,612.13	\$18,552.28	\$735,120.83	\$735,120.83	\$0.00
Sewer	\$315,320.24	\$27,412.09	\$10,402.03	\$7,441.56	\$22,743.75	\$383,319.67	\$383,319.67	\$0.00
Storm Drainage	\$99,433.29	\$7,519.52	\$2,384.33	\$964.16	\$3,201.45	\$113,502.75	\$113,502.75	\$0.00
Totals	\$5,535,412.18	\$316,296.78	\$68,072.11	\$40,858.60	\$141,333.70	\$6,101,973.37	\$6,101,973.37	\$0.00

Number Accounts with a Balance						
Service	1 to 30	31 to 60	61 to 90	91 to 120	Over 120	Total
Electric	16,626	1,549	565	330	418	16,895
Water	10,665	931	332	205	227	10,778
Sewer	10,236	1,045	389	234	229	10,324
Storm Drainage	12,204	1,318	521	291	302	12,315
Totals	17,686	2,115	902	514	583	17,957

Accounts Receivable Aging Summary Report - 2020

<u>Over 120 days</u>	<u>Electric \$\$</u>	<u>Electric # of Accts</u>	<u>Water \$\$</u>	<u>Water # of Accts</u>	<u>Total \$\$ Electric & Water</u>	<u>Total # of accts Electric & Water</u>
January	\$ 51,993.20	207	\$ 10,755.94	136	\$ 62,749.14	343
February	\$ 57,496.81	221	\$ 11,146.63	138	\$ 68,643.44	359
March	\$ 56,142.85	213	\$ 11,408.58	128	\$ 67,551.43	341
April	\$ 58,800.20	226	\$ 11,809.98	129	\$ 70,610.18	355
May	\$ 64,139.75	275	\$ 13,055.13	142	\$ 77,194.88	417
June	\$ 80,590.02	384	\$ 15,456.97	200	\$ 96,046.99	584
July	\$ 96,836.22	418	\$ 18,552.28	227	\$ 115,388.50	645



August 13, 2020

TO: John Crooks, Utilities Manager 

Propose as Consent

CC: Joe Adams
Sherri Anderson
Greg Drent
Lon Schemel
Sharon Walsh

FROM:  Kelley Willemssen, Senior Accounting Specialist

SUBJECT: Financial Results for July, 2020

The following Financial Statements are attached for your review and approval.

Month to Date and Year to Date Financial Results – July, 2020

- Combined Statement of Revenue & Expense and Net Assets – Electric, Water and Total Utility
- Electric Operating Revenue & Expense Detail
- Water Operating Revenue & Expense Detail

Key items to note:

Month to Date Results – July, 2020

- Total Utility Operating Revenues for the month of July totaled \$5.4 million and were unfavorable to budget by \$660k or 10.8%. Electric revenues totaled \$4.7 million and were unfavorable to budget by \$634k or 11.9% due to lower than plan revenue in commercial, industrial, power cost adjustment and customer penalties. Water revenues totaled \$736k and were unfavorable to budget by \$26k or 3.4%.
- Total operating expenses were \$5.0 million and were favorable to budget by \$343k or 6.4%. Total purchased power in July was \$3.9 million and was \$179k or 4.6% lower than budget for the month. Total Operating Expenses for electric including purchased power totaled \$4.6 million and was favorable to budget by \$308k or 6.3% due to lower than plan purchased power costs and timing of expenditures in administrative and general expense and operation maintenance expense. Total Operating Expense for Water totaled \$416k and was also favorable to budget by \$35k or 7.7% due to lower than plan expenditures in pumping and maintenance and administrative and general expenses.
- Total Utility Operating Income was \$418k and was unfavorable to budget by \$317k due to lower than plan operating revenues of \$660k and offset by lower than plan operating expenses of \$343k.
- Total Utility Non-Operating Revenue was \$125k and was favorable to budget by \$22k driven by higher than plan investment income of \$31k.
- Capital Contributions for the month of July totaled \$724k and were favorable to budget by \$394k primarily due to \$629k in water capacity fees and \$83k in trunk water charges being billed.

- Change in Net Position was \$1.0 million and was favorable to budget by \$99k primarily due to higher than plan capital contributions of \$394k and investment income of \$31k, partially offset by lower than plan operating income of \$317k.
- Electric usage billed to customers in July was 41,859,602 kWh, an increase of 18.3% from June usage billed at 35,395,345 kWh.
- Water usage billed to customers in July was 218.0 million gallons, an increase of 29.6% from June usage billed at 168.0 million gallons.

Year to Date Financial Results – July, 2020

- Total Utility Operating Revenues year to date July totaled \$28.9 million and were unfavorable to budget by \$1.5 million or 5.1%. Electric revenues totaled \$26.1 million and were unfavorable to budget by \$1.5 million or 5.5% driven by lower than plan energy sales in industrial and commercial of \$748k, lower than plan customer penalties due to waiving of fees, lower than plan conservation revenues due to lower sales, and lower than plan power cost adjustment revenues of \$1.0 million due to lower sales and lower unit costs of purchased power. Water revenues totaled \$2.8 million and were also unfavorable to budget by \$34k or 1.2% driven by lower than plan sales volumes in commercial and industrial, offset by favorable sales in residential.
- Total Utility Operating Expenses year to date July were \$27.0 million and were favorable to budget by \$2.0 million or 7.1% primarily due to lower than plan purchased power costs of \$993k, expenditures in energy conservation of \$230k and administrative and general expenses of \$913k of which includes, outside services of \$223k, employee benefits of \$176k and depreciation expense of \$3k. Total Operating Expense for electric including purchased power was \$24.2 million and was favorable to budget by \$1.7 million or 6.7%. Total Operating Expenses for Water was \$2.8 million and was also favorable to budget by \$343k or 10.8%.
- Total Utility Operating Income was \$1.9 million and was favorable to budget by \$529k driven by lower than planned operating expenses of \$2.0 million and partially offset by lower than plan operating revenues of \$1.5 million.
- Total Utility Non-Operating Income was \$1.0 million and was favorable to budget by \$123k due to higher than planned investment income of \$195k, and lower than plan interest expense on customer deposits of \$18k, and were partially offset by lower than plan rental and miscellaneous income of \$85k due to timing, and a \$6k loss on the disposition of equipment in electric.
- YTD Capital Contributions were \$1.5 million and are unfavorable to budget by \$753k primarily due to timing of collection of trunk water fees of \$187k and timing of collection of water capacity charge fees of \$579k.
- Municipal contributions to the City of Shakopee totaled \$1.4 million year to date and are higher than plan by \$6k or 0.5%. The actual estimated payment throughout the year is based on prior year results and will be trued up at the end of the year.
- YTD Change in Net Position is \$3.0 million and is unfavorable to budget by \$107k reflecting lower than plan operating revenues, lower than plan operating expense, higher than plan non-operating revenues, and lower than plan capital contributions.

SHAKOPEE PUBLIC UTILITIES
MONTH TO DATE FINANCIAL RESULTS
July 2020



SHAKOPEE PUBLIC UTILITIES
YEAR TO DATE FINANCIAL RESULTS

July 2020



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

	Year to Date Actual - July 2020			Year to Date Budget - July 2020			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	\$ 26,130,106	2,836,350	28,966,456	27,642,306	2,870,338	30,512,644	(1,512,200)	-5.5%	(33,988)	-1.2%	(1,546,189)	-5.1%
OPERATING EXPENSES												
Operation, Customer and Administrative	22,724,700	1,760,199	24,484,899	24,470,413	2,086,443	26,556,856	1,745,713	7.1%	326,243	15.6%	2,071,957	7.8%
Depreciation	1,487,890	1,072,889	2,560,779	1,474,351	1,090,043	2,564,394	(13,539)	-0.9%	17,154	1.6%	3,616	0.1%
Amortization of Plant Acquisition	-	-	-	-	-	-	-	0.0%	-	-	-	0.0%
Total Operating Expenses	24,212,590	2,833,088	27,045,678	25,944,764	3,176,486	29,121,250	1,732,174	6.7%	343,398	10.8%	2,075,572	7.1%
Operating Income	1,917,517	3,261	1,920,778	1,697,542	(306,148)	1,391,394	219,974	13.0%	309,409	101.1%	529,384	38.0%
NON-OPERATING REVENUE (EXPENSE)												
Rental and Miscellaneous	64,318	171,397	235,716	147,627	173,409	321,037	(83,309)	-56.4%	(2,012)	-1.2%	(85,321)	-26.6%
Interdepartment Rent from Water	52,500	-	52,500	52,500	-	52,500	-	0.0%	-	-	-	0.0%
Investment Income	553,927	196,650	750,577	392,809	162,418	555,227	161,117	41.0%	34,232	21.1%	195,349	35.2%
Interest Expense	(19,799)	(853)	(20,652)	(37,892)	(1,278)	(39,170)	18,093	47.7%	425	33.3%	18,518	47.3%
Amortization of Debt Issuance Costs and Loss on Refunding	-	-	-	-	-	-	-	#DIV/0!	-	0.0%	-	#DIV/0!
Gain/(Loss) on the Disposition of Property	(5,603)	-	(5,603)	-	-	-	(5,603)	0.0%	-	-	(5,603)	-
Total Non-Operating Revenue (Expense)	645,343	367,194	1,012,538	555,045	334,549	889,594	90,298	16.3%	32,645	9.8%	122,944	13.8%
Income Before Contributions and Transfers	2,562,860	370,456	2,933,315	2,252,587	28,401	2,280,988	310,273	13.8%	342,055	1204.4%	652,327	28.6%
CAPITAL CONTRIBUTIONS	10,589	1,543,174	1,553,762	-	2,306,814	2,306,814	10,589	-	(763,640)	-33.1%	(753,051)	-32.6%
MUNICIPAL CONTRIBUTION	(1,165,203)	(246,468)	(1,411,671)	(1,284,861)	(120,276)	(1,405,137)	119,658	9.3%	(126,192)	-104.9%	(6,534)	-0.5%
CHANGE IN NET POSITION	\$ 1,408,245	1,667,161	3,075,406	967,726	2,214,939	3,182,665	440,519	45.5%	(547,778)	-24.7%	(107,258)	-3.4%

SHAKOPEE PUBLIC UTILITIES

ELECTRIC OPERATING REVENUE AND EXPENSE

	YTD Actual July 2020	YTD Budget July 2020	YTD Actual v. Budget Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Electricity				
Residential	\$ 9,825,006	9,595,135	229,871	2.4%
Commercial and Industrial	15,795,840	17,429,567	(1,633,727)	-9.4%
Uncollectible accounts	-	-	-	#DIV/0!
Total Sales of Electricity	25,620,847	27,024,703	(1,403,856)	-5.2%
Forfeited Discounts	64,961	159,031	(94,071)	-59.2%
Free service to the City of Shakopee	62,366	49,872	12,495	25.1%
Conservation program	381,933	408,701	(26,768)	-6.5%
Total Operating Revenues	26,130,106	27,642,306	(1,512,200)	-5.5%
OPERATING EXPENSES				
Operations and Maintenance				
Purchased power	19,222,979	20,215,774	992,796	4.9%
Distribution operation expenses	332,747	284,959	(47,788)	-16.8%
Distribution system maintenance	364,941	399,243	34,301	8.6%
Maintenance of general plant	141,152	207,111	65,959	31.8%
Total Operation and Maintenance	20,061,819	21,107,086	1,045,267	5.0%
Customer Accounts				
Meter Reading	75,613	74,672	(941)	-1.3%
Customer records and collection	299,553	348,033	48,480	13.9%
Energy conservation	197,187	422,851	225,664	53.4%
Total Customer Accounts	572,353	845,556	273,203	32.3%
Administrative and General				
Administrative and general salaries	432,877	446,548	13,670	3.1%
Office supplies and expense	138,915	157,415	18,500	11.8%
Outside services employed	139,809	272,538	132,730	48.7%
Insurance	75,622	97,497	21,875	22.4%
Employee Benefits	1,127,788	1,241,262	113,475	9.1%
Miscellaneous general	175,518	302,511	126,993	42.0%
Total Administrative and General	2,090,529	2,517,771	427,242	17.0%
Total Operation, Customer, & Admin Expenses	22,724,700	24,470,413	1,745,713	7.1%
Depreciation	1,487,890	1,474,351	(13,539)	-0.9%
Amortization of plant acquisition	-	-	-	0.0%
Total Operating Expenses	\$ 24,212,590	25,944,764	1,732,174	6.7%
OPERATING INCOME	\$ 1,917,517	1,697,542	219,974	13.0%

SHAKOPEE PUBLIC UTILITIES

WATER OPERATING REVENUE AND EXPENSE

	YTD Actual July 2020	YTD Budget July 2020	YTD Actual v. Budget Better/(Worse)	
			\$	%
OPERATING REVENUES				
Sales of Water	\$ 2,832,620	2,845,420	(12,800)	-0.4%
Forfeited Discounts	3,729	24,918	(21,189)	-85.0%
Uncollectible accounts	0	-	0	#DIV/0!
Total Operating Revenues	<u>2,836,350</u>	<u>2,870,338</u>	<u>(33,988)</u>	<u>-1.2%</u>
OPERATING EXPENSES				
Operations and Maintenance				
Pumping and distribution operation	371,717	327,168	(44,549)	-13.6%
Pumping and distribution maintenance	176,432	291,645	115,213	39.5%
Power for pumping	165,218	178,757	13,538	7.6%
Maintenance of general plant	23,518	52,989	29,470	55.6%
Total Operation and Maintenance	<u>736,886</u>	<u>850,559</u>	<u>113,673</u>	<u>13.4%</u>
Customer Accounts				
Meter Reading	42,108	40,457	(1,651)	-4.1%
Customer records and collection	92,391	95,702	3,311	3.5%
Energy conservation	558	5,833	5,275	-
Total Customer Accounts	<u>135,057</u>	<u>141,993</u>	<u>6,935</u>	<u>4.9%</u>
Administrative and General				
Administrative and general salaries	269,861	286,465	16,605	5.8%
Office supplies and expense	45,468	56,041	10,572	18.9%
Outside services employed	49,228	140,087	90,859	64.9%
Insurance	25,207	32,499	7,292	22.4%
Employee Benefits	391,784	454,867	63,083	13.9%
Miscellaneous general	106,707	123,931	17,224	13.9%
Total Administrative and General	<u>888,256</u>	<u>1,093,891</u>	<u>205,635</u>	<u>18.8%</u>
Total Operation, Customer, & Admin Expenses	<u>1,760,199</u>	<u>2,086,443</u>	<u>326,243</u>	<u>15.6%</u>
Depreciation	1,072,889	1,090,043	17,154	1.6%
Amortization of plant acquisition	-	-	-	-
Total Operating Expenses	<u>\$ 2,833,088</u>	<u>3,176,486</u>	<u>343,398</u>	<u>10.8%</u>
OPERATING INCOME	<u>\$ 3,261</u>	<u>(306,148)</u>	<u>309,409</u>	<u>101.1%</u>