

AGENDA
SHAKOPEE PUBLIC UTILITIES COMMISSION
REGULAR MEETING
SEPTEMBER 8, 2020

Following the March 13, 2020 Declaration of Peacetime Emergency by Governor Walz (as amended), the Commission is holding its regular meeting on September 8, 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 126 264 4848
When Prompted for Password, enter #**

1. **Call to Order** at 5:00pm in the SPUC Service Center, 255 Sarazin Street.
2. **Approval of Minutes**
 - 2a) August 13, 2020 Special Meeting
 - 2b) August 17, 2020
3. **Communications**
4. **Approve the Agenda**
5. **Approval of Consent Business**
6. **Bills: Approve Warrant List**
7. **Liaison Report**
8. **Review of Repayment, Release, and Separation Agreement with Utilities Manager John Crooks**
9. **Update on Interim Leadership**
10. **Appointment of SPU Secretary**
11. **Reports: Water Items**
 - 11a) Water System Operations Report – Verbal
 - C=> 11b) Water Treatment Plant Feasibility Study – SEH
 - C=> 11c) WCC/TWC Analysis Study – Ehlers
 - 11d) Water Tower #8 Project Update - Verbal
 - C=> 11e) Quarterly Nitrate Results
 - C=> 11f) Quarterly Water Projects – Updated Information

11g) Resn. #1281 – Approving A Water Main Sharing Agreement With Gaughan Companies For River Bluff Addition, Shakopee, Scott County Minnesota

12. **Reports: Electric Items**

- 12a) Electric System Operations Report – Verbal
- 12b) East Shakopee Substation Land Acquisition Update
- C=> 12c) Quarterly Electric Projects – Updated Information
- 12d) Electric Distribution Relocation Construction Agreement with Gaughan

13. **Reports: Human Resources**

14. **Reports: General**

- C=> 14a) SPU Communications and Rebranding Efforts
- 14b) 2021 Budget Planning Schedule
- C=> 14c) Wage and Compensation Study - AEM

15. **Tentative Dates for Upcoming Meetings**

- Mid Month Meeting -- September 21
- Regular Meeting -- October 5
- Mid Month Meeting -- October 19
- Regular Meeting -- November 2

16. **Adjourn to 9/21/20 at the SPUC Service Center, 255 Sarazin Street**

MINUTES
OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION
(Special Meeting)

President Amundson called the Special Meeting of the Shakopee Public Utilities Commission to order at the Shakopee Public Utilities meeting room at 5:10 P.M., August 13, 2020. There were technical issues that needed to be resolved.

MEMBERS PRESENT: Commissioners Amundson, Meyer, Mocol, Brennan and Fox. Also present, Utilities Manager Crooks. Commissioner Fox attended via WebEx. Also attending were SPU attorney, Kaela Brennan with McGrann Shea and Special Counsel Korine Land with LeVander, Gillen and Miller.

Motion by Meyer, seconded by Fox to approve the agenda as presented. Motion carried 5-0.

More technical issues took place and it was 5:40 P.M. before the meeting started again.

Commission discussion took place as to whether to discuss the investigative report in an open or closed meeting.

Motion by Meyer, seconded by Mocol to close the portion of the meeting for preliminary consideration of allegations against the SPU Utilities Manager, without any determination as to whether discipline may be warranted. Motion carried 5-0. In closed session, the Commission discussed the investigative report by Special Counsel.

The meeting then reconvened in open session, with no official action taken during the closed meeting.

Commissioner Meyer began by reviewing the conclusion into the first allegation that the SPU Utilities Manager exceeded the Governor's Salary Cap for the years 2017-2019. Unless action would be taken, the salary cap will also be exceeded in 2020.

Motion by Meyer, seconded by Mocol to direct SPU legal counsel, Ms. Brennan and her firm to contact the League of Minnesota Cities in seeking any assistance and guidance effectuating the recommendation regarding adjustments to the salary cap. Motion carried 5-0.

Motion by Meyer, seconded by Amundson to direct Ms. Brennan and her firm to search for and select an outside accounting firm to determine the amount of overpayment for the years 2017-2019 and to determine any adjustment to the current salary year to comply with existing Minnesota law, salary cap issues, and to negotiate a repayment plan with Mr. Crooks and his counsel. Motion carried 5-0.

Motion by Meyer, seconded by Mocol to direct the acting SPU Interim Finance Director, Kelley Willemssen, to contact PERA in order to determine what adjustments would be required in light of any adjustment to past salary and current 2020 salary as it relates to the compensation calculations. Motion carried 5-0.

Commissioner Meyer then reviewed the findings of the second allegation against the Utilities Manager. It was found the use of Commissioner Only agenda packets is in violation of the Minnesota Open Meeting Law.

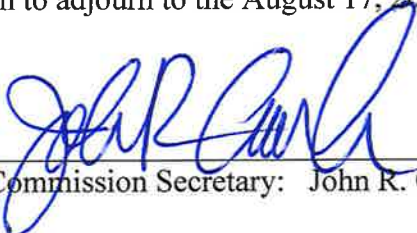
Motion by Meyer, seconded by Brennan to direct staff to prepare a detailed policy and procedure for the use of Commissioner Only agenda packets and when appropriate to consult with SPU legal counsel Ms. Brennan and her firm for compliance of those policies and procedures with the Open Meeting Law and the Data Practices Act. Motion carried 5-0.

Motion by Meyer, seconded by Amundson to direct staff to contact the LMC so as to set up annual training for the SPU Staff and Commission as to the requirements of the Open Meeting Law and Data Practices Act to assure compliance of the Commission and SPU Staff going forward. Motion carried 5-0.

Commissioner Mocol reviewed the findings of the third allegation against the Utilities Manager. There was likely no intentional altering of the 2020 Pay Equity report graph with the 2020 submission document to the OMB or the withholding of certain document reports from the Commission and is not a violation of the law.

Motion by Mocol, seconded by Meyer that all Pay Equity Reports including the Job Data Entry Verification List shall be included in the Commission agenda packets. By including all reports, the Commission and Commission President can confirm the information is accurate before approving and signing the report and it is recommended that every 5 years SPU will conduct a compensation study. Motion carried 5-0.

Motion by Meyer, seconded by Amundson to adjourn to the August 17, 2020 meeting. Motion carried 5-0.


Commission Secretary: John R. Crooks

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 17, 2020.

MEMBERS PRESENT: Commissioners Amundson, Meyer, Mocol, Brennan and Fox. Planning and Engineering Director Adams, Electric Superintendent Drent, Marketing/Customer Relations Director Walsh, as well as Commissioners Meyer and Mocol attended via WebEx. Also attending, SPU legal counsel Kaela Brennan via WebEx.

Motion by Mocol, seconded by Meyer to approve the minutes of the August 3, 2020 Commission meetings. Motion carried 5-0.

There were no Communication items to report.

President Amundson offered the agenda for approval. Commissioner Brennan asked that Agenda Item 11e: Update From SPU Counsel on Directives From August 13, 2020 Special Commission Meeting be moved ahead in the agenda to follow the Liaison Report.

Motion by Brennan, seconded by Fox to approve the amended agenda as described. Motion carried 5-0.

There were two Consent Business items on the agenda, Item 11c: COVID Dashboard Metrics-July 2020 and Item 11d: Monthly Financial Results-July 2020.

Motion by Fox, seconded by Mocol to approve the Consent Business as presented. Motion carried 5-0.

The warrant listing for bills paid August 3, 2020 was presented.

Motion by Meyer, seconded by Fox to approve the August 3, 2020 warrant listing. Motion carried 5-0.

The warrant list for August 17, 2020 was presented.

Motion by Meyer, seconded by Mocol to approve the August 17, 2020 warrant listing. Motion carried 5-0.

Commissioner Brennan stated there was no Liaison Report.

SPU legal counsel Kaela Brennan provided an update on 3 areas that were recommendations from the August 13, 2020 Special Commission meeting.

Ms. Brennan stated that the League of Minnesota Cities (LMC) would not be able to conduct an independent audit of salary cap coverage in regards to the Utilities Manager's salaries back to 2017. The State Auditor could perform the analysis for a fee, however inquiries to the Auditors office have gone unanswered as to their timeline. Abdo, Eick and Meyers (AEM) would be able to perform the analysis. Commission consensus was to move forward with AEM.

Ms. Brennan has begun negotiating a repayment plan in the form of a term sheet with the Utilities Manager's counsel.

Ms. Brennan has also had discussions with LMC in regards to training for the SPU Staff and the Commission. Scheduling will take place with LMC, SPU Staff and the Commission for appropriate dates and times.

Water Superintendent Schemel reported on water operations. In August, the average day pumpage has been 7.9 million gallons per day. Eighteen hydrant flushing zones have been completed. Twenty hydrants have been repaired as a result of annual inspections.

Resolution #1280 was presented by Planning and Engineering Director Adams. The resolution was for a vacation of a utility easement for the Powers Addition and Jackson Elementary School.

Motion by Brennan to remove John Crooks as SPU Secretary. Motion failed for lack of a second.

Motion by Brennan, seconded by Fox to have SPU Vice President replace John Crooks as the secondary signature for SPU resolutions going forward. Motion carried, with Commissioners Amundson and Meyer dissenting.

Motion by Meyer, seconded by Mocol to adopt 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, Block1, Jackson Elementary School, Shakopee, Scott County, Minnesota. Ayes: Amundson, Mocol, Meyer, Brennan and Fox. Nays: None. Motion carried. Resolution #1280 Adopted.

Mr. Schemel reviewed nitrogen fertilizer use restrictions in Scott County. Also reviewed was a January 16, 2020 memo that was presented to the Commission at the January 20, 2020 meeting.

Mr. Adams presented the quarterly review of water projects.

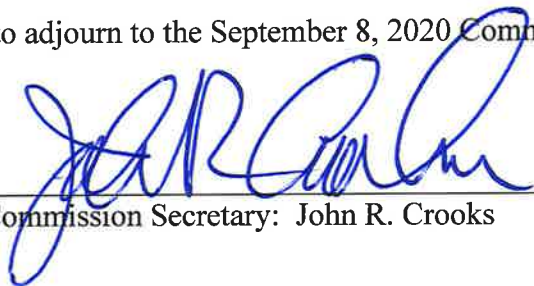
Electric Superintendent Drent reported on electric operations. Five electric outages were reviewed. Construction projects were updated.

Mr. Adams presented the quarterly review of electric projects. Staff will bring back updates to the next Commission meeting September 8, 2020.

Marketing/Customer Relations Director Walsh presented a detailed look into all that has gone into the SPU rebranding efforts. Discussion included the new SPU logo, website, lobby changes as well as many other changes that center upon improvements with our customer interactions and customer relations.

The proposed 2021 budget planning schedule was presented. Motion by Mocol, seconded by Meyer to appoint Commissioners Mocol and Fox to the Wage and Compensation Sub Committee. The SPU Interim Director of Finance and Administration, City of Shakopee HR Director and AEM will also participate in the meetings. Also Staff is directed to have AEM to perform a compensation study for SPU. Motion carried 5-0.

Motion by Meyer, seconded by Fox to adjourn to the September 8, 2020 Commission meeting. Motion carried 5-0



Commission Secretary: John R. Crooks

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 8, 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:

56384	Void	0
56392	City of Shakopee	18,765.00
56393	City of Shakopee	34,070.11
56394	Stock Trailer City Inc.	15,425.00
56395	berganKDV	3,000.00
56396	American Messaging	1,547.39
56397	Adam & Christy Anderson	162.00
56398	Allstream	2,382.67
56399	Altec Industries, Inc.	1,037.20
56400	Alternative Technologies Inc.	960.00
56401	Patrick Ames	170.00
56402	AAR Building Service Co.	3,610.00
56403	Annette Stanek	7,228.75
56404	Apple Ford of Shakopee	66.73
56405	Arrow Ace Hardware	121.47
56406	Bergerson-Caswell Inc.	4,068.50
56407	Berndt Builders Inc.	24,820.00
56408	Robert Berndtson	161.58
56409	Birds Lawn Care LLC	3,205.00
56410	Donald Bittner	125.00
56411	Brenda Blaisdell	148.50
56412	Border States Electric Supply	25,419.26
56413	Bro-Tex Inc.	246.52
56414	Canterbury Development LLC	23,623.91
56415	Choice Electric Inc.	7,608.90
56416	City of Savage	1,603.47
56417	City of Shakopee	3,449.17
56418	City of Shakopee	452,139.90
56419	City of Shakopee	192,000.00
56420	City of Shakopee	13,430.00
56421	City of Shakopee	590.00
56422	Core & Main LP	14,062.00
56423	Countryside Construction Inc.	41,200.00
56424	Customer Contact Services	713.18
56425	Delta Dental Plan of MN	5,328.55
56426	Deputy Registrar #135	2,896.64
56427	DGR Engineering	7,886.82
56428	DitchWitch of Minnesota	152.80
56429	Formstack, LLC	1,188.00
56430	Fastenal Ind. & Const Supplies	310.77
56431	Further	1,408.96
56432	Gopher State One-Call	1,077.30
56433	Grainger Inc.	240.52
56434	Hawkins Inc.	4,347.85
56435	HealthPartners	75,679.33
56436	Hennen's Auto Service, Inc.	418.32
56437	John H Hogen	125.00
56438	Impact Mailing of Minnesota, Inc.	12,033.06
56439	Innovative Office Solutions LLC	2,271.63
56440	Stuart C Irby Co.	1,225.67
56441	JT Services	5,483.37
56442	D & D Service	14,754.43
56443	LeVander, Gillen & Miller, P.A.	52,000.00
56444	Lawrence & Schiller Inc.	22,500.00
56445	League of Minn Cities Ins Trust	100,916.00
56446	Link Construction	53.69
56447	Locators & Supplies Inc.	84.32
56448	Christine Miriti	153.00
56449	Matheson Tri-Gas, Inc.	277.23
56450	McGrann Shea Carnival Straughn & Lamb, Chartered	12,274.50
56451	MF Irrigation Services	1,269.22
56452	Midwest Safety Counselors, Inc.	4,746.46
56453	Minn Valley Testing Labs Inc.	744.00
56454	Tony Myers	710.00
56455	Nagel Companies LLC	93,244.00
56456	Napa Auto Parts	299.58
56457	NCPERS Group Life Ins.	192.00

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 8, 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:

56458	Gerry Neville	58.08
56459	Computex Technology Solutions	1,175.08
56460	Cindy Nickolay	157.56
56461	Bluetarp Financial, Inc.	66.98
56462	PLIC - SBD Grand Island	3,530.99
56463	Parrott Contracting, Inc.	4,079.70
56464	Paymentus Corporation	14,662.40
56465	Plunket's Pest Control, Inc.	1,270.97
56466	Michael Rylance	153.90
56467	Nick Rahman	6,000.00
56468	Resco	1,860.48
56469	Chris Roe	200.00
56470	Robert Romansky	49.00
56471	Roseville Midway Ford	43,706.80
56472	R.W. Beck Group, Inc.	610.00
56473	Steve Sauer	200.00
56474	Heather R Schroeder	153.00
56475	Sokun Seng	200.00
56476	Sambatek	25,825.26
56477	Dan Schoppe	125.00
56478	Scott County Treasurer	324.00
56479	U.S. Postal Service	500.00
56480	Shenandoah Apartments	11.63
56481	Shenandoah Apartments	120.28
56482	Shenandoah Apartments	3,946.93
56483	Shenandoah Apartments	163.78
56484	Shenandoah Apartments	260.10
56485	Shenandoah Apartments	13.20
56486	Shenandoah Shakopee Land Assoc	74.68
56487	Shenandoah Shakopee Land Assoc	4,361.57
56488	Shenandoah Shakopee Land Assoc	96.82
56489	St. Louis MRO, Inc.	105.00
56490	Subsurface Solutions	276.62
56491	Jon Teply	169.00
56492	Gregory Triplett	127.08
56493	United Systems & Software, Inc.	5,000.90
56494	Verizon Connect NWF Inc.	33.22
56495	Verizon Wireless	1,212.92
56496	Teri Wilson	125.00
56497	Brian Wagner	6,000.00
56498	Water Conservation Service Inc.	635.68
56499	Wesco Receivables Corp.	4,714.15
56500	George Wexler	185.50
56501	Million Woldehawariat	200.00
56502	WOP Addison LLC	63.48
56503	WOP Addison LLC	3,194.78
56504	WOP Addison LLC	53.17
56505	XCEL Energy	3,800.13

TOTAL

1,463,309.05


Commission Secretary

Commission President


Interim Director of Finance & Administration

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 8, 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:

56384	Void	0	Sample used for check overlay to Daffron
56392	City of Shakopee	18,765.00	Comm. C.O. Escrow Tank #8 - Bldg. Permit - 2090 Zumbro Ave
56393	City of Shakopee	34,070.11	Tank Building Permit WO# 2259 - 2090 Zumbro Ave
56394	Stock Trailer City Inc.	15,425.00	Elec. Dept. new Reel trailer WO #2354
56395	berganKDV	3,000.00	2019 Audit & Consulting Fees for May 2020, including research of State Auditor letter, consultations with Board Pres. And attendance May 18th.
56396	American Messaging	1,547.39	Smartswitch for Sept.
56397	Adam & Christy Anderson	162.00	2020 Irrigation Controllers rebate
56398	Allstream	2,382.67	T1 line, Shakopee Sub. Line Elec. Dept. hydraulic valve, oil and brake clean
56399	Altec Industries, Inc.	1,037.20	
56400	Alternative Technologies Inc.	960.00	Elec. Dept. oil test
56401	Patrick Ames	170.00	2020 Irrigation Controllers rebate
56402	AAR Building Service Co.	3,610.00	Sept. cleaning service
			2020 Rebate logos, Logo redesign, rate brochures & revisions, ebill logo, 2020 Rate bill stuffer, Focus Newsletter, Chamber Member Directory Ad, Spring Bill stuffer and SPU Contribution Infographic
56403	Annette Stanek	7,228.75	
56404	Apple Ford of Shakopee	66.73	Water dept. Trk #630 Oil change
			Pipe foam insulation, flame stopper, wasp killer, j-hook, coupling, repl cord, connector.
56405	Arrow Ace Hardware	121.47	Well Pump #8 work performed and replacing well cap & Water level gauge
56406	Bergerson-Caswell Inc.	4,068.50	Cleanup of SPU building beams, windows and secure decorative plywood to front of building
56407	Berndt Builders Inc.	24,820.00	
56408	Robert Berndtson	161.58	Mileage reimbursement
56409	Birds Lawn Care LLC	3,205.00	July lawn care
56410	Donald Bittner	125.00	2020 Star Clothes Washer - Rebate
56411	Brenda Blaisdell	148.50	2020 Water sense toilet rebate
			Elec. Dept. items; cutout load break 15KV, lug, connectors, clamp, pin fuse current limiting, oxide inhibit.
56412	Border States Electric Supply	25,419.26	Cross arm, pipe, fuse fitall
56413	Bro-Tex Inc.	246.52	Disinfectant wipes & Hand soap
56414	Canterbury Development LLC	23,623.91	Refund overpayment WO#2213
			Pumphouse 20: conduit, Jbox Connectors poles, fittings,remove exhaust switch, install PVC for load scales and pull cable for load scales. Remove saver switches @ 7 locations and install conduit and wiring for new entrance sign
56415	Choice Electric Inc.	7,608.90	Water usage for McColl drive for Aug.
56416	City of Savage	1,603.47	
56417	City of Shakopee	3,449.17	July Fuel usage
			SW(\$343,202.19) and SD(\$109,119.71)
56418	City of Shakopee	452,139.90	
56419	City of Shakopee	192,000.00	Sept. Transfer fee
			Grading permit escrow Stone
56420	City of Shakopee	13,430.00	Meadow WM extension (WO#2357)
			Grading permit for Stone Meadow
56421	City of Shakopee	590.00	WM Extension WO#2357
56422	Core & Main LP	14,062.00	Meters for water dept. WO#2345)
			Concrete slab & sidewalk to SPUC - line 158 of CIP
56423	Countryside Construction Inc.	41,200.00	
56424	Customer Contact Services	713.18	Answering service 8/25-9/21/20
56425	Delta Dental Plan of MN	5,328.55	Aug. Dental premiums
			Title, Reg, Application for new Truck #636 - Elec. Dept.
56426	Deputy Registrar #135	2,896.64	\$1.2m Distribution improvement to S.Sub.WO#2352, \$6.4m Dean Lake Circuit Switcher replacement
			WO#2392, \$177.00 RTU
56427	DGR Engineering	7,886.82	Replacements WO#2352
			Bolts, insert spacer, sheave bushing -
56428	DitchWitch of Minnesota	152.80	Elec. Dept.
			Gold Annual Charge - SW/New
56429	Formstack, LLC	1,188.00	Website
			Elec & Water dept. tools - drill, drill bit, galv.
56430	Fastenal Ind. & Const Supplies	310.77	

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 8, 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:

56431	Further	1,408.96	Aug. Adm. Fee, Flex dental and Dependent care reimb.
56432	Gopher State One-Call	1,077.30	Aug. locates
56433	Grainger Inc.	240.52	Brass valve
56434	Hawkins Inc.	4,347.85	Cylinders of chlorine
56435	HealthPartners	75,679.33	Aug. Health Ins. Premiums
56436	Hennen's Auto Service, Inc.	418.32	Tow master T-12 Cat, Oil change
56437	John H Hogen	125.00	2020 Star Clothes Washer Rebate
56438	Impact Mailing of Minnesota, Inc.	12,033.06	Statements 7/31-8/27
56439	Innovative Office Solutions LLC	2,271.63	Office Supplies
56440	Stuart C Irby Co.	1,225.67	High Voltage mittens for electric dept.
56441	JT Services	5,483.37	Pulling lube and pulling tape, lamps
56442	D & D Service	14,754.43	Private work, Canterbury Road & Secretariat Ave. - Boring WO#2386
56443	LeVander, Gillen & Miller, P.A.	52,000.00	Employment Investigation
56444	Lawrence & Schiller Inc.	22,500.00	Consulting & Direction, Initial Survey
56445	League of Minn Cities Ins Trust	100,916.00	Development - SW
56446	Link Construction	53.69	Property/Casualty Covg.7/31/20 - 7/31/21
56447	Locators & Supplies Inc.	84.32	Refund to temp elec. Fee
56448	Christine Miriti	153.00	Hornet/Bee spray
56449	Matheson Tri-Gas, Inc.	277.23	2020 Irrigation Controllers rebate
56450	McGrann Shea Carnival Straughn & Lamb, Chartered	12,274.50	Nitrogen & Haz material
56451	MF Irrigation Services	1,269.22	Elec. Facilities Agreement & Acquisition WO#2376-\$111.25 & WO#2377 \$1335.00. The remainder goes to municipal & regulatory matters
56452	Midwest Safety Counselors, Inc.	4,746.46	2020 Lawn sprinkler service
56453	Minn Valley Testing Labs Inc.	744.00	Replacement pads for AED's & Batteries
56454	Tony Myers	710.00	Nitrate & Nitrite, Coliform, Calcium, Iron, Copper, Zinc
56455	Nagel Companies LLC	93,244.00	O-rings reimb. & professional skills training reimbursement
56456	Napa Auto Parts	299.58	WO#2325 160 Crossing DNR
56457	NCPERS Group Life Ins.	192.00	Wetland/Bore - Circuit 83
56458	Gerry Neville	58.08	Elec. Dept. Carlyle Booster pack
56459	Computex Technology Solutions	1,175.08	Sept. life ins.
56460	Cindy Nickolay	157.56	Mileage reimbursement
56461	Bluetarp Financial, Inc.	66.98	VMware renewal 10/20/20-1/19/21
56462	PLIC - SBD Grand Island	3,530.99	Mileage reimbursement
56463	Parrott Contracting, Inc.	4,079.70	Pallet jack wheels
56464	Paymentus Corporation	14,662.40	Sept. L.T.D. premiums
56465	Plunket's Pest Control, Inc.	1,270.97	Repair catch basin @ SPUC bldg.
56466	Michael Rylance	153.90	July paymentus fees
56467	Nick Rahman	6,000.00	Aug. 2020 - July 2021 Pest control program
56468	Resco	1,860.48	2020 Irrigation Controllers rebate
56469	Chris Roe	200.00	2020 Res. Solar Rebate
56470	Robert Romansky	49.00	Sleeve Alum Loop Splice - Inventory
56471	Roseville Midway Ford	43,706.80	2020 Irrigation Controllers rebate
56472	R.W. Beck Group, Inc.	610.00	Reimb. For Transfer SPUCWEB from Godaddy to Register.com & Setup 2 year forwarding SPUCWEB.com to Shakopeeutilities.com on register.com
56473	Steve Sauer	200.00	Elec. Dept. new truck #636 - WO#2358
56474	Heather R Schroeder	153.00	July 2020 Analysis of SPU East Sub. Sites WO#2376
56475	Sokun Seng	200.00	2020 Irrigation Controllers rebate
56476	Sambatek	25,825.26	2020 Irrigation Controllers rebate
56477	Dan Schoppe	125.00	2020 Irrigation Controllers rebate
56478	Scott County Treasurer	324.00	2020 Irrigation Controllers rebate
56479	U.S. Postal Service	500.00	2020 Irrigation Controllers rebate

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 8, 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:

			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2019
56480	Shenandoah Apartments	11.63	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2020
56481	Shenandoah Apartments	120.28	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2021
56482	Shenandoah Apartments	3,946.93	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2022
56483	Shenandoah Apartments	163.78	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2023
56484	Shenandoah Apartments	260.10	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2024
56485	Shenandoah Apartments	13.20	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2025
56486	Shenandoah Shakopee Land Assoc	74.68	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2026
56487	Shenandoah Shakopee Land Assoc	4,361.57	
			Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2027
56488	Shenandoah Shakopee Land Assoc	96.82	
56489	St. Louis MRO, Inc.	105.00	Drug testing for 2nd Qtr. Socket panel assembly, battery connect for receivers - Electric Dept.
56490	Subsurface Solutions	276.62	
56491	Jon Teply	169.00	2020 Irrigation Controllers rebate
56492	Gregory Triplett	127.08	Mileage reimbursement WO#2345 ERT & Mounting plates for Water dept.
56493	United Systems & Software, Inc.	5,000.90	
56494	Verizon Connect NWF Inc.	33.22	Vehicle service
56495	Verizon Wireless	1,212.92	Cell phones for 7/24-8/23/20
56496	Teri Wilson	125.00	2020 Star Clothes Washer
56497	Brian Wagner	6,000.00	2020 Solar Res. Rebate program
56498	Water Conservation Service Inc.	635.68	Leak locates on Jefferson St. Inventory items - wire - 2 reels, squirrel guard, ground rod, clamp, straps and conduit
56499	Wesco Receivables Corp.	4,714.15	
56500	George Wexler	185.50	2020 Irrigation Controllers rebate
56501	Million Woldehawariat	200.00	Reissued check from credit refunds - original check not cashed. Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2019
56502	WOP Addison LLC	63.48	

SHAKOPEE PUBLIC UTILITIES COMMISSION

WARRANT LISTING

September 8, 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:

56503	WOP Addison LLC	3,194.78	Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2020
56504	WOP Addison LLC	53.17	Voided and reissued checks - Unclaimed property procedure. Checks were not cashed so reissued to the same address. Checks are from 7/1/2016 to 6/30/2021
56505	XCEL Energy	3,800.13	Valley Park and Amberglen Cir. Gas usage
	TOTAL	<u>1,463,309.05</u>	

Commission Secretary

Commission President

Interim Director of Finance & Administration





po box 470 • 255 sarazin
shakopee, mn

main # 952.445-1988 • fax # 952.445-7767

www.shakopeeutilities.com

11b

TO: John R. Crooks, Utilities Manager 
FROM: Lon R. Schemel, Water Superintendent 
SUBJECT: Feasibility Study for Municipal Water Treatment
DATE: August 31, 2020

SPU has entered into an agreement with SEH for an update to the 2001 Water Treatment Plant Feasibility Study. The study will take approximately 5 months to complete. The proposed cost of the study is \$29,274.00. The Scope of Services is broken down into 5 tasks. They are detailed in the attached proposal.



Building a Better World
for All of Us®

Exhibit No. 1

August 27, 2020

RE: Proposal for Professional Engineering Services
Feasibility Study for Municipal Water Treatment
Shakopee Public Utilities
Shakopee, MN

Mr. Lon R. Schemel, Water Superintendent
Shakopee Public Utilities
255 Sarazin Street, PO Box 470
Shakopee, MN 55379

Dear Mr. Schemel:

The Shakopee Public Utilities Commission is proposing to update its 2001 Water Treatment Plant Feasibility Study. Acting on your invitation, SEH is pleased to submit this proposal for professional engineering services to prepare a Water Treatment Feasibility Study for Shakopee's municipal water distribution system. The following outlines our understanding of the project and our proposed scope of services for assisting Shakopee Public Utilities Commission with this feasibility study endeavor.

PROJECT BACKGROUND

The Shakopee Public Utilities Commission (SPUC) owns and operates the municipal drinking water system that serves the City of Shakopee, which is a community of approximately 37,000 people located in the Northern part of Scott County. SPUC provides water service to residences and businesses within the City limits of Shakopee. SPUC provides water to its customers via 196 miles of transmission and distribution water mains ranging in size up to 30 inches in diameter. The water system also consists of the following significant features:

- Eighteen groundwater wells that pump water from the Prairie du Chien-Jordan Sandstone aquifer. Combined the wells have a total supply capacity of 24.4 million gallons a day (MGD) and a reliable supply capacity of 20.3 MGD.
- Four elevated storage tanks with a total storage capacity of 4.25 million gallons (MG).
- Three ground storage tanks with a total storage capacity of 7.0 MG.

The City of Shakopee's location with respect to nearby major urban centers, principal transportation corridors, and available lands makes the community an ideal place for both continued steady residential and commercial growth and development. To stay ahead of the increasing population and its demand for high quality drinking water, SPUC regularly reviews and updates its long range planning documents. Following on the heels of completing its 2019 Comprehensive Water System Plan, SPUC is now proposing to review and update its plan for municipal water treatment.

As stated earlier, Shakopee's municipal drinking water system is primarily supplied with water from the Prairie du Chien-Jordan Sandstone aquifer. The water pumped from this aquifer is of such high quality, with respect to the US Environmental Protection Agency's (EPA's) primary and secondary drinking water standards, that SPUC only operates and maintains fluoridation and chlorination treatment systems for the prevention of tooth decay and residual disinfection throughout the distribution system piping.

Engineers | Architects | Planners | Scientists

Short Elliott Hendrickson Inc., 3535 Vadnais Center Drive, St Paul, MN 55110-5196

SEH is 100% employee-owned | sehinc.com | 651.490.2000 | 800.325.2055 | 888.908.8166 fax

PROJECT SCOPE

At this time, SPUC is proposing to complete a regular review of its approach to municipal water treatment. The scope of this project will be to review and update its 2001 Water Treatment Plant Feasibility Study and it is SPUC's plan to use Short Elliot Hendrickson (SEH) to assist with completing this update as set forth in the following Scope of Services and the Task descriptions identified therein:

SCOPE OF SERVICES

SEH has divided our scope of services for this Feasibility Study for Municipal Water Treatment into five (5) basic tasks as listed below.

TASK 1 – PROJECT INITIATION & DATA COLLECTION

In this Task, SEH proposes to initiate the project and begin assembly and review of relevant documents from past studies and evaluations completed by SPUC. In preparation for the kick off of this project with SPUC staff, SEH project team members will complete an initial document review prior to the opening meeting.

1. Document Review:
 - a. Review the 2001 Water Treatment Feasibility Study: SEH will have each of its project team members thoroughly review this study to understand the scope of work that was completed at that time.
 - b. Review the 2018 Comprehensive Water System Plan.
 - c. Review the 2019 Update to the 2018 Comprehensive Water System Plan.
2. Hold Kick-off Meeting (Meeting No. 1) as an In-Person with the SPUC staff to:
 - a. Kick off the project and confirm the project scope and schedule,
 - b. Hold background discussions regarding the scope and direction of the 2001 Water Treatment Feasibility Study.
 - c. Review current and future water demands and expected system expansion that includes:
 - i. Wells,
 - ii. Storage, and
 - iii. Potential sites for municipal water treatment facilities.
 - d. Discuss water system and water quality concerns with SPUC staff.
 - e. Discuss system operation choices that SPUC operators make relative to matters of water quality.
 - f. Continue data collection through identification and discussion of past reports, analyses, evaluations, etc....,
 - g. Tour the Shakopee water system with SPUC staff.

TASK 2 – PRELIMINARY ANALYSIS

In this Task, SEH will review the filtration and process alternatives and design criteria for further evaluation; identify sizes, capacities and operational features of various water filtration technologies; review backwash water handling options; review layout features in terms of both process (treatment) and non-process features such as architecture and space needs criteria. The scope of this Task will include:

1. Hold Meeting No. 2 as an In-Person with the SPUC staff to:
 - a. Discuss options for surface and groundwater sources. Will SPUC continue with groundwater supplies only, or is the quarry located east of Well 4 a viable source of water?
 - b. Review both process and non-process design parameters that are fundamental to the design and layout of water treatment facilities.
 - c. Discuss centralized and satellite water treatment facility concepts.
2. Site Locations and Utility Alignments:
 - a. Review how treatment facilities can be located in both centralized and satellite configurations.
 - b. Determine facility capacities based upon siting and water supply parameters.
 - c. Identify utility alignments for facility integration.
3. Review process options:
 - a. Groundwater treatment:
 - i. Pressure and Gravity Systems
 - ii. Iron, manganese, radium, nitrate removal.
 - b. Surface water treatment

4. Space Needs. For this effort, we will address the following considerations:
 - a. Office spaces,
 - b. Garage spaces,
 - c. Shop spaces,
 - d. Process and chemical spaces, and
 - e. Building code parameters.
5. Architectural Considerations: Establish common building materials for the feasibility study analyses:
 - a. Walls: Interior and exterior building materials.
 - b. Roofs:
 - i. Sloped or Flat
 - ii. Metal or Asphalt/Bitumen
6. Prepare Memorandum No. 1 and transmit to SPUC for review and comment.

TASK 3 – CONDUCT TECHNICAL ANALYSES

In this Task, SEH proposes to use the information developed in Task 2 to analyze key project elements, create basic layouts for each alternative, incorporate non-process spaces into these layouts and prepare viable site arrangements of the facility components. The scope of this Task will include:

1. Hold (Virtual) Meeting No. 3 with the SPUC staff to:
 - a. Review Memorandum No. 1.
 - b. Discuss the scope and schedule of this Task 3.
2. Update Memorandum No. 1 following input from SPUC.
3. Major Process Element Sizing:
 - a. Filter size and filtration rates,
 - b. Backwash rates, and
 - c. Backwash water quantities generated.
 - d. Clearwell (Finished Water Storage) Sizing
4. Prepare facility layouts.
5. Prepare generalized utility maps: Create system maps showing the considered water treatment plant locations and the extent of connecting raw and finished water mains and sanitary sewer.
6. Prepare Memorandum No. 2 and transmit to SPUC for review and comment.

TASK 4 – COST ESTIMATES

In this Task, SEH proposes to prepare both capital and 50-year present worth cost analyses for the various treatment facility alternatives considered.

1. Hold (Virtual) Meeting No. 4 with the SPUC staff to:
 - a. Review Memorandum No. 2.
 - b. Discuss the scope and schedule of this Task 4.
2. Update Memorandum No. 2 following input from SPUC.
3. Prepare cost estimates for the various treatment facility alternatives considered:
 - a. Central and Satellite WTP Options.
 - b. Utilities.
4. Prepare Memorandum No. 3 and transmit to SPUC for review and comment.

TASK 5 – FEASIBILITY REPORT

In this Task, SEH proposes to combine all Technical Memorandums into a Feasibility Study that complies the analyses and estimates of cost with a summary and recommendations for implementation. As part of this Task, we provide assistance as desired by SPUC staff in presenting the contents of this Study to the Commission responding to any questions or comments that arise. The scope of this Task will include:

1. Hold (Virtual) Meeting No. 5 with the SPUC staff to:
 - a. Review Memorandum No. 3.
 - b. Discuss the scope and schedule of this Task 4.
2. Update Memorandum No. 3 following input from SPUC.
3. Prepare draft Feasibility Report
4. Transmit the draft feasibility report to SPUC for review and comment.
5. Hold Meeting No. 6 in-person with the SPUC staff to review the draft Feasibility Report.
6. Update the Feasibility Report following input from SPUC.
7. Transmit the Final Feasibility Report to SPUC.

PROJECT DELIVERABLES

The project deliverables, also defined in the Task descriptions above, include electronic and five (5) hard copies of the documents generated for each Task as well as the Final Report. Reimbursement for printing is included in the fixed price noted below.

PROJECT SCHEDULE

FEASIBILITY STUDY FOR MUNICIPAL WATER TREATMENT (September 2020 to January 2021)

The SEH team is available to start this work as early as September 14, 2020. SEH will coordinate specific project schedules with SPUC staff following receipt of a Notice to Proceed (NTP). Following an assumed August 31, 2020 NTP, we anticipate the following schedule:

Task 1: Project Initiation & Data Collection: This Task is expected to run between September 14, 2020 and October 2, 2020, with the project kick off meeting and water system tour (Meeting No. 1) tentatively scheduled for the week of September 14, 2020. As such, SEH will complete this Task within approximately 32 days of the NTP.

Task 2: Preliminary Analysis: This Task is expected to run between October 5, 2020 and October 30, 2020, with in-person Meeting No. 2 tentatively scheduled for the week of October 5, 2020. As such, SEH will complete this Task within approximately 25 days of the completion of Task No. 1.

Task 3: Conduct Technical Analyses: This Task is expected to run between November 2, 2020 and November 27, 2020, with the proposed virtual Meeting No. 3 tentatively scheduled for the week of November 5, 2020. As such, SEH will complete this Task within approximately 25 days of the completion of Task No. 2.

Task 4: Cost Estimates: This Task is expected to run between November 30, 2020 and December 18, 2020, with the proposed virtual Meeting No. 4 tentatively scheduled for the week of November 30, 2020. As such, SEH will complete this Task within approximately 19 days of the completion of Task No. 3.

Task 5: Feasibility Report: This Task is expected to run between December 21, 2020 and January 29, 2021, with the proposed virtual Meeting No. 5 tentatively scheduled for the week of December 21, 2020 and the proposed in-Person Meeting No. 6 tentatively scheduled for the week of January 18, 2021. As such, SEH will complete this Task, and this project, within approximately 39 days of the completion of Task No. 4.

PROJECT STAFFING



For this project, **Chris Larson, PE** will serve as project manager. Chris has over 25 years' experience covering all aspects of water treatment including pilot studies and testing, preliminary engineering studies, design, construction administration, project management, and startup and training for water treatment and supply projects.

Chris' efforts will be supported by:



Chad Katzenberger, PE

You already know **Chad** as our water system modeling expert who worked on your Comprehensive Water System Plan.

and



McKenzie Martin, EIT. **McKenzie**, is one of the rising stars at SEH having worked with Chris and myself on recent water treatment plant studies and subsequent major design/construction projects for Cloquet, Faribault, Anoka, Fond du Lac and Ramsey.



I (**Miles B. Jensen, PE**) will serve as QA/QC specialist and senior advisor to the project team.

FEE PROPOSAL

SEH proposes to be compensated for the scope of work in this agreement on a Lump Sum basis. The following table provides a summary of fees associated with the various Tasks included in this proposal. The breakdown of fees is to be consider all-inclusive and not as discrete sums for separation in any manner. This proposed compensation plan includes all labor and reimbursable expenses such as mileage and printing.

Primary Scope of Services Category	Basis of Compensation	Amount
Task 1 - Project Initiation & Data Collection	Part of the Total Lump Sum	\$4,334.00
Task 2 – Preliminary Analysis	Part of the Total Lump Sum	\$6,435.00
Task 3 – Conduct Technical Analyses	Part of the Total Lump Sum	\$7,869.00
Task 4 – Cost Estimates	Part of the Total Lump Sum	\$3,831.00
Task 5 – Feasibility Report	Part of the Total Lump Sum	\$6,805.00
Total Feasibility Study for Municipal Water Treatment	Total Lump Sum	\$29,274.00

Detailed task, man-hour and fee breakdowns for the design and construction phases are attached at the end of this proposal.

SUMMARY

We again thank you for the opportunity to submit this proposal. We have the experience and the available staff to efficiently and successfully complete this project for the SPUC. The terms and conditions of this proposal wholly include the contents of the May 23, 2016, 2011 General Services Agreement between the Shakopee Public Utilities and Short Elliot Hendrickson, Inc. We look forward to working with you on this project and continuing our valued relationship with the SPUC. Please contact me with any questions you may have at (651) 775-5031 or at mjensen@sehinc.com.

Sincerely,
SHORT ELLIOTT HENDRICKSON INC.

A handwritten signature in black ink, appearing to read "Miles B. Jensen", with a long horizontal flourish extending to the right.

Miles B. Jensen, PE
Principal/Client Service Manager

Project Schedule and Level of Effort Estimate
 Feasibility Study for Municipal Water Treatment
 Shakopee Public Utilities
 Shakopee, MN
 SPUC Project No. _
 SEH Project No. P-156985



Feasibility Study for Municipal Water Treatment	Client Service Manager - Jensen	Project Manager - Larson	Project Engineer - Martin	Project Engineer - Klotzberger	Process Lead Technician - Karrs	Process Tech - Hanson/Koonitz	Total SEH Hours	Total Fees
	\$234	\$111	\$164	\$141	\$102			
Billing Rate per hour								
Task 1 - Project Initiation & Data Collection								
Document Review: 2001 Water Treatment Feasibility Study, etc...	1	2	2				5	\$690
Kick-off Meeting (Meeting No. 1) and Site Tours	6	6	6				18	\$2,070
Data Collection Well Water Quality, Quarry Information, Future Well Locations, etc.	1	1	2	4		4	12	\$1,519
Subtotal Hours	7.0	9.0	10.0	0.0	0.0	0.0	26.0	
Subtotal Labor Costs	\$0	\$2,106	\$1,112	\$0	\$0	\$0		\$4,280
Task Expenses	\$0	\$27	\$27	\$0	\$0	\$0		\$55
Subtotal Fees	\$0	\$2,132	\$1,139	\$0	\$0	\$0		\$4,334
Task 2 - Preliminary Analysis								
Meeting No. 2 (In-Person)	4	4	4				12	\$1,380
Source Water (Ground Water, Surface Water)	1	1	1				3	\$345
WTP Sizing Options (Centralized, Satellite, Quarry, etc...)	1	1	1				3	\$345
WTP Capacities	1	2	4				7	\$912
WTP Site Locations & Utility Alignments	1	1	1				3	\$345
WTP Process Options		2	4				6	\$912
Space Needs		2	4				6	\$912
Architectural Considerations		1	1				2	\$345
Prepare Memorandum No. 1 and Transmit to SPUC		1	4			2	7	\$883
Subtotal Hours	8.0	16.0	24.0	0.0	0.0	2.0	49.0	
Subtotal Labor Costs	\$0	\$3,608	\$2,669	\$0	\$0	\$204		\$6,380
Task Expenses	\$0	\$27	\$27	\$0	\$0	\$0		\$55
Subtotal Fees	\$0	\$3,635	\$2,696	\$0	\$0	\$204		\$6,435
Task 3 - Conduct Technical Analyses								
Meeting No. 3 (Virtual)	2	2	2				6	\$690
Update Memorandum No. 1		1	2				3	\$456
Major Process Element Sizing		1	4				5	\$679
Prepare Facility Layouts	1	2	4		16		23	\$3,161
Prepare Generalized Utility Alignment Maps		2	2	8			12	\$2,000
Prepare Memorandum No. 2 and Transmit to SPUC		1	4			2	7	\$883
Subtotal Hours	3.0	9.0	18.0	8.0	16.0	2.0	56.0	
Subtotal Labor Costs	\$0	\$2,106	\$2,001	\$1,310	\$2,249	\$204		\$7,869
Task Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Subtotal Fees	\$0	\$2,106	\$2,001	\$1,310	\$2,249	\$204		\$7,869
Task 4 - Cost Estimates								
Meeting No. 4 (Virtual)	2	2	2				6	\$690
Update Memorandum No. 2		1	2				3	\$456
Prepare Cost Estimates								
Central and Satellite WTP Options		2	8				10	\$1,357
Utilities			4				4	\$445
Prepare Memorandum No. 3 and Transmit to SPUC		1	4			2	7	\$883
Subtotal Hours	2.0	6.0	20.0	0.0	0.0	2.0	30.0	
Subtotal Labor Costs	\$0	\$1,403	\$2,224	\$0	\$0	\$204		\$3,831
Task Expenses	\$0	\$0	\$0	\$0	\$0	\$0		\$0
Subtotal Fees	\$0	\$1,403	\$2,224	\$0	\$0	\$204		\$3,831
Task 5 - Feasibility Report								
Meeting No. 5 (Virtual)	2	2	2				6	\$690
Update Memorandum No. 3		1	2				3	\$456
Prepare Draft Feasibility Report		2	24				26	\$3,136
Transmit Draft Feasibility Report to SPUC			1			2	3	\$315
Meeting No. 6 (In-Person)	4	4	4				12	\$1,380
Update Feasibility Report		1	2				3	\$456
Transmit Final Feasibility Report to SPUC			1			2	3	\$315
Subtotal Hours	6.0	10.0	36.0	0.0	0.0	4.0	56.0	
Subtotal Labor Costs	\$0	\$2,339	\$4,003	\$0	\$0	\$408		\$6,749
Task Expenses	\$0	\$27	\$27	\$0	\$0	\$0		\$55
Subtotal Fees	\$0	\$2,366	\$4,030	\$0	\$0	\$408		\$6,804
Estimated Project Hours	26.0	49.0	108.0	8.0	16.0	10.0	217.0	
Estimated Project Labor Cost	\$0	\$11,469	\$12,009	\$1,310	\$2,249	\$1,020		\$29,109
Estimated Project Expenses	\$0	\$82	\$82	\$1	\$0	\$0		\$166
Estimated Project Totals	\$0	\$11,540	\$12,090	\$1,311	\$2,249	\$1,020		\$29,274

SEH Project Expenses Estimate
 Feasibility Study for Municipal Water Treatment
 Shakopee Public Utilities
 Shakopee, MN
 SPUC Project No. _
 SEH Project No. P-156985



Feasibility Study for Municipal Water Treatment							Totals
	<i>Client Service Manager - Jensen</i>	<i>Project Manager - Larson</i>	<i>Project Engineer - Martin</i>	<i>Project Engineer - Katzenberger</i>	<i>Process Lead Technician - Karris</i>	<i>Process Tech - Hanson/Koontz</i>	
Task 1 - Project Initiation & Data Collection							
Kick-off Meeting (Meeting No. 1) and Site Tours							
Mileage		\$27	\$27				
Subtotal Task Expenses	\$0	\$27	\$27	\$0	\$0	\$0	\$55
Task 2 - Preliminary Analysis							
Meeting No. 2 - Facility Drawings and Memoranda							
Mileage		\$27	\$27				
Subtotal Task Expenses	\$0	\$27	\$27	\$0	\$0	\$0	\$55
Task 3 - Conduct Technical Analyses							
Meeting No. 3							
Mileage							\$0
Subtotal Task Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Task 4 - Cost Estimates							
Meeting No. 4 (Virtual)							
Mileage							
Subtotal Task Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Task 5 - Feasibility Report							
Meeting No. 5 (Virtual)							
Mileage							
Meeting No. 6 (In-Person)							
Mileage		\$27	\$27				
Subtotal Task Expenses	\$0	\$27	\$27	\$0	\$0	\$0	\$55
Estimated Expenses	\$0	\$82	\$82	\$0	\$0	\$0	\$164

C:\Users\mjensen\Documents\WBJ\Shakopee\2020 Water Treatment Plant Feasibility Study\Fee Estimate v1.xls\Expenses

Exhibit A-2
to Supplemental Letter Agreement
Between Shakopee Public Utilities (Client)
and
Short Elliott Hendrickson Inc. (Consultant)
Dated August 27, 2020

Payments to Consultant for Services and Expenses
Using the Lump Sum Basis Option

The Agreement for Professional Services is amended and supplemented to include the following agreement of the parties:

A. Lump Sum Basis Option

The Client and Consultant select the Lump Sum Basis for Payment for services provided by Consultant. During the course of providing its services, Consultant shall be paid monthly based on Consultant's estimate of the percentage of the work completed. Necessary expenses and equipment are provided as a part of Consultant's services and are included in the initial Lump Sum amount for the agreed upon Scope of Work. Total payments to Consultant for work covered by the Lump Sum Agreement shall not exceed the Lump Sum amount without written authorization from the Client.

The Lump Sum amount includes compensation for Consultant's services and the services of Consultant's Consultants, if any for the agreed upon Scope of Work. Appropriate amounts have been incorporated in the initial Lump Sum to account for labor, overhead, profit, expenses and equipment charges. The Client agrees to pay for other additional services, equipment, and expenses that may become necessary by amendment to complete Consultant's services at their normal charge out rates as published by Consultant or as available commercially.

B. Expenses Not Included in the Lump Sum

The following items involve expenditures made by Consultant employees or professional consultants on behalf of the Client and shall be paid for as described in this Agreement.

1. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Client.
2. Other special expenses required in connection with the Project.
3. The cost of special consultants or technical services as required. The cost of subconsultant services shall include actual expenditure plus 10% markup for the cost of administration and insurance.

The Client shall pay Consultant monthly for expenses not included in the Lump Sum amount.

document2

Supplemental Letter Agreement

In accordance with the Master Agreement for Professional Services between Shakopee Public Utilities ("Client"), and Short Elliott Hendrickson Inc. ("Consultant"), effective May 23, 2016, this Supplemental Letter Agreement dated August 27, 2020 authorizes and describes the scope, schedule, and payment conditions for Consultant's work on the Project described as: Feasibility Study for Municipal Water Treatment

Client's Authorized Representative: Lon Schemel

Address: 255 Sarazin Street, P.O. Box 470
Shakopee, MN 55379-0470

Telephone: 952.233.1504 **email:** lschemel@shakopeeutilities.com

Client Services Manager: Miles B. Jensen, PE

Address: 3535 Vadnais Center Drive
St. Paul, MN 55110

Telephone: 651.490.2020 **email:** mjensen@sehinc.com


Scope: The Basic Services to be provided by Consultant: As identified in the attached Exhibit No. 1.

Schedule: SEH is prepared to begin work upon receipt of a fully executed copy of this agreement.


Payment: Compensation for this work shall be on an hourly basis as identified in the attached Exhibit No. 1. The payment method, basis, frequency and other special conditions are set forth in attached Exhibit A-2.

Other Terms and Conditions: Other or additional terms contrary to the Master Agreement for Professional Services that apply solely to this project as specifically agreed to by signature of the Parties and set forth herein: None.

Short Elliott Hendrickson Inc.

By: 
Miles B. Jensen, PE
Title: Principal/Water Market Leader


Shakopee Public Utilities

By: 
Title: Water Superintendent



po box 470 • 255 s
shakopee
main # 952.445-1988 • fax # 952.445-1161
www.shakopeeutilities.com

11c

TO: SHAKOPEE PUBLIC UTILITIES COMMISSION
FROM: JOHN R. CROOKS, UTILITIES MANAGER 
SUBJECT: EHLERS – WCC AND TWC ANALYSIS STUDY UPDATE
DATE: SEPTEMBER 4, 2020

The analysis of the SPU Water Capacity Charge, the Trunk Water Charge and their respective Funds is progressing with Ehlers.

Attached is the final request for information that was provided to Ehlers. A meeting is set up for September 8 with SPU Staff and Ehlers Staff to keep the analysis on schedule.

Ehlers is proposing on having a draft of the analysis available for Commission review and discussion for the first meeting in October.

Crooks, John

From: Jessica Cook <jcook@ehlers-inc.com>
Sent: Wednesday, August 12, 2020 3:33 PM
To: Crooks, John; willemssen.kelly@shakopeeutilities.com; Adams, Joe
Cc: Jason Aarsvold
Subject: Information request

Thank you all for a very productive and helpful conversation this afternoon. Below is the list of information we will need to undertake the connection fee study.

1. Financial statements for the Trunk Fund and Connection Fund for FY 2018 and 2019
2. YTD Financial statements for these two funds.
3. 2020 budget for the two funds, and preliminary 2021 budgets if you have them.
4. The Water Comprehensive System Plan
5. The AUAR for the annexation of Jackson Township property
6. Total August 2018 water consumption including irrigation meters for each of a sample number of apartment properties and the number of units in each property. 10-15 properties that have been constructed in the last ten years would provide a good sample. I am suggesting 2018 data because 2019 and 2020 have been unusually wet years and we are trying to measure peak demand.
7. Water consumption by home for sample single family properties that have been constructed in the last ten years. I think a sample size of 30 newer single family homes from a variety of newer subdivisions at different price points would be sufficient. Again I would use the month of August, 2018.

Thanks for your help with this. Let me know if you have questions.

Jessica

Jessica Cook

Economic Development Advisor

O: (651) 697-8546 | M: (952) 200-9926 | ehlers-inc.com



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SHAKOPEE PUBLIC UTILITIES COMMISSION

“Lighting the Way - Yesterday, Today and Beyond”

MEMORANDUM

TO: John R. Crooks, Utilities Manager *JRC*

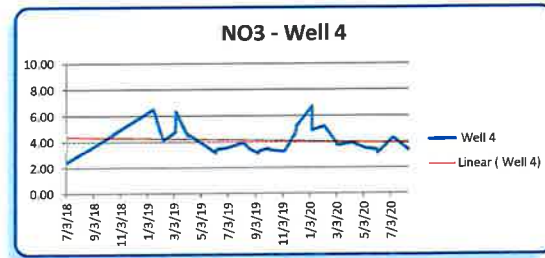
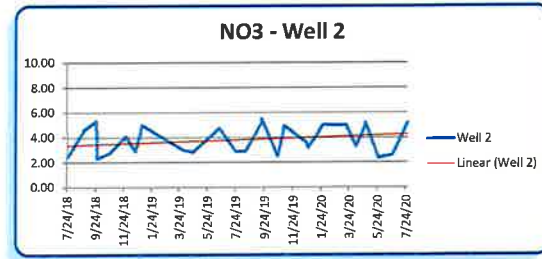
FROM: Lon R. Schemel, Water Superintendent *L. Schemel*

SUBJECT: Nitrate Results Update -- Advisory

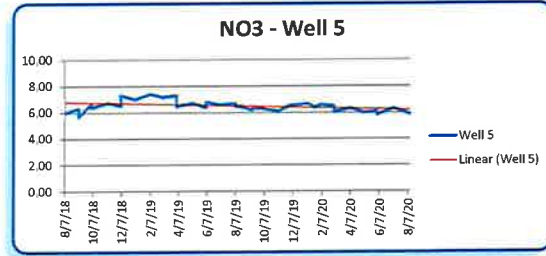
DATE: August 27, 2020

Attached are the latest nitrate test results for the wells. The analyses provided are for the prior 2 years of data collected with trend graphs.

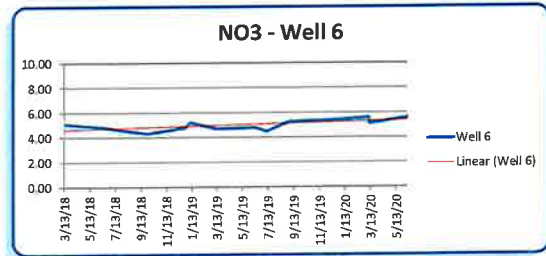
Location	Sample Collected	Results Received	Results	Lab	Run Time
2	7/24/18	8/17/18	2.41	MVTL	264 hrs prior
2	8/28/18	10/15/18	4.57	MVTL	168 hrs prior
2	9/25/18	10/15/18	5.30	MVTL	168 hrs prior
2	9/26/18	10/15/18	2.30	MDH	
2	10/23/18	11/7/18	2.76	MVTL	168 hrs prior
2	11/27/18	12/5/18	4.12	MVTL	168 hrs prior
2	12/18/18	12/26/18	2.89	MVTL	168 hrs prior
2	12/18/18	1/14/19	2.90	MDH	
2	1/2/19	1/14/19	4.97	MVTL	168 hrs prior
2	4/1/19	7/11/19	3.00	MDH	
2	4/23/19	5/1/19	2.84	MVTL	168 hrs prior
2	4/23/19	5/17/19	2.90	MDH	
2	5/21/19	5/29/19	3.83	MVTL	168 hrs prior
2	6/18/19	7/3/19	4.74	MVTL	168 hrs prior
2	7/23/19	7/29/19	2.89	MVTL	168 hrs prior
2	8/13/19	8/23/19	2.90	MVTL	168 hrs prior
2	9/17/19	10/3/19	5.16	MVTL	168 hrs prior
2	9/17/19	11/12/19	5.50	MDH	
2	10/22/19	11/12/19	2.52	MVTL	168 hrs prior
2	11/5/19	11/14/19	4.91	MVTL	168 hrs prior
2	12/23/19	1/23/20	3.60	MDH	
2	12/26/19	1/23/20	3.20	MVTL	168 hrs prior
2	1/28/20	2/21/20	5.02	MVTL	168 hrs prior
2	2/25/20	3/19/20	4.98	MVTL	168 hrs prior
2	3/17/20	3/24/20	4.99	MVTL	168 hrs prior
2	4/7/20	4/12/20	3.30	MDH	
2	4/28/20	4/30/20	5.18	MVTL	168 hrs prior
2	4/27/20	6/5/20	4.90	MDH	
2	5/26/20	5/29/20	2.36	MVTL	168 hrs prior
2	6/25/20	6/30/20	2.62	MVTL	168 hrs prior
2	7/28/20	7/30/20	5.17	MVTL	168 hrs prior
4	7/3/18	11/19/18	2.40	MDH	168 hrs prior
4	11/5/19	1/29/19	6.50	MVTL	168 hrs prior
4	2/5/19	2/12/19	4.16	MVTL	168 hrs prior
4	3/5/19	3/14/19	4.76	MVTL	168 hrs prior
4	3/5/19	3/29/19	4.80	MDH	
4	3/7/19	3/25/19	6.30	MDH	168 hrs prior
4	4/2/19	4/11/19	4.48	MVTL	168 hrs prior
4	4/2/19	12/9/19	4.60	MDH	
4	5/7/19	5/14/19	3.82	MVTL	168 hrs prior
4	6/4/19	6/21/19	3.14	MVTL	168 hrs prior
4	6/4/19	7/11/19	3.40	MDH	
4	7/2/19	7/24/19	3.57	MVTL	168 hrs prior
4	8/6/19	8/23/19	3.95	MVTL	168 hrs prior
4	8/6/19	12/9/19	3.90	MDH	
4	8/20/19	8/27/19	3.44	MVTL	168 hrs prior
4	9/9/19	10/3/19	3.11	MVTL	168 hrs prior
4	9/9/19	11/12/19	3.30	MDH	
4	10/1/19	11/12/19	3.50	MVTL	168 hrs prior
4	10/1/19	12/9/19	3.40	MDH	
4	11/5/19	11/14/19	3.24	MVTL	168 hrs prior
4	12/2/19	1/23/20	4.80	MDH	
4	12/3/19	12/13/19	5.18	MVTL	168 hrs prior
4	1/7/20	1/23/20	6.69	MVTL	168 hrs prior
4	1/7/20	3/24/20	4.90	MDH	
4	2/4/20	2/21/20	5.19	MVTL	168 hrs prior
4	3/3/20	3/19/20	3.76	MVTL	168 hrs prior
4	3/2/20	3/11/20	3.90	MDH	
4	4/7/20	4/10/20	3.94	MVTL	168 hrs prior
4	5/5/20	5/9/20	3.51	MVTL	168 hrs prior
4	6/2/20	6/5/20	3.12	MVTL	168 hrs prior
4	6/1/20	6/11/20	3.40	MDH	
4	7/7/20	7/9/20	4.35	MVTL	168 hrs prior
4	8/11/20	8/13/20	3.36	MVTL	168 hrs prior



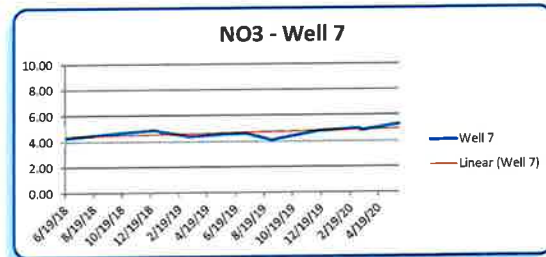
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5	10/2/18	10/15/18	6.67	MVTL	168 hrs prior
5	10/2/18	11/19/18	6.40	MDH	
5	11/6/18	11/19/18	6.74	MVTL	168 hrs prior
5	12/4/18	12/11/18	6.55	MVTL	168 hrs prior
5	12/4/18	12/26/18	7.30	MDH	
5	1/2/19	1/14/19	7.01	MVTL	168 hrs prior
5	1/2/19	3/4/19	7.00	MDH	
5	2/5/19	2/12/19	7.42	MVTL	168 hrs prior
5	3/5/19	3/14/19	7.16	MVTL	168 hrs prior
5	3/5/19	3/29/19	7.20	MDH	
5	4/2/19	4/11/19	7.29	MVTL	168 hrs prior
5	4/2/19	12/9/19	6.50	MDH	
5	5/7/19	5/14/19	6.73	MVTL	168 hrs prior
5	6/4/19	6/21/19	6.38	MVTL	168 hrs prior
5	6/4/19	7/11/19	6.80	MDH	
5	7/2/19	7/24/19	6.62	MVTL	168 hrs prior
5	8/6/19	8/23/19	6.70	MVTL	168 hrs prior
5	8/6/19	12/9/19	6.50	MDH	
5	8/20/19	8/27/19	6.46	MVTL	168 hrs prior
5	9/9/19	10/3/19	6.16	MVTL	168 hrs prior
5	9/9/19	11/12/19	6.30	MDH	
5	10/1/19	11/12/19	6.34	MVTL	168 hrs prior
5	10/1/19	12/9/19	6.30	MDH	
5	11/5/19	11/14/19	6.10	MVTL	168 hrs prior
5	12/2/19	1/23/20	6.60	MDH	
5	12/3/19	12/13/19	6.53	MVTL	168 hrs prior
5	1/7/20	1/23/20	6.69	MVTL	168 hrs prior
5	1/20/20	3/24/20	6.40	MDH	
5	2/4/20	2/21/20	6.60	MVTL	168 hrs prior
5	3/3/20	3/19/20	6.05	MVTL	168 hrs prior
5	3/2/20	3/11/20	6.50	MDH	
5	4/7/20	4/10/20	6.34	MVTL	168 hrs prior
5	5/5/20	5/9/20	5.98	MVTL	168 hrs prior
5	6/2/20	6/5/20	5.82	MVTL	168 hrs prior
5	6/1/20	6/11/20	6.10	MDH	
5	7/7/20	7/9/20	6.32	MVTL	168 hrs prior
5	8/11/20	8/13/20	5.87	MVTL	168 hrs prior



6	3/13/18	4/10/18	5.10	MDH	168 hrs prior
6	6/19/18	7/18/18	4.80	MDH	456 hrs prior
6	9/26/18	10/15/18	4.30	MDH	192 hrs prior
6	12/27/18	2/5/19	4.80	MDH	168 hrs prior
6	1/8/19	1/14/19	5.21	MVTL	168 hrs prior
6	3/12/19	3/29/19	4.70	MDH	168 hrs prior
6	6/11/19	7/11/19	4.80	MDH	168 hrs prior
6	7/9/19	7/24/19	4.48	MVTL	168 hrs prior
6	9/3/19	11/12/19	5.30	MDH	
6	12/10/19	1/23/20	5.40	MDH	
6	3/10/20	3/19/20	5.13	MVTL	168 hrs prior
6	6/8/20	6/20/20	5.60	MDH	
6	3/9/20	3/15/20	5.60	MDH	

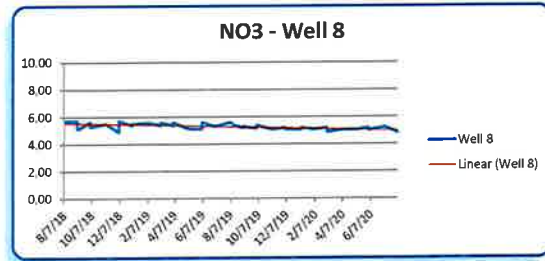


7	6/19/18	7/18/18	4.30	MDH	456 hrs prior
7	9/18/18	10/15/18	4.60	MDH	216 hrs prior
7	12/27/18	2/5/19	4.90	MDH	168 hrs prior
7	1/8/19	1/14/19	4.78	MVTL	168 hrs prior
7	3/12/19	3/29/19	4.40	MDH	168 hrs prior
7	6/11/19	7/11/19	4.60	MDH	168 hrs prior
7	7/9/19	7/24/19	4.64	MVTL	168 hrs prior
7	9/3/19	11/12/19	4.10	MDH	
7	12/10/19	1/23/20	4.80	MDH	
7	3/10/20	3/19/20	4.84	MVTL	168 hrs prior
7	3/9/20	3/15/20	5.00	MDH	
7	6/1/20	6/11/20	5.30	MDH	

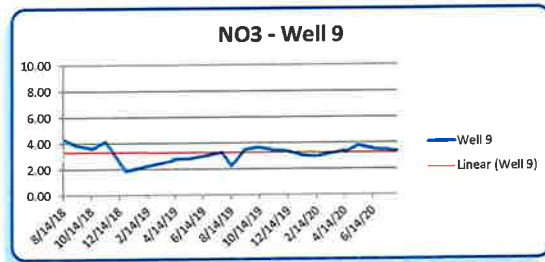


MVTL = Minnesota Valley Testing Laboratories
MDH = Minnesota Department of Health
TCWC = Twin City Water Clinic

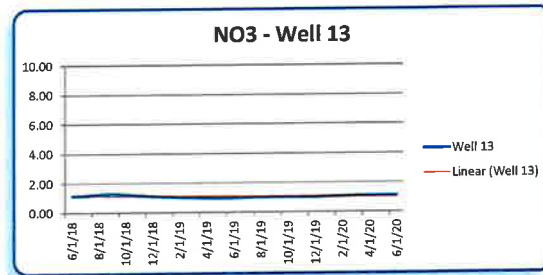
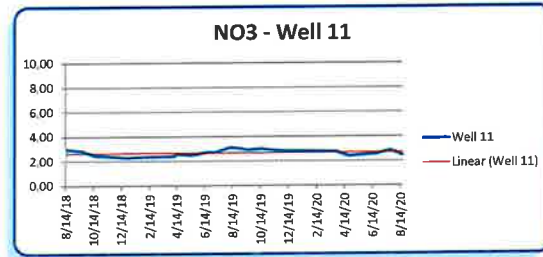
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8	9/4/18	10/15/18	5.72	MVTL	168 hrs prior
8	9/4/18	10/15/18	5.10	MDH	
8	10/2/18	10/15/18	5.65	MVTL	168 hrs prior
8	10/2/18	11/19/18	5.30	MDH	
8	11/6/18	11/19/18	5.51	MVTL	168 hrs prior
8	12/4/18	12/11/18	4.89	MVTL	168 hrs prior
8	12/4/18	12/26/18	5.70	MDH	
8	1/2/19	1/14/19	5.41	MVTL	168 hrs prior
8	1/2/19	3/4/19	5.50	MDH	
8	2/5/19	2/12/19	5.58	MVTL	168 hrs prior
8	3/5/19	3/14/19	5.41	MVTL	168 hrs prior
8	3/5/19	3/29/19	5.60	MDH	
8	4/2/19	4/11/19	5.40	MVTL	168 hrs prior
8	4/2/19	12/9/19	5.60	MDH	
8	5/7/19	5/14/19	5.13	MVTL	168 hrs prior
8	6/4/19	6/21/19	5.12	MVTL	168 hrs prior
8	6/4/19	7/11/19	5.60	MDH	
8	7/2/19	7/24/19	5.32	MVTL	168 hrs prior
8	8/6/19	12/9/19	5.60	MDH	
8	8/13/19	8/23/19	5.38	MVTL	168 hrs prior
8	9/3/19	10/3/19	5.20	MVTL	168 hrs prior
8	9/3/19	11/12/19	5.30	MDH	
8	10/1/19	11/12/19	5.16	MVTL	168 hrs prior
8	10/1/19	12/9/19	5.40	MDH	
8	11/5/19	11/14/19	5.08	MVTL	168 hrs prior
8	12/2/19	1/23/20	5.20	MDH	
8	12/3/19	12/13/19	5.08	MVTL	168 hrs prior
8	1/7/20	1/23/20	5.07	MVTL	168 hrs prior
8	1/7/20	3/24/20	5.20	MDH	
8	2/4/20	2/21/20	5.08	MVTL	168 hrs prior
8	3/3/20	3/19/20	4.89	MVTL	168 hrs prior
8	3/2/20	3/11/20	5.20	MDH	
8	4/7/20	4/10/20	5.06	MVTL	168 hrs prior
8	5/5/20	5/9/20	5.05	MVTL	168 hrs prior
8	6/2/20	6/5/20	5.02	MVTL	168 hrs prior
8	6/1/20	6/11/20	5.20	MDH	
8	7/7/20	7/9/20	5.25	MVTL	168 hrs prior
8	8/4/20	8/6/20	4.85	MVTL	168 hrs prior



9	8/14/18	8/20/18	4.29	MVTL	168 hrs prior
9	9/11/18	10/15/18	3.83	MVTL	168 hrs prior
9	10/16/18	11/7/18	3.61	MVTL	168 hrs prior
9	11/13/18	11/29/18	4.15	MVTL	168 hrs prior
9	12/27/18	1/14/19	1.97	MVTL	168 hrs prior
9	4/9/19	4/16/19	2.69	MVTL	168 hrs prior
9	4/9/19	5/1/19	2.80	MDH	
9	5/14/19	5/20/19	2.82	MVTL	168 hrs prior
9	7/23/19	7/29/19	3.32	MVTL	168 hrs prior
9	8/13/19	8/23/19	2.23	MVTL	168 hrs prior
9	9/9/19	10/3/19	3.49	MVTL	168 hrs prior
9	10/8/19	11/12/19	3.68	MVTL	168 hrs prior
9	12/10/19	12/19/19	3.42	MVTL	168 hrs prior
9	11/12/19	12/9/19	3.48	MVTL	168 hrs prior
9	1/14/20	2/3/20	3.07	MVTL	168 hrs prior
9	2/11/20	2/21/20	2.99	MVTL	168 hrs prior
9	3/10/20	3/19/20	3.20	MVTL	168 hrs prior
9	4/14/20	4/17/20	3.41	MVTL	168 hrs prior
9	4/14/20	4/29/20	3.30	MDH	
9	5/12/20	5/15/20	3.81	MVTL	168 hrs prior
9	6/16/20	6/19/20	3.51	MVTL	168 hrs prior
9	7/14/20	7/16/20	3.48	MVTL	168 hrs prior
9	8/4/20	8/6/20	3.38	MVTL	168 hrs prior

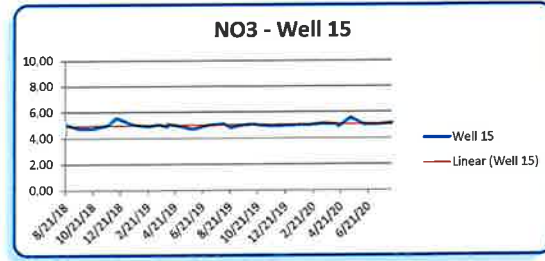


Location	Sample Collected	Results Received	Results	Lab	Run Time
10	4/17/12	4/20/12	< 1.00	TCWC	158 hrs prior
10	1/21/14	1/29/14	< 1.00	TCWC	144 hrs prior
10	3/25/14	4/1/14	3.61	MVTL	96 hrs prior
10	4/23/14	5/7/14	< 0.20	MVTL	24 hrs prior
10	4/23/14	6/16/14	< 0.05	MDH	*
10	6/16/15	6/26/15	< 0.05	MVTL	144 hrs prior
10	4/11/17	4/17/17	< 0.05	MVTL	168 hrs prior
10	1/8/19	1/14/19	< 0.05	MVTL	168 hrs prior
10	7/9/19	7/24/19	< 0.05	MVTL	168 hrs prior
11	8/14/18	8/20/18	2.95	MVTL	168 hrs prior
11	9/18/18	10/15/18	2.83	MVTL	168 hrs prior
11	10/16/18	11/7/18	2.45	MVTL	168 hrs prior
11	11/13/18	11/29/18	2.41	MVTL	168 hrs prior
11	12/27/18	1/14/19	2.25	MVTL	168 hrs prior
11	1/8/19	1/14/19	2.31	MVTL	168 hrs prior
11	4/9/19	4/16/19	2.40	MVTL	168 hrs prior
11	4/9/19	5/1/19	2.60	MDH	
11	5/14/19	5/20/19	2.48	MVTL	168 hrs prior
11	6/18/19	7/3/19	2.71	MVTL	168 hrs prior
11	7/8/19	7/24/19	2.72	MVTL	168 hrs prior
11	8/6/19	8/23/19	3.07	MVTL	168 hrs prior
11	8/20/19	8/27/19	3.06	MVTL	168 hrs prior
11	9/17/19	10/3/19	2.89	MVTL	168 hrs prior
11	10/15/19	11/12/19	2.98	MVTL	168 hrs prior
11	11/19/19	12/9/19	2.84	MVTL	168 hrs prior
11	3/24/20	3/29/20	2.76	MVTL	
11	4/21/20	4/24/20	2.41	MVTL	168 hrs prior
11	4/21/20	6/5/20	2.40	MDH	
11	6/23/20	6/26/20	2.58	MVTL	168 hrs prior
11	7/21/20	7/23/20	2.86	MVTL	168 hrs prior
11	8/18/20	8/20/20	2.47	MVTL	168 hrs prior
12	4/11/17	4/17/17	0.92	MVTL	168 hrs prior
12	9/5/17	9/26/17	0.72	MVTL	168 hrs prior
12	12/5/17	12/22/17	0.72	MVTL	168 hrs prior
12	9/4/18	10/15/18	0.62	MVTL	168 hrs prior
12	12/4/18	12/11/18	0.58	MVTL	144 hrs prior
12	3/5/19	3/14/19	0.68	MVTL	168 hrs prior
12	5/28/19	6/6/19	0.53	MVTL	168 hrs prior
12	9/8/19	10/3/19	0.65	MVTL	168 hrs prior
12	12/10/19	12/19/19	0.74	MVTL	168 hrs prior
12	3/10/20	3/19/20	0.73	MVTL	168 hrs prior
12	6/9/20	6/12/20	0.62	MVTL	168 hrs prior
13	6/5/18	6/14/18	1.11	MVTL	24 hrs prior
13	9/4/18	10/15/18	1.28	MVTL	168 hrs prior
13	12/4/18	12/11/18	1.08	MVTL	168 hrs prior
13	3/5/19	3/14/19	0.98	MVTL	168 hrs prior
13	5/28/19	6/6/19	0.95	MVTL	168 hrs prior
13	9/3/19	10/3/19	1.01	MVTL	168 hrs prior
13	12/3/19	12/13/19	1.00	MVTL	168 hrs prior
13	3/3/20	3/19/20	1.08	MVTL	168 hrs prior
13	6/2/20	6/5/20	1.11	MVTL	168 hrs prior
14	4/23/14	6/16/14	< 0.05	MDH	*
14	4/11/17	4/17/17	< 0.05	MVTL	20 hrs prior
14	9/5/17	9/26/17	< 0.05	MVTL	24 hrs prior
14	12/5/17	12/22/17	< 0.05	MVTL	168 hrs prior
14	3/6/18	3/26/18	< 0.05	MVTL	168 hrs prior
14	6/5/18	6/14/18	< 0.05	MVTL	24 hrs prior

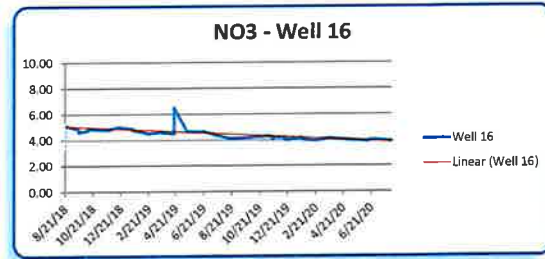


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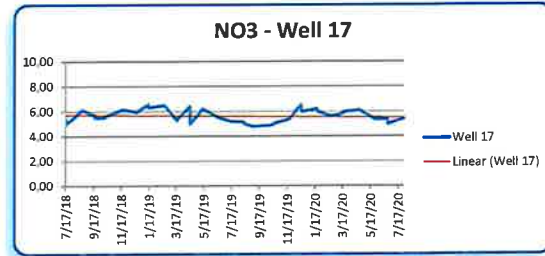
Location	Sample Collected	Results Received	Results	Lab	Run Time
15	8/21/18	10/15/18	5.02	MVTL	168 hrs prior
15	9/18/18	10/15/18	4.76	MVTL	168 hrs prior
15	10/16/18	11/7/18	4.74	MVTL	168 hrs prior
15	11/20/18	11/29/18	4.98	MVTL	168 hrs prior
15	12/11/18	12/21/18	5.54	MVTL	168 hrs prior
15	1/15/19	1/29/19	5.05	MVTL	168 hrs prior
15	2/19/19	3/4/19	4.91	MVTL	168 hrs prior
15	3/15/19	3/25/19	5.05	MVTL	168 hrs prior
15	4/2/19	4/11/19	4.87	MVTL	168 hrs prior
15	4/2/19	5/1/19	5.10	MDH	
15	5/7/19	5/14/19	4.89	MVTL	168 hrs prior
15	5/28/19	6/6/19	4.70	MVTL	168 hrs prior
15	7/2/19	7/24/19	4.99	MVTL	168 hrs prior
15	8/6/19	8/23/19	5.11	MVTL	168 hrs prior
15	8/20/19	8/27/19	4.81	MVTL	168 hrs prior
15	9/9/19	10/3/19	4.97	MVTL	168 hrs prior
15	10/8/19	11/12/19	5.07	MVTL	168 hrs prior
15	12/10/19	12/19/19	4.95	MVTL	168 hrs prior
15	11/12/19	12/9/19	4.93	MVTL	168 hrs prior
15	1/14/20	2/3/20	5.01	MVTL	168 hrs prior
15	2/11/20	2/21/20	5.01	MVTL	168 hrs prior
15	3/10/20	3/19/20	5.13	MVTL	168 hrs prior
15	4/14/20	4/17/20	5.05	MVTL	168 hrs prior
15	4/14/20	4/28/20	4.90	MDH	
15	5/12/20	5/15/20	5.54	MVTL	168 hrs prior
15	6/9/20	6/12/20	5.05	MVTL	168 hrs prior
15	7/14/20	7/16/20	5.04	MVTL	168 hrs prior
15	8/11/20	8/13/20	5.15	MVTL	168 hrs prior



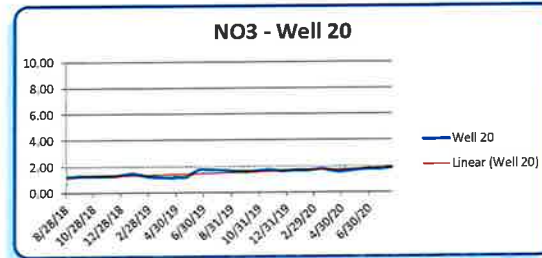
16	8/21/18	10/15/18	5.09	MVTL	192 hrs prior
16	9/18/18	10/15/18	4.87	MVTL	168 hrs prior
16	9/18/18	10/15/18	4.60	MDH	
16	10/9/18	10/15/18	4.79	MVTL	168 hrs prior
16	10/9/18	11/19/18	4.90	MDH	
16	11/20/18	11/29/18	4.81	MVTL	168 hrs prior
16	12/18/18	12/26/18	5.06	MVTL	192 hrs prior
16	12/18/18	1/14/19	5.00	MDH	
16	1/15/19	1/29/19	4.90	MVTL	168 hrs prior
16	1/15/19	3/4/19	4.80	MDH	
16	2/19/19	3/4/19	4.51	MVTL	168 hrs prior
16	3/19/19	3/25/19	4.63	MVTL	168 hrs prior
16	3/19/19	4/4/19	4.60	MDH	
16	4/16/19	4/23/19	4.50	MVTL	168 hrs prior
16	4/16/19	12/9/19	6.50	MDH	
16	5/14/19	5/20/19	4.68	MVTL	168 hrs prior
16	6/18/19	7/3/19	4.64	MVTL	168 hrs prior
16	6/18/19	7/11/19	4.70	MDH	
16	7/16/19	7/24/19	4.40	MVTL	168 hrs prior
16	8/20/19	8/27/19	4.08	MVTL	168 hrs prior
16	8/20/19	12/9/19	4.10	MDH	
16	11/12/19	1/23/20	4.30	MDH	
16	11/19/19	12/9/19	4.04	MVTL	168 hrs prior
16	11/20/19	12/26/19	4.20	MDH	
16	12/16/19	1/23/20	4.20	MDH	
16	12/17/19	12/26/19	3.99	MVTL	168 hrs prior
16	1/20/20	3/24/20	4.20	MDH	
16	1/21/20	2/3/20	4.05	MVTL	168 hrs prior
16	2/18/20	3/19/20	3.95	MVTL	168 hrs prior
16	3/17/20	3/24/20	4.14	MVTL	168 hrs prior
16	3/16/20	3/26/20	4.10	MDH	
16	4/21/20	4/24/20	4.03	MVTL	168 hrs prior
16	6/16/20	6/19/20	4.01	MVTL	168 hrs prior
16	6/15/20	7/29/20	3.90	MDH	
16	7/7/20	7/9/20	4.00	MVTL	168 hrs prior
16	8/4/20	8/6/20	3.91	MVTL	168 hrs prior



Location	Sample Collected	Results Received	Results	Lab	Run Time
17	7/17/18	8/17/18	5.30	MVTL	408 hrs prior
17	7/17/18	11/19/18	5.00	MDH	
17	8/21/18	10/15/18	6.10	MVTL	168 hrs prior
17	9/18/18	10/15/18	5.70	MVTL	168 hrs prior
17	9/18/18	10/15/18	5.50	MDH	
17	10/9/18	10/15/18	5.50	MVTL	168 hrs prior
17	10/9/18	11/19/18	5.60	MDH	
17	11/20/18	11/29/18	6.13	MVTL	168 hrs prior
17	12/18/18	12/26/18	5.97	MVTL	168 hrs prior
17	12/18/18	1/14/19	5.90	MDH	
17	1/15/19	1/29/19	6.56	MVTL	168 hrs prior
17	1/15/19	3/4/19	6.30	MDH	
17	2/19/19	3/4/19	6.49	MVTL	168 hrs prior
17	3/19/19	3/25/19	5.25	MVTL	168 hrs prior
17	3/19/19	4/4/19	5.40	MDH	
17	4/16/19	4/23/19	6.40	MVTL	168 hrs prior
17	4/16/19	12/9/19	5.00	MDH	
17	5/14/19	5/20/19	6.19	MVTL	168 hrs prior
17	6/18/19	7/3/19	5.50	MVTL	168 hrs prior
17	6/18/19	7/11/19	5.50	MDH	
17	7/16/19	7/24/19	5.20	MVTL	168 hrs prior
17	8/13/19	8/23/19	5.16	MVTL	168 hrs prior
17	8/13/19	12/9/19	5.00	MDH	
17	9/3/19	10/3/19	4.77	MVTL	168 hrs prior
17	9/3/19	11/12/19	4.80	MDH	
17	10/15/19	11/12/19	4.89	MVTL	168 hrs prior
17	10/15/19	12/9/19	5.00	MDH	
17	11/19/19	12/9/19	5.38	MVTL	168 hrs prior
17	12/16/19	1/23/20	6.50	MDH	
17	12/17/19	12/26/19	5.98	MVTL	168 hrs prior
17	1/20/20	3/24/20	6.20	MDH	
17	1/21/20	2/3/20	5.98	MVTL	168 hrs prior
17	2/18/20	3/19/20	5.64	MVTL	168 hrs prior
17	3/17/20	3/24/20	5.95	MVTL	168 hrs prior
17	3/16/20	3/26/20	5.80	MDH	
17	4/21/20	4/24/20	6.09	MVTL	168 hrs prior
17	5/26/20	5/29/20	5.37	MVTL	168 hrs prior
17	6/23/20	6/26/20	4.98	MVTL	168 hrs prior
17	6/22/20	7/29/20	5.40	MDH	
17	7/28/20	7/30/20	5.43	MVTL	168 hrs prior

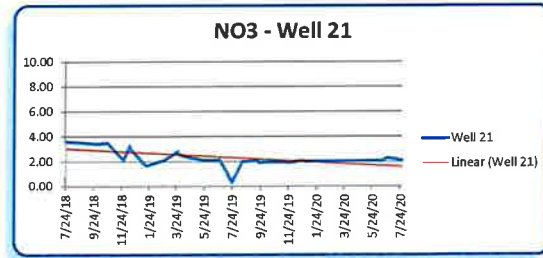


20	8/28/18	10/15/18	1.24	MVTL	192 hrs prior
20	9/25/18	10/15/18	1.30	MVTL	168 hrs prior
20	10/23/18	11/7/18	1.30	MVTL	216 hrs prior
20	12/11/18	12/21/18	1.29	MVTL	168 hrs prior
20	1/22/19	2/5/19	1.49	MVTL	168 hrs prior
20	2/26/19	3/6/19	1.25	MVTL	168 hrs prior
20	3/26/19	4/1/19	1.18	MVTL	168 hrs prior
20	4/23/19	5/1/19	1.15	MVTL	168 hrs prior
20	4/23/19	5/17/19	1.20	MDH	
20	5/21/19	5/29/19	1.21	MVTL	168 hrs prior
20	6/18/19	7/3/19	1.79	MVTL	168 hrs prior
20	8/20/19	8/27/19	1.72	MVTL	168 hrs prior
20	9/9/19	10/3/19	1.63	MVTL	168 hrs prior
20	10/15/19	11/12/19	1.64	MVTL	168 hrs prior
20	11/19/19	12/9/19	1.78	MVTL	168 hrs prior
20	12/17/19	12/26/19	1.67	MVTL	168 hrs prior
20	1/21/20	2/3/20	1.73	MVTL	168 hrs prior
20	2/18/20	3/19/20	1.72	MVTL	168 hrs prior
20	3/17/20	3/24/20	1.82	MVTL	168 hrs prior
20	4/21/20	4/24/20	1.59	MVTL	168 hrs prior
20	4/20/20	6/5/20	1.60	MDH	
20	6/23/20	6/26/20	1.81	MVTL	168 hrs prior
20	7/21/20	7/23/20	1.79	MVTL	168 hrs prior
20	8/18/20	8/20/20	1.92	MVTL	168 hrs prior



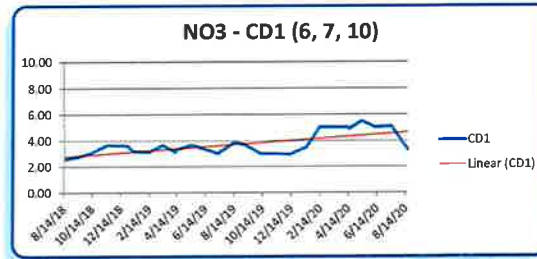
MVTL = Minnesota Valley Testing Laboratories
MDH = Minnesota Department of Health
TCWC = Twin City Water Clinic

Location	Sample Collected	Results Received	Results	Lab	Run Time
21	7/24/18	8/17/18	3.60	MVTL	576 hrs prior
21	8/28/18	10/15/18	3.54	MVTL	168 hrs prior
21	9/25/18	10/15/18	3.45	MVTL	216 hrs prior
21	9/26/18	10/15/18	3.40	MDH	
21	10/23/18	11/7/18	3.49	MVTL	168 hrs prior
21	11/27/18	12/5/18	2.13	MVTL	192 hrs prior
21	12/11/18	12/21/18	3.28	MVTL	168 hrs prior
21	12/11/18	1/14/19	3.10	MDH	
21	1/15/19	1/29/19	1.65	MVTL	168 hrs prior
21	2/26/19	3/6/19	2.13	MVTL	168 hrs prior
21	3/26/19	4/1/19	2.82	MVTL	168 hrs prior
21	3/26/19	7/11/19	2.60	MDH	
21	4/23/19	5/1/19	2.31	MVTL	168 hrs prior
21	4/23/19	5/17/19	2.30	MDH	
21	5/21/19	5/29/19	2.12	MVTL	168 hrs prior
21	6/25/19	7/3/19	2.11	MVTL	168 hrs prior
21	6/25/19	8/3/19	2.20	MDH	
21	7/23/19	7/28/19	0.33	MVTL	168 hrs prior
21	8/13/19	8/23/19	2.00	MVTL	168 hrs prior
21	9/17/19	11/12/19	2.10	MDH	
21	9/17/19	10/3/19	1.94	MVTL	168 hrs prior
21	10/22/19	11/12/19	1.99	MVTL	168 hrs prior
21	11/26/19	12/13/19	1.94	MVTL	168 hrs prior
21	12/23/19	1/23/20	2.10	MDH	
21	12/26/19	1/23/20	2.04	MVTL	168 hrs prior
21	6/16/20	6/19/20	2.08	MVTL	168 hrs prior
21	6/16/20	7/29/20	2.10	MDH	
21	6/24/20	7/9/20	2.30	MDH	
21	7/28/20	7/30/20	2.10	MVTL	168 hrs prior



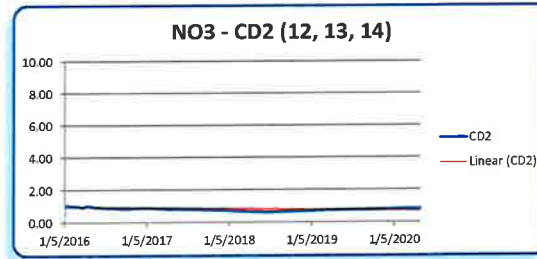
Combined Discharge - Wells 6-7-10

CD 1	8/14/18	8/20/18	2.59	MVTL	168 hrs prior
CD 1	9/11/18	10/15/18	2.78	MVTL	168 hrs prior
CD 1	10/9/18	10/15/18	3.06	MVTL	168 hrs prior
CD 1	11/13/18	11/29/18	3.68	MVTL	168 hrs prior
CD 1	12/27/18	1/14/19	3.63	MVTL	168 hrs prior
CD 1	1/8/19	1/14/19	3.19	MVTL	168 hrs prior
CD 1	2/12/19	2/22/19	3.16	MVTL	168 hrs prior
CD 1	3/12/19	3/18/19	3.67	MVTL	168 hrs prior
CD 1	4/9/19	4/16/19	3.13	MVTL	168 hrs prior
CD 1	4/9/19	5/1/19	3.30	MDH	
CD 1	5/14/19	5/20/19	3.69	MVTL	168 hrs prior
CD 1	6/11/19	6/21/19	3.37	MVTL	168 hrs prior
CD 1	7/9/19	7/24/19	3.04	MVTL	168 hrs prior
CD 1	8/13/19	8/23/19	3.89	MVTL	168 hrs prior
CD 1	9/3/19	10/3/19	3.74	MVTL	168 hrs prior
CD 1	10/8/19	11/12/19	3.02	MVTL	168 hrs prior
CD 1	12/10/19	12/19/19	2.96	MVTL	168 hrs prior
CD 1	11/12/19	12/9/19	3.00	MVTL	168 hrs prior
CD 1	1/14/20	2/3/20	3.51	MVTL	168 hrs prior
CD 1	2/11/20	2/21/20	5.05	MVTL	168 hrs prior
CD 1	4/14/20	4/17/20	5.03	MVTL	168 hrs prior
CD 1	4/14/20	4/29/20	4.90	MDH	
CD 1	5/12/20	5/15/20	5.52	MVTL	168 hrs prior
CD 1	6/9/20	6/12/20	5.04	MVTL	168 hrs prior
CD 1	7/14/20	7/16/20	5.12	MVTL	168 hrs prior
CD 1	8/18/20	8/20/20	3.29	MVTL	168 hrs prior





Combined Discharge - Wells 12-13-14

CD 2	1/5/2016	1/13/2016	1.08	MVTL	192 hrs prior
CD 2	2/23/2016	2/28/2016	1.03	MVTL	208 hrs prior
CD 2	3/22/2016	3/28/2016	0.96	MVTL	288 hrs prior
CD 2	4/12/2016	4/19/2016	1.07	MVTL	120 hrs prior
CD 2	5/10/2016	5/16/2016	0.98	MVTL	165 hrs prior
CD 2	5/10/2016	6/2/2016	0.97	MDH	
CD 2	7/12/2016	7/18/2016	0.93	MVTL	170 hrs prior
CD 2	10/11/2016	10/17/2016	0.87	MVTL	168 hrs prior
CD 2	11/8/2016	11/17/2016	0.91	MVTL	168 hrs prior
CD 2	1/10/2017	1/20/2017	0.92	MVTL	216 hrs prior
CD 2	4/11/2017	4/17/2017	0.85	MVTL	144 hrs prior
CD 2	6/8/2017	6/28/2017	0.86	MDH	144 hrs prior
CD 2	6/22/2018	7/18/2018	0.67	MDH	528 hrs prior
CD 2	4/16/2019	5/1/2019	0.78	MDH	165 hrs prior
CD 2	4/27/2020	6/5/2020	0.86	MDH	165 hrs prior



**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: John Crooks, Utilities Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: Water Projects - 2020
DATE: September 2, 2020

ISSUE

Attached are the corrected 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.

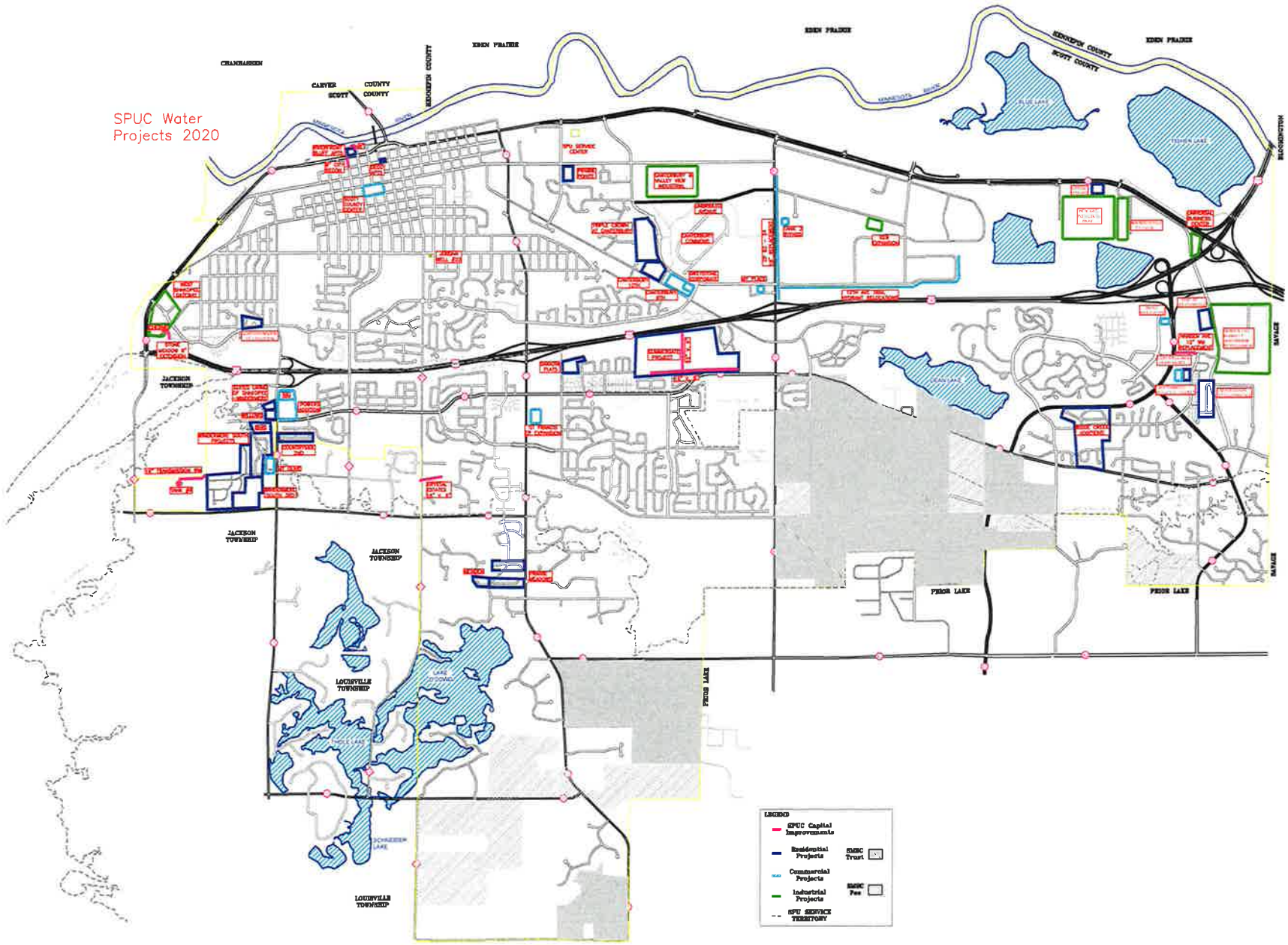
REQUESTED ACTION

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	Cherne - Vierling Industrial	2300 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	Hentges Industrial Park	70th and Cretex	Industrial	2021-2022	Design			Watermain
57	Hansen Ave/Maras St	Hansen and Maras	Industrial	2020-2021	Design			Watermain
58	Prairie Point	4th Ave/Sarazin St	Multi-Family	2021-2022	Design			Service Line Only
Totals:						3720	2373	

CIP Projects								
6	16" Transmission Watermain	Windermere South 2nd	Utilities	2020	Completed	Watermain		
1	12th Ave Trail Hydrant Relocations	12th Ave	Utilities	2020	Construction	Hydrants		
5	Stone Meadows Lateral WM	Stone Meadows	Utilities	2020	Construction	Watermain		
2	Tank 3 Bypass	CR 83	Utilities	2020	Construction	Watermain		
7	SPU Water Tank #8	Windermere South 2nd	Utilities	2020-2021	Construction	Storage		
3	CP 83 - 24 Trunk WM Replacement	CR 83	Utilities	2020-2021	Design	Watermain		
4	River Bluff Lateral WM	River Bluff	Utilities	2020-2021	Design	Watermain		
9	City Recon WM Replacement	Scott St	Utilities	2021	Design	Watermain		
8	Krystel Estates Trunk WM	Krystel Estates	Utilities	2022	On Hold	Watermain		

SPUC Water
Projects 2020



[Red outline]	SPUC Capital Improvements	[Blue outline]	RDSC Tract
[Blue outline]	Residential Projects	[Green outline]	RDSC Fee
[Blue outline]	Commercial Projects	[Dashed line]	SPUC SERVICE TERRITORY
[Red outline]	Industrial Projects		

RESOLUTION #1281

A RESOLUTION APPROVING A WATER MAIN COST SHARING AGREEMENT WITH GAUGHAN COMPANIES FOR RIVER BLUFF ADDITION, SHAKOPPE, SCOTT COUNTY, MINNESOTA

WHEREAS, The Gaughan Companies owns property along First Avenue and Levee Drive between Scott and Atwood Streets that they are developing into a mixed use project known as River Bluff Addition. The legal description of the property is Lot 1, Block 1, River Bluff Addition, Scott County, Minnesota, and

WHEREAS, The Gaughan Companies requests municipal water service at Shakopee Public Utilities (SPU) standard terms and conditions; which includes installing a lateral water main distribution system extension, at their cost, that complies with SPU's standard design criteria, and

WHEREAS, a portion of the project area has had water availability and water service has been previously provided by SPU per SPU policies to what was formerly known as Lots 1-7, Block 7, City of Shakopee plat while a portion of the project has not previously had water availability nor water service to the area previously known as Lots 8-10, Block 7, City of Shakopee plat.

NOW THEREFORE, BE IT RESOLVED, In consideration for the portion of the project area that was previously receiving water service, the Shakopee Public Utilities Commission (SPUC) agrees to fund a portion of the lateral water main as illustrated on the attached drawing labeled Exhibit "A".

FURTHER, Water main cost sharing between the SPUC and Gaughan Companies shall be based on the pro rata length of the total water main, which comprises the west to east crossing and looping requirements in the SPU design criteria. A pro rata share (approximately 41%) of the estimated installation cost of the water main plus 20% for design, financing and misc. costs will be paid by SPU to Gaughan Companies upon completion of the water main installation, testing, and final acceptance by SPU.

FURTHER, The project engineer's estimate of total water main construction cost, including rock excavation, is \$105,675.00. After completion of the project the final cost sharing shall be determined per this agreement and shall be based on final actual verified costs.

Commission President: Debra Amundson

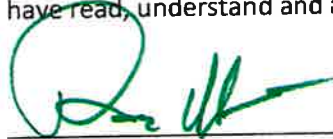
ATTEST:

Commission Assistant Vice President: Kathi Mocol

LETTER AGREEMENT
FOR
WATER MAIN COST SHARING

1. The Gaughan Companies owns property along First Avenue and Levee Drive between Scott and Atwood Streets that they are developing into a mixed use project known as River Bluff Addition. The legal description of the property is Lot 1, Block 1, River Bluff Addition, Scott County, Minnesota.
2. The Gaughan Companies requests municipal water service at Shakopee Public Utilities (SPU) standard terms and conditions; which includes installing a lateral water main distribution system extension, at their cost, that complies with SPU's standard design criteria.
3. A portion of the project area has had water availability and water service has been previously provided by SPU per SPU policies to what was formerly known as Lots 1-7, Block 7, City of Shakopee plat while a portion of the project has not previously had water availability nor water service to the area previously known as Lots 8-10, Block 7, City of Shakopee plat.
4. In consideration for the portion of the project area that was previously receiving water service, SPU agrees to fund a portion of the lateral water main as illustrated on the attached drawing labeled Exhibit "A".
5. Water main cost sharing between SPU and Gaughan Companies shall be based on the pro rata length of the total water main, which comprises the west to east crossing and looping requirements in the SPU design criteria. A pro rata share (approximately 41%) of the estimated installation cost of the water main plus 20% for design, financing and misc. costs will be paid by SPU to Gaughan Companies upon completion of the water main installation, testing, and final acceptance by SPU.
6. After completion of the project the final cost sharing shall be determined per this agreement and shall be based on final actual verified costs.

I am duly authorized representative to enter into agreements on behalf of Gaughan Companies and have read, understand and agree in principle to the requirements listed above.



Dan Hebert, Gaughan Companies

9-2-2020
Date

SHAKOPEE PUBLIC UTILITIES COMMISSION

By: 
Its: Utilities Manager

9/4/20

EXHIBIT A

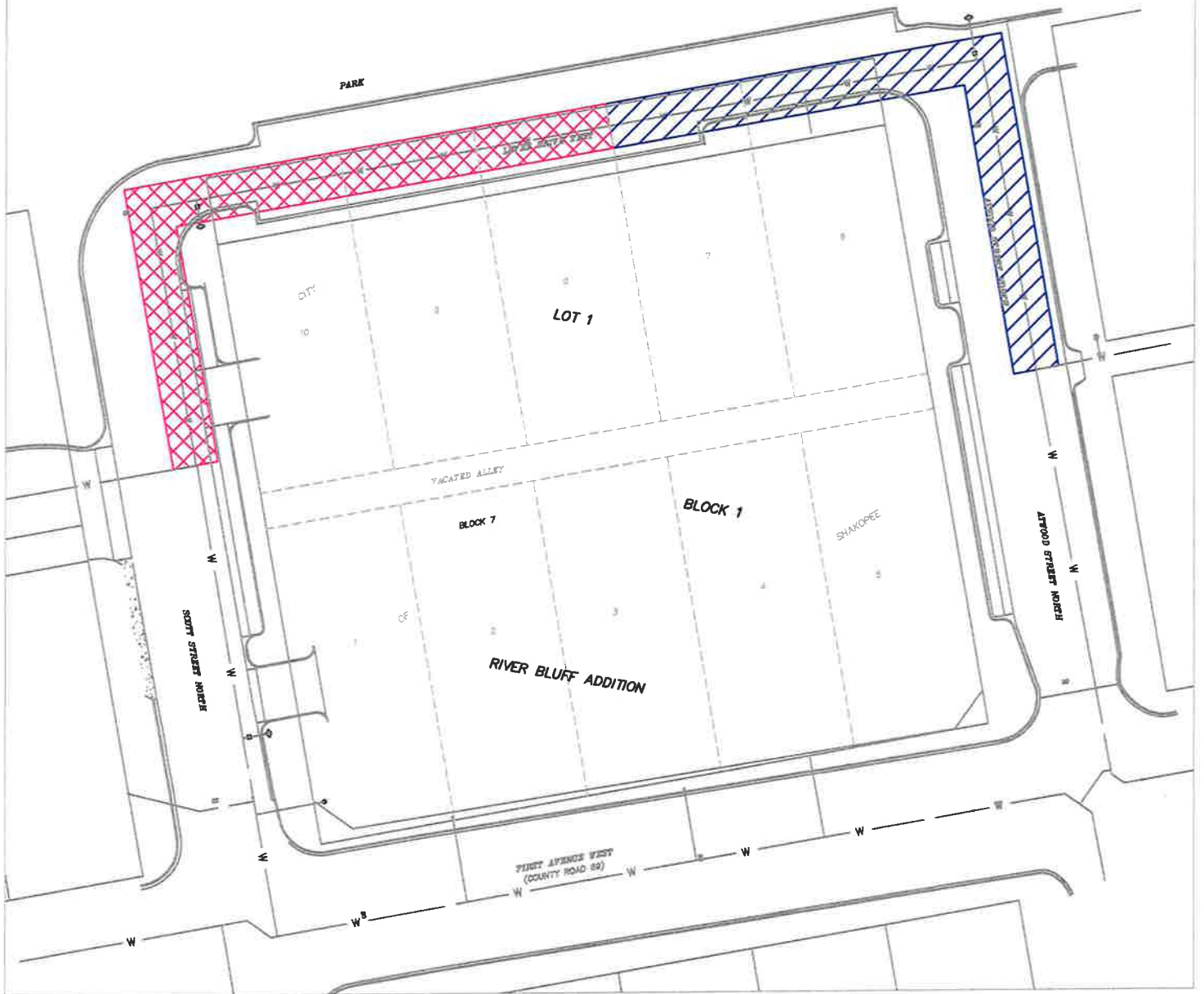
WATER MAIN COST SHARING





GAUGHAN COMPANIES RESPONSIBILITY



SPU RESPONSIBILITY



**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: John Crooks, Utilities Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: East Shakopee Substation Site Investigation Update
DATE: September 2, 2020

ISSUE

Staff wishes to update the Commission on the status of the East Shakopee Substation site search.

BACKGROUND

Please see the attached staff memo previously submitted to the Utilities Commission.

DISCUSSION

After submitting the updated market value appraisal report dated July 13, 2020 prepared by Patchin Messner Valuation Counselors I have had conversations with the property owner's representatives and their belief is they cannot arrive at an acceptable selling price until after the city approves the proposed plat and they know better what the development's infrastructure will end up costing.

The appraisal report was deemed to be very low and is not considered to be valid in the property owner's opinion based on their own knowledge of the industrial land market.

Xcel Energy has been engaged to perform a transmission access feasibility study and that is now underway. The results will not be available for several more weeks however.

I have included a copy of the most recent appraisal report for the Commission's benefit.

REQUESTED ACTION

Staff is seeking direction from the Commission as to what the next steps might be in pursuing this site.

**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: John Crooks, Utilities Manager

FROM: Joseph D. Adams, Planning & Engineering Director

SUBJECT: East Shakopee Substation Site Investigation Update

DATE: June 10, 2020

ISSUE

Staff wishes to update the Commission on the status of the East Shakopee Substation site search.

BACKGROUND

The 2018 Long Range Electric System Study prepared by Kevin Favero of Leidos identified the need for additional substation capacity to serve the anticipated growth envisioned in the City of Shakopee's 2040 Comprehensive Plan and the Jackson township AUAR.

Currently SPU load in eastern Shakopee is served partly by our Dean Lake and Pike Lake Substations and our two feeder circuits that originate out of Xcel Energy's Blue Lake Substation. Occupying space within another utility's facility while once was a necessity, does create ongoing access, operational and maintenance issues. SPU capacity out of Blue Lake Substation is limited by agreement to 8.3 MW. Past attempts to increase that capacity have not been successful and are unlikely to ever occur given Xcel Energy's position. In fact, Xcel Energy has frequently inquired as to if and when SPU may be able to vacate our capacity out of Blue Lake Substation. At one time, Xcel Energy was open to SPU constructing its own substation on Xcel Energy's property under a ground lease arrangement. Unfortunately, that is no longer the case.

There have been a couple of recent developments in eastern Shakopee that warrant consideration. First SM Hentges, Inc. recently purchased the old Cretex Pipe site along the CR 101 frontage road adjacent to 70th Avenue. Forterra Pipe and Precast had previously acquired Cretex and had determined that this site no longer fit into their business plans so it was put up for sale. SM Hentges purchased the site and is working with city staff to design an acceptable subdivision with multiple lots for industrial uses. It is worth noting that a vacant portion of the site is within SPU's electric service territory, so load growth will occur and possibly include intensive uses such as a data center per the developer's representatives.

When SPU water department staff was contacted last year by SM Hentges to have the water services to the old Cretex buildings shut down in preparation for demolition, they alerted myself and I went along

to meet with Mr. Steve Hentges to gather information on what his plans for the property might be and to inquire if he would consider selling a portion of the site to SPU for a future electric substation. Mr. Hentges graciously agreed to consider that and staff has been engaged with the developer and his consultants in an investigation of the feasibility of a portion of the site being suitable for an SPU owned electric substation.

The second recent development is the City of Shakopee has engaged WSB, Inc. to perform a feasibility study of extending municipal services, i.e. sanitary sewer and municipal water, to the Maras Street and Hansen Avenue area of Shakopee. This area is primarily zoned for industrial uses and is currently occupied by multiple businesses served by private wells and septic systems. It is foreseeable, that after some time, more intensive uses made possible by having municipal services available may begin to occupy this area as industrial sites within the city are limited. This could eventually lead to more electric load growth for SPU in this area to some degree than was projected in the long term electric system study.

Because of the potential for load growth in SPU's electric service territory in eastern Shakopee that was projected in the long term electric system study and the possible eventual vacation of SPU's capacity in Xcel Energy's Blue Lake Substation, adding an electric substation in eastern Shakopee was recommended in the Long Range Electric System Study under certain load growth scenarios. Funds are budgeted in the current 5 year CIP to acquire a site and construct an East Shakopee Substation.

DISCUSSION

Staff has identified only a couple of vacant parcels left in eastern Shakopee suitable for locating an electric substation. This is an opportunity to work with a willing seller for a site near the existing transmission lines that may not be available in the future.

We understand from our discussions with the property owner that they would be a willing seller at the right price. Patchin Messner Valuation Advisors did a preliminary report for staff to begin discussions of value with the property owner, and while those discussions have been encouraging there is a need to refine the report to come to any agreement. The actual location of the proposed SPU parcel has shifted within the site and consequently the encumbrances and the parcel dimensions/size have also changed.

Staff believes it would be appropriate now to engage with Xcel Energy, who owns the transmission grid in the area, through an application process to verify the transmission system has the necessary capacity in the vicinity of this location and that a transmission tap is feasible. There is an application form that must be submitted to request a study be performed by Xcel Energy at cost and a deposit of \$5,000 is required for the study to begin.

REQUESTED ACTION

Staff requests Commission approval to submit the application and \$5,000 deposit fee to Xcel Energy to study the transmission access feasibility.

**MARKET VALUE APPRAISAL
2.98 ACRES OF INDUSTRIAL LAND
IN SOUTHERN PORTION OF CRETEX SITE
SHAKOPEE, MINNESOTA**

DATE OF REPORT:

July 13, 2020

PREPARED FOR:

**Shakopee Public Utilities
255 Sarazin Street
Shakopee, MN 55379-0470**

PREPARED BY:

**Patchin Messner Valuation Counselors
Sunset Pond Executive Offices
13961 West Preserve Boulevard
Burnsville, MN 55337**



PATCHIN MESSNER
VALUATION COUNSELORS

July 13, 2020

Shakopee Public Utilities
255 Sarazin Street
Shakopee, MN 55379-0470

ATTN: Joseph D. Adams

RE: Market Value Appraisal
2.98 Acres of Industrial Land
in Southern Portion of Cretex Site
Shakopee, Minnesota

Dear Mr. Adams:

At your request, we have appraised the above-referenced property for the purpose of estimating its fee simple market value. The function of this appraisal is to provide valuation guidance to Shakopee Public Utilities for internal decision making regarding the possible purchase of the subject property.

The subject, identified as Lot 4, Block 2 on the proposed Hentges Industrial Park plat, consists of a flag-shaped lot with a gross land area of 129,936 SF of approximately 2.98 acres, which is a part of three tax parcels with an overall site area of approximately 58 acres. The subject site is located along the southern boundary of the overall 58 acres and is identified as Lot 4 on the proposed Cretex site plan. However, approximately 37,757 SF of land is encumbered by a pipeline easement along the east boundary of the subject site.

This appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. It has also been performed in compliance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and is presented following the USPAP Standards Rule 2 – 2(a) guidelines for real property appraisal reporting. As such, this report presents summary discussions of the data and analyses used in the appraisal process. Additional information and documentation concerning the data and analyses of this appraisal have been retained in our files.

It should be noted that this letter does not qualify as an appraisal, and that the reader is directed to the following report for the data, analyses and conclusions which support our value estimate. The appraisal report is contingent upon the assumptions and limiting conditions submitted within the report. The Contingent and Limiting Conditions section of this report should be thoroughly read and understood before relying on any information or analysis presented herein.

Based upon inspection of the property, and after consideration of the factors influencing market value, it is the appraisers' opinion the market value for the subject property, as of July 10, 2020, is:

\$650,000

SIX HUNDRED FIFTY THOUSAND DOLLARS

Furthermore, as of this report date, the **COVID-19 pandemic** has affected the nation and created significant uncertainty for the U.S. economy. The Twin Cities metropolitan real estate markets appear to be on hold while this pandemic unfolds on a global economic scale. Therefore, at this point in time, other than a slowing of transaction volume, it is too soon to determine the potential impacts to the Twin Cities real estate market.

Also, this letter does not qualify as an appraisal, and that the reader is directed to the following report for the data, analyses and conclusions, which support this value estimate. The appraisal report is contingent upon the assumptions and limiting conditions submitted within the report. The "Contingent and Limiting Conditions" section of this report should be thoroughly read and understood before relying on any information or analysis presented herein.

Thank you for allowing our firm to be of assistance in this matter. If you have any questions after reading this report, feel free to contact us at your convenience.

Respectfully submitted,

PATCHIN MESSNER VALUATION COUNSELORS



Alyssa M. Ruis
Trainee Real Property Appraiser
Minnesota License 40295088



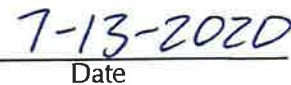
Jason L. Messner, MAI
Certified General Real Property Appraiser
Minnesota License 4000836

CERTIFICATION
(Real Estate)

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.
7. I have made a personal inspection of the property that is the subject of this report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. No one provided significant real property appraisal assistance to the persons signing this certification or report.
11. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
12. This appraisal cannot be completely understood without reading the Contingent and Limiting Conditions section of this report, which should be thoroughly read and understood before relying on any information or analysis presented herein.
13. As of the date of this report, Alyssa Ruis has completed the Standards and Ethics Education Requirements for Practicing Affiliates of the Appraisal Institute.


Alyssa M. Ruis


Date

CERTIFICATION
(Real Estate)

I certify that, to the best of my knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
3. I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
4. I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
5. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation.
7. I have made a personal inspection of the property that is the subject of this report.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. No one provided significant real property appraisal assistance to the persons signing this certification or report.
11. My engagement in this assignment was not contingent upon developing or reporting predetermined results.
12. This appraisal cannot be completely understood without reading the Contingent and Limiting Conditions section of this report, which should be thoroughly read and understood before relying on any information or analysis presented herein.
13. As of the date of this report, Jason L. Messner has completed the continuing education program requirements for Designated Members of the Appraisal Institute.



Jason L. Messner, MAI



Date

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

Fee Owner:	Cretex Industrial Park, LLC
Location:	<p>The subject property is located east of 70th Street West and south of Stagecoach Road in Shakopee, Minnesota.</p> <p>More specifically, the subject property consists of 2.98 acres along the southern boundary of three tax parcels of 58 acres referred to as the Cretex site.</p> <p>The Cretex property is currently platted as Lot 1, 2, and Outlot A, Block 2, Cretex Industrial Park 1st Addition, Shakopee, Scott County, Minnesota. The subject is identified as Lot 4, Block 2 on the proposed Hentges Industrial Park plat.</p>
Date of Valuation:	July 10, 2020
Date of Inspection:	December 17, 2019
Property Appraised:	Real Property Only
Rights & Interests Appraised:	Fee Simple Market Value
Zoning:	I2, Heavy Industry
Guided Land Use:	Industrial (Shakopee 2040)
Highest and Best Use:	As Vacant – Industrial development as allowed under Shakopee I2, Heavy Industry district, developed to the maximum density as is permitted by the city.
Gross Land Area:	2.98 acres, or 129,936 SF
Land Area (net of pipeline easement):	2.12 acres, or 92,179 SF
Site Description:	<p>The appraisers were provided with a preliminary plat map from the client identifying the subject parcel is 129,936 SF, or approximately 2.98 acres. The site is flag-shaped with a developable area of 92,306 SF, or 2.12 acres, and 37,630 SF or 0.86 acres of land are located within the 106-foot-wide leg that extends north to the proposed Hentges Way roadway.</p> <p>It is also noted that approximately 37,757 SF is encumbered by a pipeline easement that breaks down to approximately 17,757 SF consisting of the flag portion of the site and 20,000 SF is outside the flag-shaped area along the southeast boundary of the site.</p>

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SUMMARY OF SALIENT FACTS AND CONCLUSIONS

(CONTINUED)

Site Description (continued):

Therefore, the net unencumbered land area is 1.66 acres, or 72,306 SF, exclusive of the flag-shaped area extending north to the proposed Hentges Way roadway.

The subject's topography varies from generally level to moderately sloping with light tree coverage. The site has moderate sloping throughout the site with a storm water retention pond currently located near the northwest corner of the site.

Value Conclusion:

\$650,000

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PHOTOGRAPHS OF SUBJECT



Looking Southeast along the Southern Boundary of the Subject Site



Looking Southeast along the Southern Boundary of Subject Site

PHOTOGRAPHS OF SUBJECT



Looking West along Stagecoach Road toward Planned Access toward the Site



Looking Southwest from Stagecoach Road toward Planned Access to Subject Site

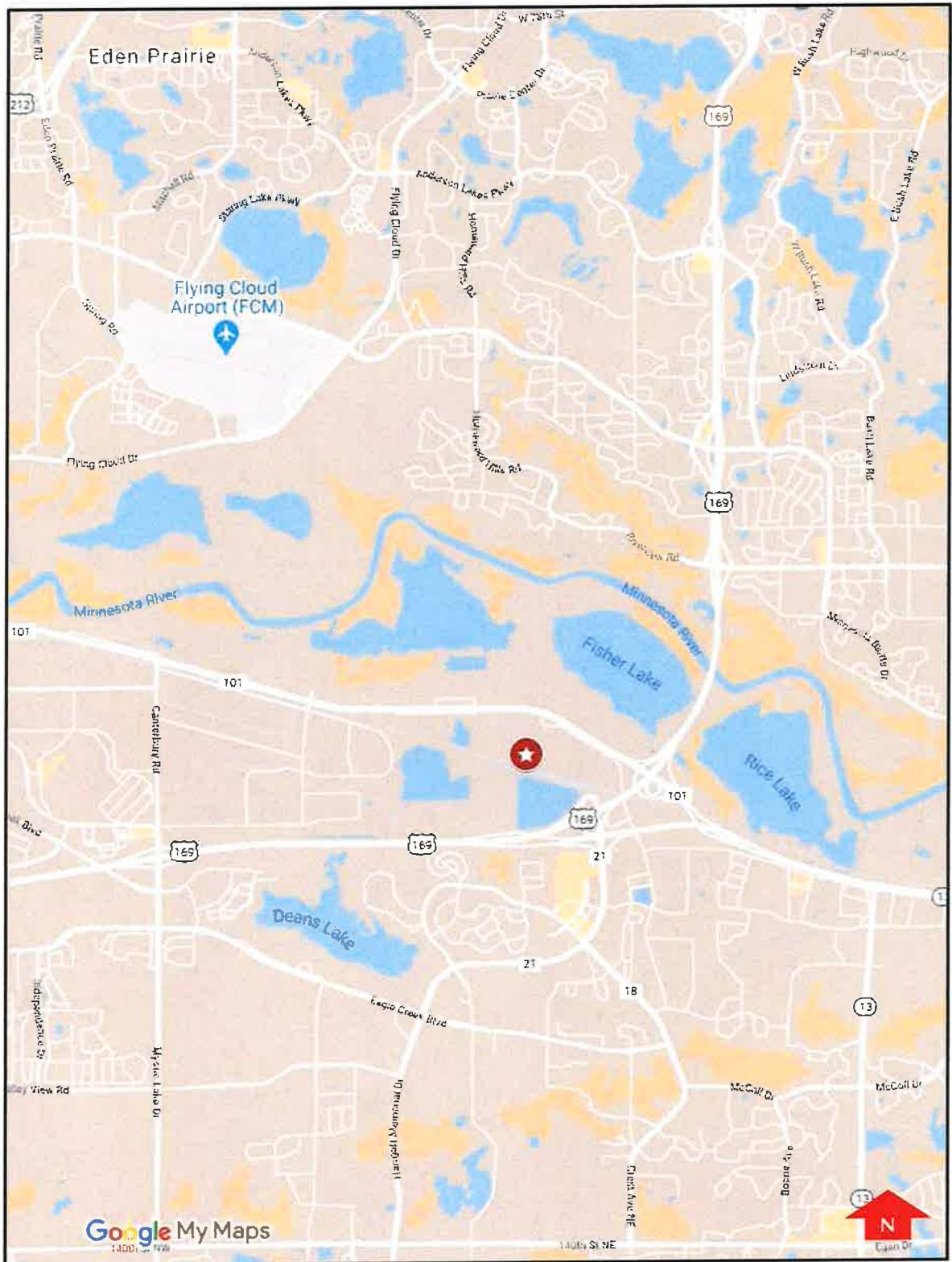
PHOTOGRAPHS OF SUBJECT



Looking Southeast from Former Cretex Avenue East and 70th Street West at Larger Cretex Site



Aerial View of Subject (Scott County GIS)
Please note the subject site of 2.98 acres is approximate lot outline in red.



SUBJECT LOCATION MAP

PROPERTY APPRAISED

The subject consists of a proposed flag-shaped lot with a gross land area of approximately 2.98 acres, which is a part of three tax parcels with an overall site area of approximately 58 acres. The subject site is located along the southeast boundary of the overall 58 acres and is identified as Lot 4, Block 2, on the proposed Hentges Industrial Park plat. It is also noted that approximately 37,757 SF of land is encumbered by a pipeline easement along the east boundary of the subject site. Therefore, the unencumbered land area of the subject site is approximately 92,179 SF or 2.12 acres.

DATE OF APPRAISAL

The effective date of this appraisal is July 10, 2020.

INSPECTION OF THE PROPERTY

Alyssa M. Ruis and Jason L. Messner inspected the property on December 17, 2019. Jon Rausch, a broker from Cushman & Wakefield, accompanied the appraisers on the inspection.

PROPERTY OWNERSHIP

The property is owned by Cretex Industrial Park, LLC.

SALES HISTORY

The subject property is part of the larger 58.14 acre Cretex site that sold in April of 2019 for \$7,875,000 or \$3.11 per SF of land area and included approximately 43,385 SF of building improvements. The seller was Forterra Concrete Products Inc. and the buyer was Cretex Industrial Park, LLC. Following the sale of the 58 acres, approximately 40 acres of

SALES HISTORY

industrial land is currently listed for sale at a negotiable price. The subject property consists of 2.98 acres out of the total 40 acres that is available for sale

It is noted that our overall land value conclusion is higher than the most recent sale on a per square foot basis due to the subject being significantly smaller in size, and assumed to be platted with public infrastructure in place in order to develop the property. In addition, the previous sale was a private transaction that was not marketed for sale.

CLIENT, INTENDED USE AND INTENDED USERS

The client of this appraisal assignment is Shakopee Public Utilities. The intended use of this appraisal is to provide valuation guidance for internal decision making regarding the possible purchase of the subject property. The intended users of this appraisal report are the representatives of Shakopee Public Utilities.

PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the fee simple market value of the subject property.

PROPERTY RIGHTS APPRAISED

The subject property will be appraised by estimating the market value of the fee simple interest of the real estate, subject to existing easements. For use in this appraisal, the fee simple interest in the real estate is subject to the following definition obtained on Page 90 of *The Dictionary of Real Estate Appraisal*, Sixth Edition, Appraisal Institute.

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

MARKET VALUE DEFINED

Market value as utilized in this appraisal report conforms to the following definition obtained from Page 142 of *The Dictionary of Real Estate Appraisal*, Sixth Edition

The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- *Buyer and seller are typically motivated;*
- *Both parties are well informed or well advised, and acting in what they consider their best interests;*
- *A reasonable time is allowed for exposure in the open market;*
- *Payment is made in terms of cash in U.S. dollars in terms of financial arrangements comparable thereto; and*
- *The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.*

Unless otherwise noted in the appraisal report, market value shall represent cash equivalent terms where the seller receives all cash for their interest. The property may be financed at typical market terms under this definition.

The above definition describes market value as an exchange concept. According to *The Dictionary of Real Estate Appraisal*, Sixth Edition, at Page 245, value in exchange is defined as the "a type of value that reflects the amount that can be obtained from an asset if exchanged between parties."

COMPETENCY OF APPRAISERS

Alyssa M. Ruis and Jason L. Messner, MAI, have the knowledge and experience to complete this appraisal assignment competently and in compliance with USPAP. Refer to the Appraiser's Qualifications in the Addenda of this report for further details.

SCOPE OF WORK

This document is intended to provide a market value appraisal of the property. This appraisal is intended to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation. It has also been performed in compliance with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute and is presented following the USPAP Standards Rule 2 – 2(a) guidelines for real property appraisal reporting.

Summary of Appraisal Methodology

In this analysis, the following data and concepts pertaining to the subject property have been examined.

1. Physical Characteristics of Real Property, including:
 - Inspection of the Subject Property
 - Review of available Plat Maps
 - Review of available Aerial Photographs
 - Observation of the Local Market and the Subject's Place within this Market
2. Non-Physical Characteristics of Real Property including:
 - Property Rights
 - Legal Description
 - Existing Road and Utility Easements
 - Assessment Data
 - Zoning and Land Use Guiding
3. Observations and Data Concerning the Subject Property's Market and Transactions within this Market:
 - Supply and Demand Generators of the Market
 - Financing Available within the Market
 - Perception of the Market as to the Future

SCOPE OF WORK

Summary of Appraisal Methodology

From the above data and concepts, we have made the following analyses.

Highest and Best Use of the Subject Property

Application of the Appropriate Approaches to Value for the Property - See the following Appraisal Procedures and Techniques section of this report for an explanation of the sales comparison approach.

Correlation and Final Estimate of Value

ASSUMPTIONS

The following assumptions have been made related to this valuation of the subject property:

- The subject site consists of 129,936 SF of land, or approximately 2.98 acres, which is part of three larger tax parcels that include approximately 58 acres of land. Furthermore, there is a pipeline easement located at the east boundary of the site that encumbers approximately 37,757 SF of land. Therefore, the unencumbered land area is approximately 2.12 acres or 92,179 SF.
- Prior to sale, we assume the subject site will be platted with necessary roadway and public utilities infrastructure available for development.
- The subject will have access to city sewer and water from proposed Hentges Way to the north of the proposed subject lot. The City of Shakopee has provided a cost estimate for construction of stubbing utilities to serve Lot 4. The total cost for sewer and water stubs to the property line is \$5,065. This would result in possible cost savings for not hooking up water and sewer to the subject property.

ENVIRONMENTAL CONSIDERATIONS

Based upon inspection of the subject property, it is assumed that no environmental concerns such as PCBs, toxic and hazardous soil or ground water contamination exist upon the subject as of the date of this appraisal report. However, the reader is advised the appraiser is not qualified to perform inspections concerning the existence or absence of environmental concerns. If any environmental contaminants do exist within the subject

ENVIRONMENTAL CONSIDERATIONS

property, the appraisers reserve the right to adjust the estimated market value contained in this report accordingly.

REGIONAL AND CITY DATA

Location

The subject is located in the city of Shakopee, Scott County, Minnesota. Shakopee is located within the outer-suburban ring of the Minneapolis/St. Paul metropolitan area. The Minneapolis/St. Paul metropolitan area is situated in the north central portion of the United States, approximately 275 miles south of the U.S./Canadian Border and 400 miles northwest of Chicago, Illinois.

Commonly referred to as the "Twin Cities," the Minneapolis/St. Paul metropolitan area is located in the southeastern region of the State of Minnesota at the confluence of the Mississippi and Minnesota Rivers. According to the U.S. Census Bureau, the Standard Metropolitan Statistical Area (SMSA), which constitutes the Twin Cities, includes eleven Counties: Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott, Washington and Wright Counties in Minnesota and St. Croix County in Wisconsin. Scott County borders Hennepin County to the north, Dakota County to the east, Rice and Le Sueur Counties to the south, Sibley County to the west and Carver County to the northwest.

The Minneapolis/Saint Paul metropolitan area is situated at the crossroads of Interstate 94 (east/west) and Interstate 35 (north/south) and is served by a major international airport, located approximately six miles south of the mid-point between Minneapolis and St. Paul.

Government

The Metropolitan Council was established to coordinate and resolve development issues affecting the Minneapolis/St. Paul area. This governing body has jurisdiction over the Seven-County Metropolitan Area (SCMA), which includes Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties. Since the Metropolitan Council deals with planning issues for the Seven-County Metropolitan Area, most data available

REGIONAL AND CITY DATA

Government

concerning the social and economic forces affecting the Twin Cities corresponds to the same SCMA. Shakopee also has a City Council/Mayor form of government.

Population

The Metropolitan Council reports the following population estimates for 2018:

- Shakopee: 41,506
- Scott County: 146,111
- SCMA: 3,113,338

In addition, based upon data compiled by the U.S. Census Bureau, the Metropolitan Council reports the following population trends for the city of Shakopee, Scott County and the Seven-County Metropolitan Area.

Population			
Year	City of Shakopee	Scott County	Seven-County Metro Area
2000	21,115	89,498	2,642,062
2010	36,946	129,928	2,849,567
2020*	43,000	153,750	3,127,660
2030*	48,100	176,260	3,388,950
2040*	53,100	199,520	3,652,060

*As projected by the Metropolitan Council

The population data shows that the city of Shakopee and Scott County realized strong growth between 2000 and 2010, increasing at compounded annual growth rates of 5.75% and 3.80%, respectively. In comparison, the Seven-County Metropolitan Area grew at a 0.76% annual rate. As estimated by the Metropolitan Council, growth is expected to continue for Shakopee, as well as for Scott County and the larger metropolitan area.

REGIONAL AND CITY DATA

Households

The Metropolitan Council reports the following household estimates for 2018:

- Shakopee: 13,787
- Scott County: 49,812
- SCMA: 1,213,980

In addition, based upon data compiled by the U.S. Census Bureau, the Metropolitan Council reports the following household trends for the city of Shakopee, Scott County and the Seven-County Metropolitan Area.

Households			
Year	City of Shakopee	Scott County	Seven-County Metro Area
2000	6,807	30,692	1,021,456
2010	12,722	45,108	1,117,749
2020*	15,000	55,160	1,256,580
2030*	16,900	64,510	1,378,470
2040*	18,800	74,130	1,491,780

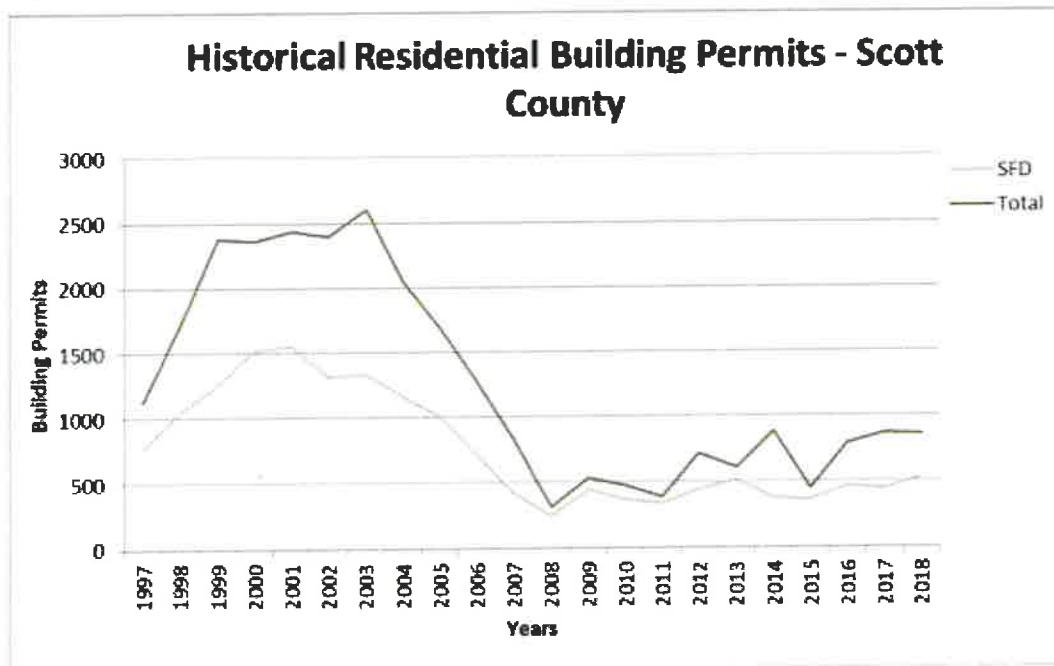
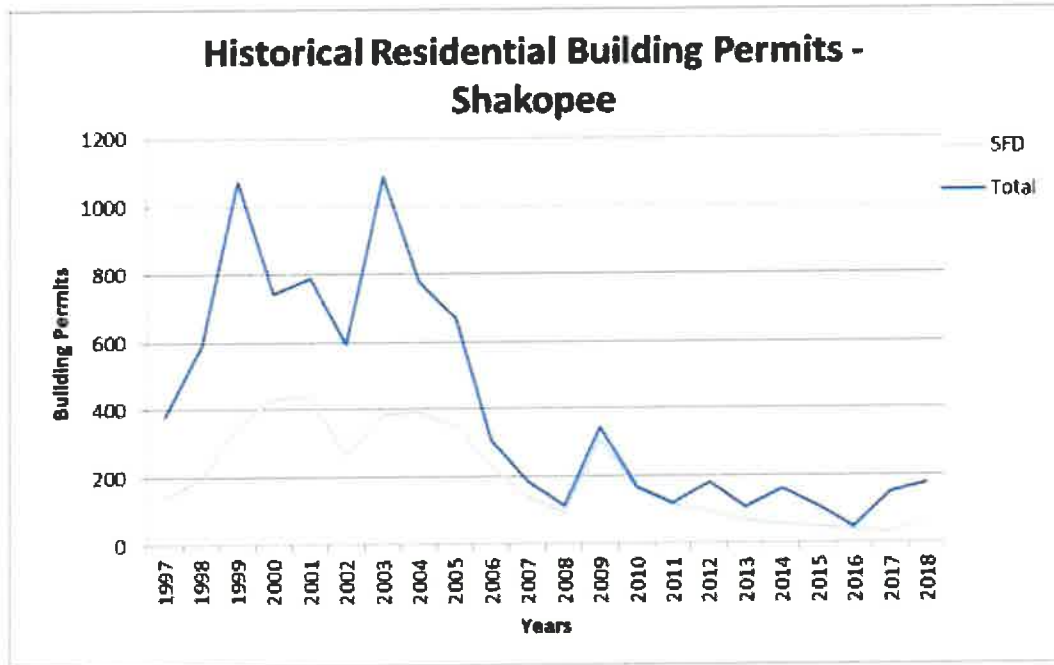
*As projected by the Metropolitan Council

The household data also indicate that the city of Shakopee and Scott County realized significant growth between 2000 and 2010, with compounded annual growth rates of 6.45% and 3.93%, respectively. These rates are higher than the Seven-County Metropolitan Area's annual growth rate of 0.90%. While this growth stagnated across most markets for several years due to the Great Recession, residential permit activity has increased in recent years.

REGIONAL AND CITY DATA

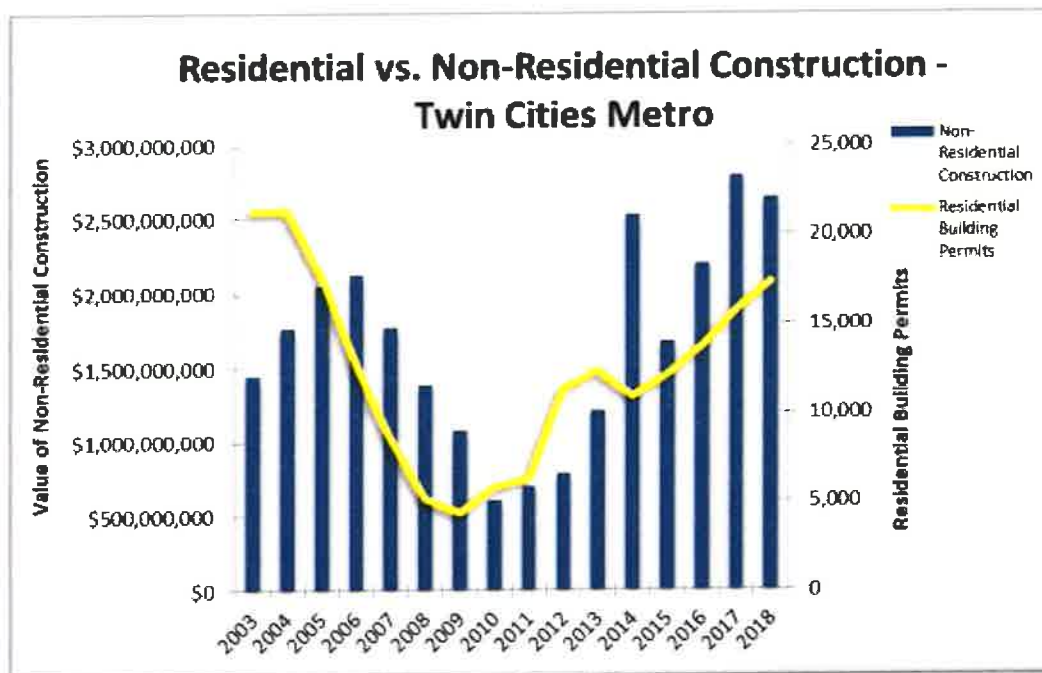
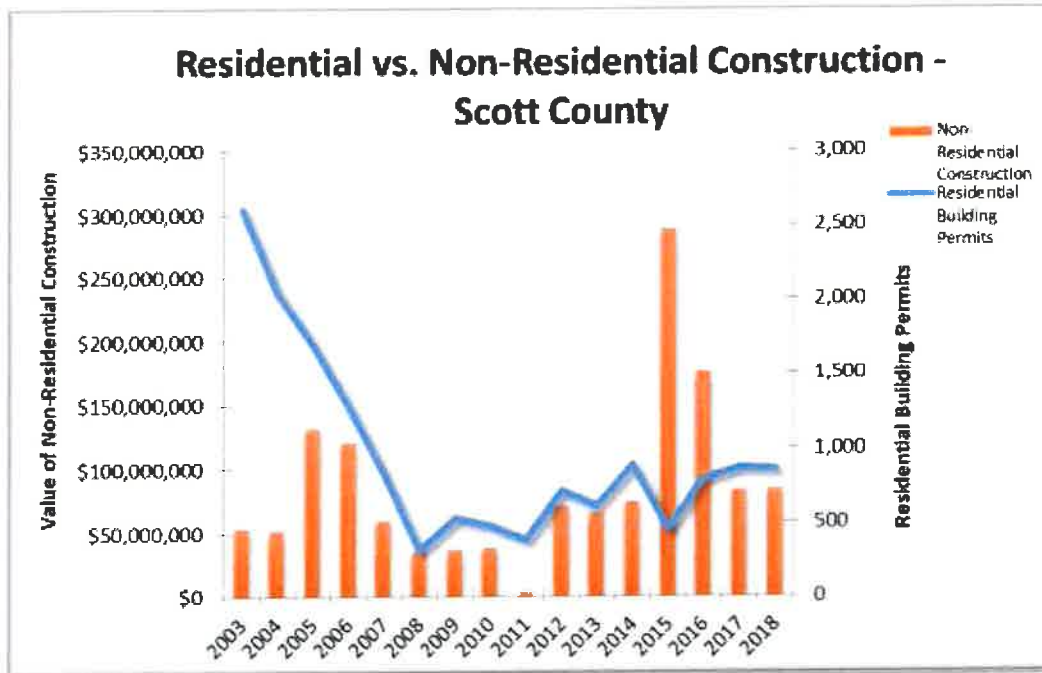
Construction Activity

The following charts summarize construction activity in Shakopee, Scott County, and the Twin Cities metropolitan area, with data obtained from the Metropolitan Council.



REGIONAL AND CITY DATA

Construction Activity



REGIONAL AND CITY DATA

Employment

Historical unemployment rates of Shakopee, the Twin Cities, the State of Minnesota and the United States, from 2011 to 2019, are located below.

Area	Unemployment								
	2011	2012	2013	2014	2015	2016	2017	2018	2019
Shakopee	5.9%	5.0%	4.4%	3.4%	3.1%	3.3%	3.0%	2.4%	2.9%
Scott County	5.8%	5.0%	4.4%	3.6%	3.1%	3.2%	3.0%	2.5%	2.8%
Twin Cities	6.3%	5.5%	4.9%	3.9%	3.5%	3.5%	3.3%	2.7%	3.0%
Minnesota	6.5%	5.6%	5.1%	4.1%	3.7%	3.8%	3.5%	2.9%	3.2%
United States	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%

Source: Minnesota Department of Employment and Economic Development

As can be observed from the data above, the unemployment rates in Shakopee and Scott County generally mirror that of the Twin Cities and Minnesota as a whole. Furthermore, Minnesota consistently has lower unemployment rates than the national average. While significant increases in unemployment rates have occurred due to the COVID-19 pandemic, non-temporary impacts to employment are not yet known.

Transportation

The Minneapolis/St. Paul metropolitan area is easily accessible due to the following major highways serving the Twin Cities.

- Interstate 35 - A major north/south highway, which connects with Duluth, Minnesota to the north and Kansas City, Missouri to the south. In the metro area, I-35 splits with I-35W passing through Minneapolis, while I-35E passes through St. Paul.
- Interstate 94 - A major east/west highway that connects with Milwaukee, Wisconsin/Chicago, Illinois to the east, and Fargo, North Dakota to the west.
- Interstate 494/694 - A major freeway, which loops around the periphery of the Twin Cities.
- U.S. Highway 169 - A north/south route serving the western suburbs.
- U.S. Highway 212 - An east/west route serving the southwestern suburbs.
- U.S. Highway 12/
Interstate 394 - An east/west route, which connects downtown Minneapolis with the western suburbs.

REGIONAL AND CITY DATA

Transportation

- U.S. Highway 61 - A north/south route serving the eastern suburbs.
- U.S. Highway 10 - A diagonal route extending from Wisconsin to Fargo, North Dakota; it passes through St. Paul and Anoka County.

Other major highways serving the Twin Cities area include State Highway 100, State Highway 77 (Cedar Avenue), Crosstown Highway 62, Lafayette Freeway, and U.S. Highway 52/55.

The Twin Cities is served by the Minneapolis St. Paul International Airport (MSP) and six general aviation airports throughout the region, known as “reliever airports” that help relieve congestion at MSP. These airports provide private and corporate aviation services for more than 400,000 aircraft each year, according to the Metropolitan Airports Commission. MSP International is among the largest airports in the world, with high volumes of passenger and cargo traffic to and from destinations around the globe. MSP is a primary hub for Delta Airlines, and is served by eleven other domestic and international passenger carriers.

The major means of mass transit in the Twin Cities is the metropolitan bus system operated by Metro Transit, a division of the Metropolitan Council. In addition, Light Rail Transit (LRT) along the Hiawatha Avenue corridor connects downtown Minneapolis, Minneapolis/St. Paul International Airport, and the Mall of America. There are 17 LRT stations, and Metro Transit offers 46 bus routes with connecting service and timed transfers at 13 light rail stations. Central Corridor-Green Line LRT began service in June 2014, and connects the two CBDs of Minneapolis and St. Paul, as well as the State Capital and the University of Minnesota. The Northstar commuter rail connects the northwest suburbs of the Twin Cities with downtown Minneapolis.

Railroads serving the Twin Cities include Burlington Northern Santa Fe, Union Pacific, Canadian Pacific/Soo Line Railway Company and Amtrak. Also, about 100 trucking firms serve the metropolitan area, making it one of the largest distribution centers in the nation.

REGIONAL AND CITY DATA

Utilities

The Minneapolis/St. Paul area, as well as Shakopee, is served by municipal water and sewer systems, electricity, telephone service and natural gas. Sewage disposal is regulated by the Metropolitan Waste Control Commission.

The Metropolitan Council controls sewer availability by restricting the area that it will serve. The area served is called the Metropolitan Urban Service Area (MUSA). Through its control of municipal sewer, the Metropolitan Council has been able to direct urban development.

Summary

In summary, the Twin Cities enjoys a strategic geographic location supported by strong transportation links. Analysis of economic and demographic data for the Twin Cities reveals a trend of general growth and soundness of the area's well-diversified economy.

While the region is not insulated from national and global economic uncertainties, the above data indicate the Twin Cities is an environment that is resilient and, in most circumstances, above national averages and standards. Although in the short term the local economy will likely continue on a path of slow-to-moderate growth, the Twin Cities region's business environment is expected to have a positive, long-term, effect on real estate and values, including properties such as the subject.

NEIGHBORHOOD DATA

The subject is located east of 70th Street West and south of Stagecoach Road in Shakopee.

The subject neighborhood is defined by the following boundaries.

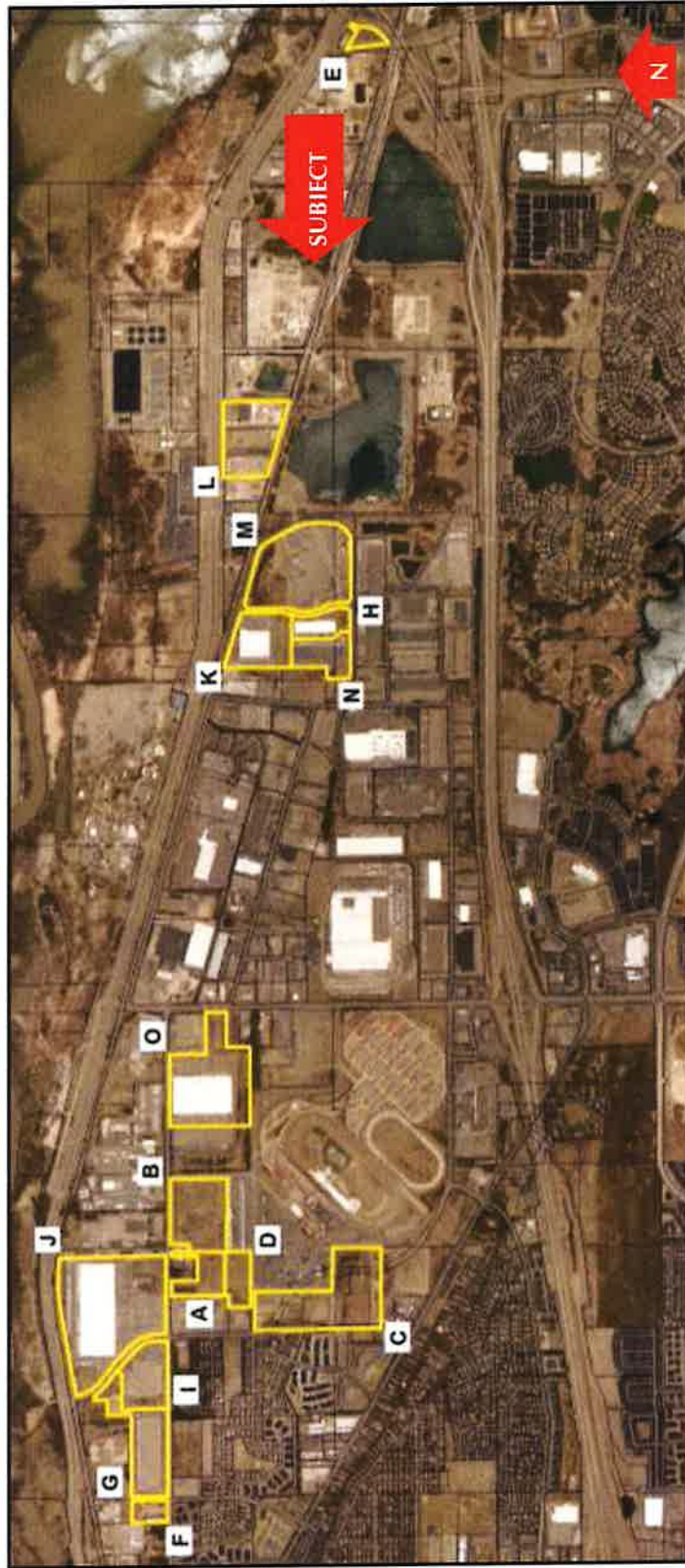
North: Minnesota River
South: County Road 16 (Eagle Creek Boulevard)
East: Interchange of Highway 169 and County Road 101
West: County Highway 83 (Canterbury Road South)

NEIGHBORHOOD DATA

Land use in the neighborhood can best be described as a mix of industrial, commercial, service-commercial and manufacturing uses. Commercial and industrial related uses are generally concentrated along Highway 101. These uses include Ace Trailer sales, Cargo Van-Go, Buy-Rite Auto Sales, Ziegler CAT, to name a few. To the south of County Road 101 are heavy industrial uses where there are light industrial/business park uses are more prominent in the western area of the neighborhood.

Access to the subject neighborhood is considered good. The neighborhood has immediate access to U.S. Highway 169 and County Road 101. Highway 169 travels in an east-west direction through the city of Shakopee and transitions to a north-south direction towards Eden Prairie and Mankato. Highway 169 is accessed from Stagecoach Road and County Road 101 within the neighborhood. County Road 101 is a secondary access point through Shakopee that transitions to Highway 13 to the east towards Savage. County Road 101 is accessed from Stagecoach Road and 70th Street West.

Given the convenient location to major thoroughfares, northeast Shakopee consists primarily of industrial land uses. In addition, the area underwent a substantial change due to the new Highway 169/Interstate 494 interchange. An aerial map illustrating recent industrial activity located on the next page, followed by a summary of the development/redevelopment projects.



SHAKOPEE INDUSTRIAL DEVELOPMENT MAP

NEIGHBORHOOD DATA

- A) Scannell Properties has proposed building a speculative $\pm 100,000$ SF warehouse.
- B) United Properties has proposed developing two speculative industrial buildings, totaling $\pm 408,000$ SF, on a 23.79-acre tract of land.
- C) Canterbury Park has received approval to develop 598 multi-family units on approximately 40 gross acres. Canterbury Park is proposing to redevelop ± 350 acres with a mix of residential, commercial, retail and entertainment uses. The proposed project is known as Canterbury Commons.
- D) Scannell Properties is developing a speculative $\pm 120,000$ SF warehouse.
- E) Vital Properties acquired a 3.23-acre site in the southwest quadrant of U.S. Highway 169 & County Road 101, and is constructing a $\pm 50,000$ SF retail/warehouse (Universal Business Center).
- F) Larson Development acquired a 5.18-acre tract along the western edge of the industrial park, and constructed a $\pm 28,000$ SF office/warehouse in 2017.
- G) Duke Realty constructed a $\pm 375,000$ SF industrial building in 2017.
- H) The Opus Group constructed a speculative $\pm 122,400$ SF industrial building in 2016.
- I) Duke completed a $\pm 225,000$ SF build-to-suit project for Milestone AV Technologies in 2015.
- J) Amazon acquired a 66-acre site at the southeast corner of County Road 101 and Shenandoah Drive in June 2015, and constructed a $\pm 820,000$ SF fulfillment center. This facility can accommodate 1,000 full-time jobs.
- K) The Opus Group constructed a $\pm 216,000$ SF build-to-suit industrial office warehouse occupied by AmerisourceBergen.
- L) The former 25-acre Shakopee Raceway Park has been redeveloped with four industrial sites between 2013, 2014, and most recently in 2019. The sites include Recovery Technical Solutions (asphalt shingle recycling), Gresser (concrete and masonry construction), Emulsion Estates, LLC (Biff's), and Lloyd's Construction Services (demolition, excavation, roll-offs, debris management, and related services).
- M) Emerson Electric Company acquired the unfinished $\pm 500,000$ SF of the former ADC Telecommunications facility in 2013. This building now serves as the Rosemount instrument research and manufacturing facility, and is anticipated to create up to 500 new jobs in Shakopee. Emerson estimated renovation costs of the former ADC facility at \$70 million.
- N) Opus Development acquired 50 acres of land, located adjacent to Emerson Electric Company's Rosemount facility in September 2013. The tract has been platted as the Valley Park Business Center. Opus developed a speculative $\pm 200,000$ SF industrial building in 2013. The Opus Group also constructed two additional speculative buildings as of the date of this appraisal (see projects H and N).
- O) J & J Minneapolis purchased a 44.65-acre tract of land in February 2012, and developed the site with a 720,000 SF warehouse facility occupied by SanMar, an imprintable sportswear supplier.

NEIGHBORHOOD DATA

The subject's immediate neighborhood is considered an area of growth even though most of the land in the area is fully developed; exceptions include the subject site and the parcel to the west. The subject site as well as the surrounding north and west immediate area is available for sale for heavy industrial uses. There is approximately 40 acres of available land for sale within the immediate area.

The neighborhood is served by all modern utilities, including municipal water and sanitary sewer. Street improvements include a bituminous street surface, concrete curb and gutter, and an in-ground storm sewer system.

In conclusion, the neighborhood is anticipated to remain viable into the future, and a change in land use in the future seems unlikely. Overall, the subject neighborhood is considered a good location from which to operate a number of businesses.

TAX AND ASSESSMENT DATA

The subject's property tax and assessment data are presented below. Please note that tax and assessment data below are for the three tax parcels that includes 58 ± acres of land; however, the subject property is only 2.98 acres in the southeast corner of this property.

Assessor's Valuation Date	January 2, 2020 2021 Payable	January 2, 2019 2020 Payable
PID: 270730050		
Total Estimated Market Value	\$1,100,000	\$1,035,000
= Taxable Market Value	\$1,100,000	\$1,035,000
Net Taxes Payable	\$0.00	\$33,630.00
Special Assessments	\$0.00	\$0.00
= Total Taxes Payable	\$0	\$33,630
PID: 270730040		
Total Estimated Market Value	\$6,650,000	\$5,641,500
= Taxable Market Value	\$6,650,000	\$5,641,500
Net Taxes Payable	\$0.00	\$181,594.00
Special Assessments	\$0.00	\$0.00
= Total Taxes Payable	\$0	\$181,594
PID: 270730070		
Total Estimated Market Value	\$150,000	\$143,800
= Taxable Market Value	\$150,000	\$143,800
Net Taxes Payable	\$0.00	\$4,672.00
Special Assessments	\$0.00	\$0.00
= Total Taxes Payable	\$0	\$4,672

TAX AND ASSESSMENT DATA

The 2020 Assessor's estimate for the entire parcel (58 acres) is \$7,900,000 or \$3.13 per SF of land area. The subject property consists of 2.98 acres. The assessed value is lower on a per square foot basis compared to the subject's concluded land value due primarily to its smaller site size.

LOCATION AND LEGAL DESCRIPTION

Address:	East of 70 th Street West and south of Stagecoach Road, Shakopee, Scott County, Minnesota.
PID:	Portions of the following: 27.073005.0, 27.073007.0, 27.073004.0
Existing Legal Description:	The property is located in Lot 1, 2, and Outlot A, Block 2, Cretex Industrial Park 1 st Addition, Scott County, Minnesota.
Proposed Legal Description:	Lot 4, Block 2, Hentges Industrial Park

ZONING AND FUTURE LAND USE

Zoning is administered by the City of Shakopee. As depicted on the Shakopee Zoning Map on the following pages, the subject is zoned I2, Heavy Industry District. According to the City of Shakopee, "The purpose of the Heavy Industry District is to provide an area for industrial uses in locations remote from residential uses and in which urban services and adequate transportation exist."

Uses permitted within the I2, Heavy Industry District include, but are not limited to the following:

- Administrative, executive and professional offices;
- Contractor's supply yards;
- Landscaping services and other contractors;

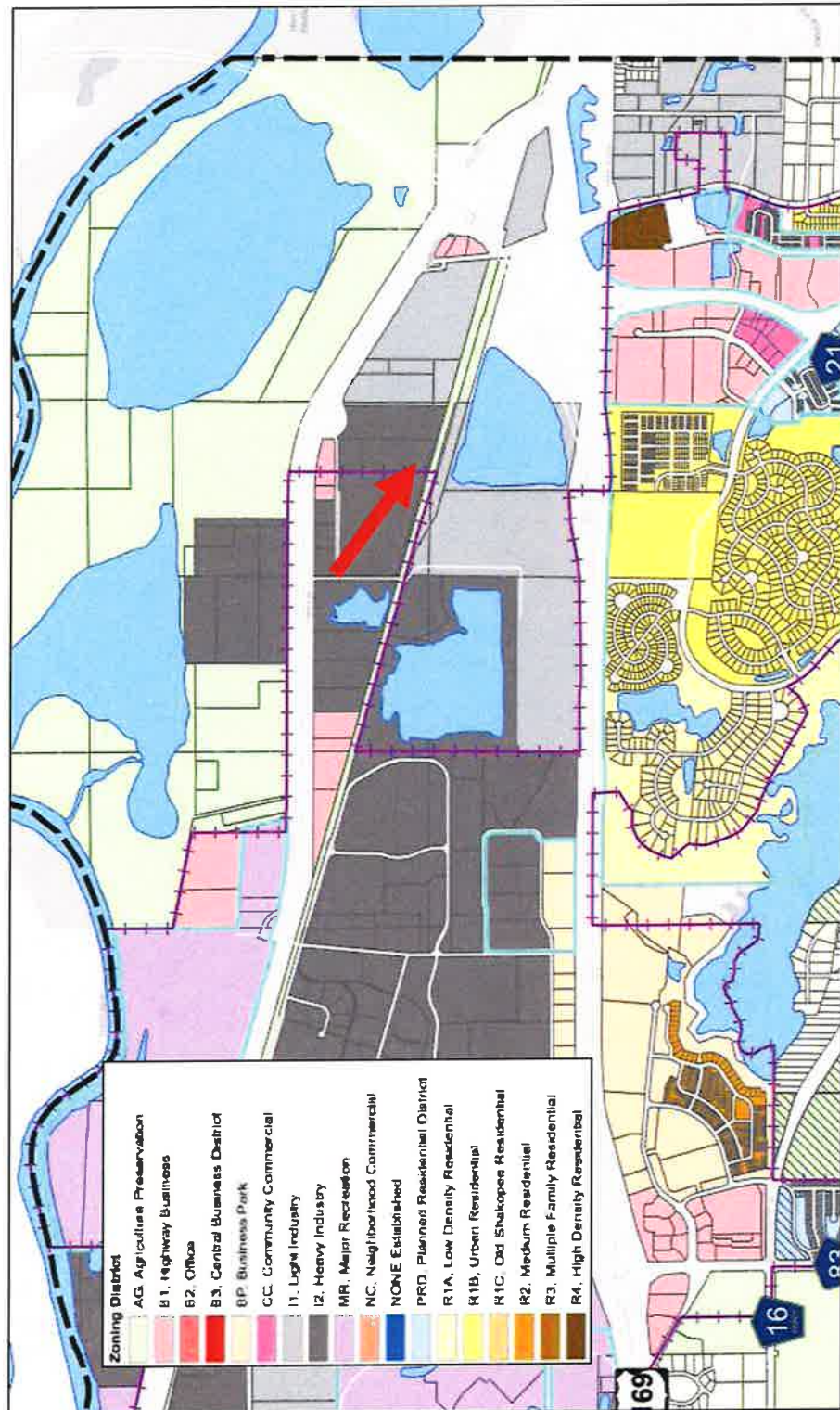
ZONING AND FUTURE LAND USE

- Manufacturing, fabrication, processing, research laboratories, assembly, warehousing, wholesaling, storage operations, and research laboratories except those that fit within one of the mandatory EIS categories under MN Rules 4410.4400;
- Motor Freight Terminals.
- Retail sales of heavy industrial, manufacturing or construction machinery or equipment.
- Warehousing and wholesaling

There are a limited number of required lot dimensions within the I2, Heavy Industry District. The performance standards are as follows:

Maximum Building Height:	45 Feet
Minimum Lot Area:	1 Acre
Maximum impervious surface percentage:	85%
Minimum Lot Width:	100 Feet
Minimum Front Yard:	30 Feet
Minimum Side Yard:	15 Feet
Minimum Rear Yard:	30 Feet

The following pages include the zoning map for the City of Shakopee and the Future Land Use Plan Map.



ZONING MAP

LAND DESCRIPTION

Gross Land Area:	2.98 acres, or 129,936 SF
Land Area (net of pipeline esmt.):	2.12 acres, or 92,179 SF
Shape:	Irregular, Flag
Frontage:	The subject is along a railroad to the south and will have frontage to Hentges Way to the north.
Traffic Counts:	No traffic counts available
Terrain:	The subject's topography varies from generally level to moderately sloping with light tree coverage. The site has moderate sloping throughout the site with a storm water retention pond near the northwest corner of the site.
Utilities:	Given its location and proposed infrastructure improvements, the site will have access to public sewer and water.
Flood Hazard:	The subject property is located in FEMA Zone C, areas with minimal flood risk. No flood hazard analysis has been conducted. The subject site is located in one FEMA map area.
	Map No.: 2704340003C
	Effective Date: September 29, 1978
Soil Conditions:	The soils appear stable and suitable for typical construction practices. However, neither soils tests nor engineering data have been provided to us in conjunction with this appraisal.
Easements/ Encumbrances:	The subject property is encumbered by a 37,757 SF pipeline easement along the east boundary of the subject property. In addition, it is assumed that those will be typical drainage and utility easements around the boundaries of the property. The appraisers are not aware of any atypical easements that would have a significant effect upon the subject's market value, marketability, or development ability on the parcel.

HIGHEST AND BEST USE

Highest and best use is defined in *The Dictionary of Real Estate Appraisal*, Fifth Edition, Appraisal Institute as follows:

The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.

This publication goes on to distinguish the highest and best use as vacant and as improved, as follows:

Highest and best use of land or site as though vacant - Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements.

Highest and best use of property as improved - The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one.

In order to determine highest and best use of the subject property, as vacant, the following factors must be considered when addressing possible uses. They are:

1. Legally Permissible
2. Physically Possible
3. Financially Feasible
4. Maximally Productive

HIGHEST AND BEST USE

As Vacant

The subject is zoned I2, Heavy Industry District, and guided Industrial by the Shakopee 2040 Comprehensive Plan.

The subject consists of a proposed flag-shaped lot with a gross land area of 129,936 SF, or approximately 2.98 acres. The property is also encumbered by a pipeline easement that is approximately 37,757 SF, using the preliminary plat map and the Scott County GIS tool, along the east boundary. While it is assumed that the pipeline easement can be utilized for parking, no structures can be constructed in this area. Therefore, there is some contributory value associated with the pipeline easement area. The total unencumbered land area, less the pipeline easement, is 92,179 SF, or 2.12 acres. It is also assumed that public street and utility improvements are available to the site.

The Shakopee area is growing, and interest rates remain at historically low levels. Financing is generally available to qualified borrowers. In addition, market participants are investing in industrial properties and the following sales comparison approach demonstrates recent land sales activity for new construction.

The subject is located near County Road 101 and is proximate to major thoroughfares. As previously discussed, Shakopee has recently experienced a boom in industrial development. Furthermore, several of these industrial/business park developments occurred in the subject's surrounding area. Industrial/business park development also conforms to the surrounding area of the subject property.

Given the above, it is the appraisers' opinion that the subject has a highest and best use, as vacant, for industrial development consistent with the I2 zoning requirements.

EXPOSURE AND MARKETING TIME

Exposure time of six months would be required to sell the subject property, based on the value stated herein. Marketing time, including due diligence and closing, is also estimated at six months.

APPRAISAL PROCEDURES AND TECHNIQUES

In order to develop an opinion of market value of the subject land, in both the before and after situations, the following appraisal technique is considered.

Cost Approach - considers the current cost of replacing a property, less the depreciation from three sources: physical deterioration, functional obsolescence and external obsolescence. A summation of the market value of the land, assumed vacant, and the depreciated replacement cost of the improvements provides an indication of the total value of the property.

Sales Comparison Approach - produces an estimate of value by comparing the subject property to sales and/or listings of similar properties in the same or competing areas. This technique is used to indicate the value established by informed buyers and sellers in the market.

Income Approach - is based on an estimate of the subject property's possible net income. The net income is capitalized to arrive at an indication of value from the standpoint of an investment. This method measures the present worth of anticipated future benefits (net income) derived from a property.

The appraisal assignment is to estimate the fee simple market value of the subject. The sales comparison approach is the preferred, and most common, technique for valuing land. Therefore, only the sales comparison approach to value is performed in this appraisal.

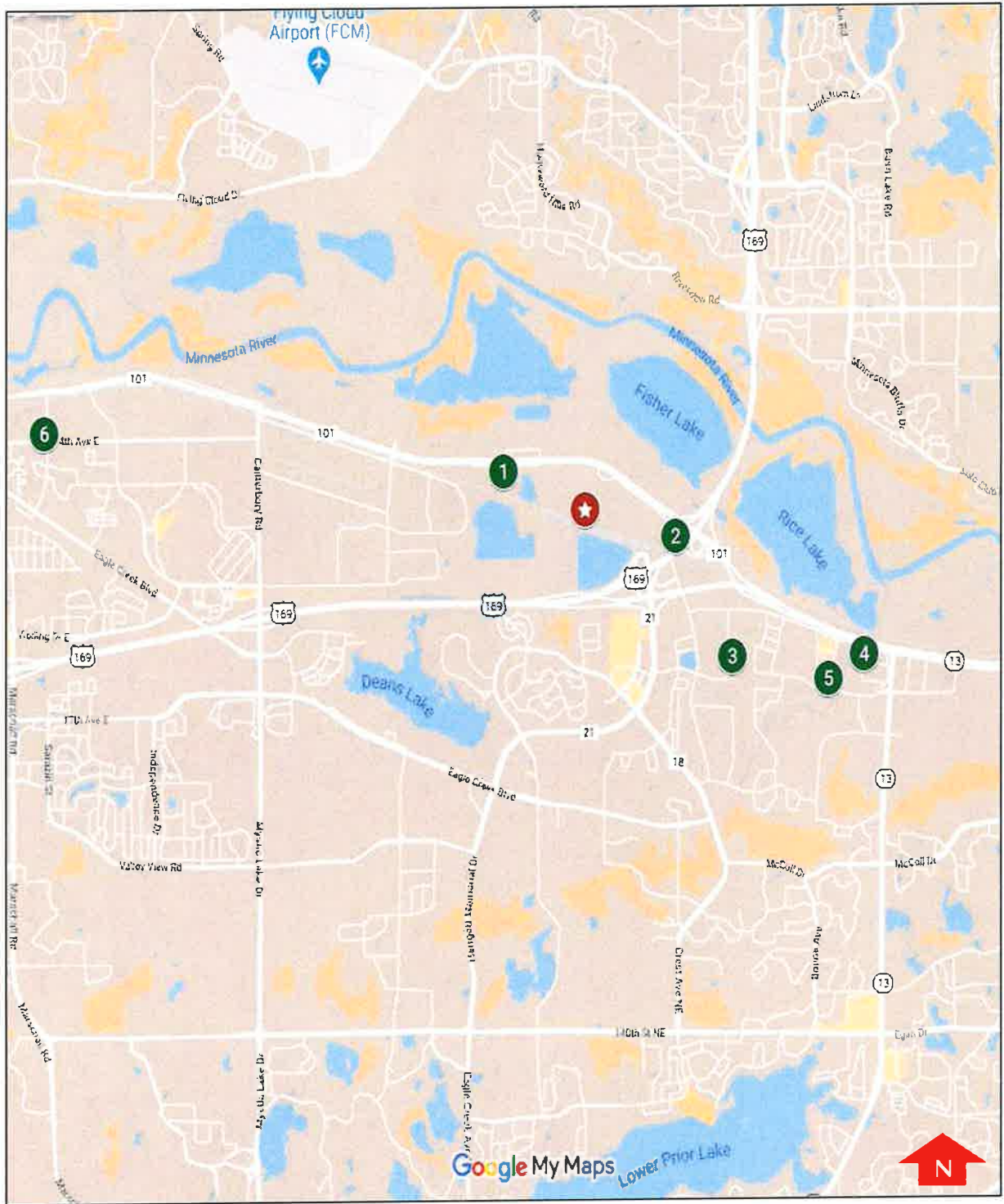
SALES COMPARISON APPROACH

The sales comparison approach is utilized to value the subject property. As previously mentioned, the theory behind the sales comparison approach is based on the "principle of substitution," which implies that a prudent person will not pay more to buy or rent a property than it will cost to buy or rent a comparable substitute property. The validity of this approach is based on the assumption that continuity exists between similar properties of like adequacy and their market values. The reliability of this technique is dependent upon the availability of sales data and the degree of comparability of the sales studied.

To apply the sales comparison approach to the subject property, information has been sought on recent land sales similar to the potential future uses of the subject parcel. In this case, the search primarily focused on recent sales of industrial development land.

SALES COMPARISON APPROACH

While a number of sales were initially considered and analyzed, the comparables summarized and adjusted on the following pages were ultimately chosen as being most relevant to estimating the subject's land value. The sales used in this analysis are presented on a location map, followed by aerials and brief comments of the comparables, and then an adjustment grid, to arrive at an estimated market value for the subject land.



COMPARABLE SALES LOCATION MAP

SALES COMPARISON APPROACH**Comparable Sale 1**

Location: South Side of County Road 101, West of 70th Street West
 Shakopee, Minnesota; Lot 2, Block 1, Lloyd's Addition
 PID(s): 27.437002.0
 Buyer: Emulsion Estates, LLC
 Seller: Lloyd's Properties, LLC
 Date of Sale: September 2019
 Utilities: Available
 Zoning: I2, Heavy Industry
 Intended Use: Office/Warehouse
 Size: 182,342 SF, or 4.19 Acres
 Sale Price: \$1,245,395
 Price per SF: \$6.83
 Remarks: The seller purchased this site as well as the land adjacent to south as one parcel of 8.63 acres in June of 2016 for \$1,700,000. The seller decided to split the parcel and is keeping the southern portion of the site to merge with their existing land to the east. This site was publicly marketed for sale and was a part of the old raceway track property.

SALES COMPARISON APPROACH**Comparable Sale 2**

Location: Westerly Quadrant of U.S. Highway 169 & County Road 101
 Shakopee, Minnesota
 PID(s): 27.479002.0
 Buyer: Vital Properties, LLC
 Seller: CFP Enterprises, LLC & Mesenbrink Construction & Engineering, Inc.
 Date of Sale: July 2018
 Utilities: Available
 Zoning: I1, Light Industry
 Intended Use: Office/Warehouse
 Size: 140,530 SF, or 3.23 Acres
 Sale Price: \$775,000
 Price per SF: \$5.51
 Remarks: This is an arm's-length transaction. The property was marketed by Cushman & Wakefield for several years and the sale price was based on an appraisal. The sale included two tax parcels, which were assembled for the purpose of constructing a ± 50,000 SF office/warehouse building (Universal Business Center).

SALES COMPARISON APPROACH**Comparable Sale 3**

Location:	East Side of Maras Street, South of 13th Avenue East Shakopee, Minnesota
PID(s):	27.415001.0
Buyer:	Quiring Properties IV, LLC
Seller:	Lloyd Properties, LLC
Date of Sale:	July 2018
Utilities:	Available
Zoning:	I-1, Light Industry
Intended Use:	Future business expansion
Size:	117,136 SF, or 2.69 Acres
Recorded Sale Price:	\$805,000
Less: Contributory Value of Improve.:	(\$ 52,500)
Adjusted Sale Price:	\$752,500
Adjusted Price per SF:	\$6.42
Remarks:	Lloyd Properties, LLC (seller) had relocated to a new facility in Shakopee, and no longer needed this site for their business operation. The seller approached multiple parties with interest in selling the property. Randy Quiring (Quiring Properties IV, LLC) is an adjacent property owner and was motivated to purchase this site for future business expansion. Mr. Quiring based his offer on recent market activity, however, he indicated that a premium may have been paid. The property is improved with a 3,840 SF metal building. According to the Scott County Assessor, the building contributes approximately \$52,500, and is deducted from the sale price to estimate the price paid for the land.

SALES COMPARISON APPROACH**Comparable Sale 4**

Location: 8175 Highway 101
 Savage, MN
 PID(s): 263590010
 Buyer: Gulf Shores, LLC
 Seller: Boyer Ford Trucks, Inc.
 Date of Sale: May 2018
 Utilities: Available
 Zoning: I-1, Limited Industrial
 Intended Use: Outdoor Storage
 Size (Gross): 91,912 SF, or 2.11 Acres
 Size (Net): 78,912 SF, or 1.81 Acres
 Recorded Sale Price: \$580,000
 Price per SF (Net): \$7.35
 Remarks:

According to the buyer, he had rented the site for several years as outdoor storage of his trailers. The buyer stated that he was offered to purchase the property from seller. The sale price was determined by an appraisal the seller had obtained, which was reportedly higher than the previous agreed price that is undisclosed. The buyer plans to continue to utilize the site as outdoor storage. There is approximately 13,000 SF of wetland area to the northeast corner of the site that has been deducted from the overall site size.

SALES COMPARISON APPROACH**Comparable Sale 5**

Location:	East Side of Zinran Avenue South, South of County Road 101 Frontage Road, Savage, MN
PID(s):	26.057018.0 & 26.352004.0
Buyer:	Zinran Properties, LLC
Seller:	Savyon, LLC
Date of Sale:	December 2017
Utilities:	Available
Zoning:	I-1, Limited Industrial
Intended Use:	Future business expansion
Size:	58,370 SF, or 1.34 Acres
Recorded Sale Price:	\$365,000
Less: Contributory	
Value of Improve.:	<u>(\$ 15,000)</u>
Adjusted Sale Price:	<u>\$350,000</u>
Adjusted Price per SF:	\$6.00
Remarks:	This is an unconfirmed sale of a property located along Zinran Avenue South in the Steiner Industrial Development of Savage. According to the Certificate of Real Estate Value, the property was not publicly marketed, and was purchased by an adjacent property owner. However, there is no indication that something other than market was paid. It should be noted that the seller acquired in the property for \$330,000 in May 2017. The property is improved with a metal shed and, according to the Scott County Assessor, the building contributes approximately \$15,500, and is deducted from the sale price to estimate the price paid for the land.

SALES COMPARISON APPROACH**Comparable Sale 6**

Location:	Northwest Corner of 4th Street East & Sarazin Street Shakopee, MN
PID(s):	27.906054.1
Buyer:	Larson Development 101, LLC
Seller:	Kelley Farm Limited Partnership
Date of Sale:	March 2017
Utilities:	Available
Zoning:	I-1, Light Industry
Intended Use:	Office/Warehouse
Size:	225,641, or 5.18 Acres
Sale Price:	\$1,027,303
Price per SF:	\$4.55
Remarks:	This was an arm's-length transaction and was publicly marketed for sale by the seller. The buyer and seller negotiated the sale price, and the buyer deemed the sale to be reflective of the market. The buyer constructed a ±28,000 SF office/warehouse in 2017.

SALES COMPARISON APPROACH

Explanation of Adjustments

Property Rights:	All of the sales represent the transfer of fee simple interest. Therefore, no adjustments are necessary.
Financing:	No unusual financing circumstances were reported that would have affected the sale prices of the comparables. All of the comparable sales involved cash to seller financing.
Conditions of Sale:	All of the comparable sales used are reported to be arm's-length transactions.
Special Assessments:	None
Other Expenditures:	None
Market Conditions:	The comparable sales occurred between March of 2017 and September of 2019. The market has had a timely recovery from the recession during this time period. As such, a 3% annual adjustment is applied to the comparables to the date of valuation.
Location:	<p>The location adjustment is based upon observations of the subject and each of the comparables. Factors such as proximity to the Twin Cities metropolitan area, major transportation routes, accessibility, demand generators, and surrounding land uses are considered when making this adjustment.</p> <p>The subject property is located within the interior of a larger parcel with no visibility to a major roadway.</p> <p>Comparable 1 and 2 have superior visibility and access compared to the subject. Therefore, downward adjustments have been made.</p> <p>Comparable 4 has superior access and visibility. Therefore, we have applied a downward adjustment of 5%.</p>
Zoning:	The subject is located in the I2, Heavy Industry district, which is considered superior to I1, Light/Limited industry district due to more allowed uses, including outdoor yard storage. Therefore, we have determined there is a modest premium for I2, Heavy Industry land uses. Comparables 2, 3, 4, 5, and 6 are

SALES COMPARISON APPROACH

Explanation of Adjustments

Zoning (continued):	located in light industrial and light industry zoned districts and have been given upward adjustments of 5%.
Land Size:	<p>The comparable land sales range in size from 58,370 SF to 225,641 SF.</p> <p>For this analysis, Comparables 1 and 6 are larger than the subject and were given upward adjustments for their larger sizes in comparison to the subject.</p> <p>Comparable 4 and 5 are smaller than the subject and are given downward adjustments.</p>
Shape/Utility:	<p>The subject's gross land area is flag-shaped and consists of approximately 92,306 SF of developable land and 37,630 SF of land that is a 106-foot-wide leg that will simply provide access to the proposed Hentges Way roadway. While approximately 17,757 SF of land within the flag-shaped portion of the property is also encumbered by the pipeline easement, the flag-shaped area consists of 29% of the overall land area and is considered to have low utility since this area cannot be developed, except for driveway purposes. As such, the subject's shape is considered to be atypical in the marketplace. In considering the reduced utility of this area, it is the appraisers' opinion that the unit value of the land included in the flagged portion of the lot is reduced in value by 50%. Therefore, we have adjusted the comparable sales downward 15%, with the exception of Comparable 2 which is also irregular in shape.</p>
Terrain:	<p>The subject's topography is assumed to be generally level; however, there is a storm drainage retention pond near the northwest corner of the property that is approximately 11,326 SF and will be required to be filled/compacted for building purposes. Therefore, we have adjusted all of the comparables downward by 5%.</p>

SALES COMPARISON APPROACH

Analysis

The six comparable land sales range in unadjusted sale price from \$4.55 per SF to \$7.35 per SF, with an average of \$6.11 per SF and a median of \$6.21 per SF. After the adjustment process, the comparable land sales range in sale price from \$4.66 per SF to \$6.05 per SF, with an average of \$5.34 per SF and a median of \$5.31 per SF. The adjustment process has tightened the range of the comparable sales, indicating the appropriateness of the adjustments utilized.

In addition, to the six sales comparables, there are four additional sales/listings that were also considered.

The first property is a 15.85 acre (12.57 usable) industrial land located in Shakopee along the northeast intersection of Highway 169 and Old Brick Yard. The property is under contract between Shakopee Economic Development Authority (seller) and Opus (buyer) for \$1.65 million or \$3.01 per SF on a usable land area basis. Due to this property being owned by the City of Shakopee, there are several requirements for developing this site, which resulted in a lower purchase price.

The second property is located in Eden Prairie along the southwest corner of Valley View Road and Golden Triangle Drive consisting of 10.28-acre industrial site. The land was sold for \$3,400,000 or \$7.59 per SF in January of 2020 between Opus Development Company, LLC (buyer) and DRS Golden Triangle, LLC (seller). The site allows for outdoor storage within the General Industrial district. This property is significantly larger than the subject and is also is a superior location.

The third property is a listing located at 2000 Ames Drive in Burnsville. The property consists of 11.09 acres and is zoned I3, Office and Industrial Park and allows for outdoor storage use. The property is currently listed for sale for \$8.00 per SF. The subject property is considered to be inferior to this comparable due to location.

The fourth property is listing located at 6055 147th Street West in Apple Valley. The site consists of 8.21 acres and is zoned I-2 General Industrial, which allows outdoor storage use. The site is listed for sale for \$5.00 per SF.

SALES COMPARISON APPROACH

Analysis

In conclusion, Comparable 1 is the most recent sale and has the same zoning as the subject of I2, Heavy Industry; therefore, it has been given the greatest weight. Comparable 1 has an adjusted sale price of \$5.34 per SF. Therefore, based on the preceding data, the market value for the subject property is estimated to be \$5.30 per SF of net land area, assuming it is served by public utilities.

Again, the gross land area of the subject property consists of approximately 129,936 SF or 2.98 acres. However, approximately 37,757 SF is encumbered by a pipeline easement in the east portion of the site that travels in a north-south direction. Of the 37,757 SF pipeline easement, approximately 17,757 SF is within the flag shaped portion of the property and 20,000 SF is outside the flag-shaped area.

Given the owner can still utilize this easement area to satisfy setback, density, and open space requirements, as well as improve the area with surface parking, the pipeline easement area contributes value to the underlying ownership. Even so, it is recognized that the existing easement extinguished certain property rights and constrains the potential building footprint of the property. Therefore, considering the reduced utility of the area encumbered by the existing pipeline easement, it is the appraisers' opinion that the unit value of the land affected by the easement is reduced in value by 20%, recognizing that approximately 47% of this area is located within the flag-shaped area of this site. Thus, this area has a contributory value of \$4.24 per SF (\$5.30 per SF x 0.80).

Given the above, the market value for the subject property as of July 10, 2020, is estimated to be as follows:

Area Net of Existing Pipeline Easement:	92,179 SF x \$5.30 per SF =	\$ 488,549
Existing Pipeline Easement:	37,757 SF x \$4.24 per SF =	<u>\$ 160,090</u>
Indicated Land Value:		\$ 648,639
	Rounded to	\$ 650,000

SALES COMPARISON APPROACH

Again, as stated on page 5 of this report, the above estimate of market value assumes that the subject will be platted, served by a public roadway and municipal city sewer and water are available for development. If the property were to not be served by municipal city sewer and water, the cost savings would equate to \$5,065 according to the Public Works Director from the City of Shakopee.

ADDENDA

CONTINGENT AND LIMITING CONDITIONS

(Pages 42-44)

CONTINGENT AND LIMITING CONDITIONS

The value estimates and conclusions in the appraisal are made subject to these assumptions and conditions:

1. No title search has been made and the reader should consult an appropriate attorney or title insurance company for accurate ownership data. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The legal description, furnished or otherwise, is assumed to be correct. No responsibility is assumed for the legal description or for matters including legal or title considerations.
3. The information contained in this report is not guaranteed, but it has been gathered from reliable sources. The appraiser(s) certify that, to the best of their knowledge and belief, the statements, information and materials contained in the appraisal are correct.
4. All value estimates in this report assume stable soil and any necessary soil corrections are to be made at the seller's expense, unless otherwise noted.
5. The site plan, if any, in this report is included to assist the reader in visualizing the property, but we assume no responsibility for its accuracy.
6. The market value herein assigned is based on conditions which were applicable as of the effective date of appraisal, unless otherwise noted.
7. The appraiser(s) that signed this report shall not be required to prepare for, or appear in court, or before any board or governmental body by the reason of the completion of this assignment without predetermined arrangements and agreements.
8. Surveys, plans and sketches may have been provided in this report. They may not be complete or be drawn exactly to scale.
9. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person, other than the party to whom it is addressed, without the written consent of the appraiser, and in any event only with properly written qualification and only in its entirety.
10. Information in the appraisal relating to comparable market data is more fully documented in the confidential file in the office of the appraiser.

CONTINGENT AND LIMITING CONDITIONS

(CONTINUED)

11. All studies and field notes will be secured in our files for future reference.
12. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a non-conformity has been stated, defined and considered in the appraisal report. And, it is assumed that the utilization of the land and any improvements is within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted within the report.
13. The distribution of the total valuation in this report between land and any improvements, if stated, applies only under the reported highest and best use of the property. The allocations of value for land and improvements must not be used in conjunction with any other appraisal and are invalid if so used.
14. It is assumed that there is full compliance with all applicable federal, state and local environmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report.
15. The appraiser was not aware of the presence of soil contamination on the subject property, unless otherwise noted in this appraisal report. The effect upon market value, due to contamination was not considered in this appraisal, unless otherwise stated.
16. The appraiser was not aware of the presence of asbestos or other toxic contaminants in any building(s) located on the site, unless otherwise noted in this report. The effect upon market value, due to contamination was not considered in this appraisal, unless otherwise stated.
17. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
18. The value stated in this report is fee simple, assuming responsible ownership and management, unless otherwise indicated. This appraisal recognizes that available financing is a major consideration by typical purchasers of real estate in the market, and the appraisal assumes that financing is or was made available to purchasers of property described herein.

CONTINGENT AND LIMITING CONDITIONS

(CONTINUED)

19. The appraiser has neither present nor contemplated interest in the property appraised and employment is not contingent upon the value reported.
20. Unless otherwise stated in this report, the appraisers have not made a survey or analysis to determine whether any buildings on the property are in compliance with "The Americans with Disabilities Act" (ADA). If the property is not in compliance with the ADA, it could have a negative effect on the value of the property.
21. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.

APPRAISER QUALIFICATIONS

(Pages 46-48)

QUALIFICATIONS OF

ALYSSA M. RUIS

PROFESSIONAL AFFILIATIONS

Practicing Affiliate, Appraisal Institute
Trainee Real Property Appraiser, Minnesota License No. 40295088
St. Cloud State Real Estate Alumni Association Member

BUSINESS EXPERIENCE

Patchin Messner Valuation Counselors, Associate Appraiser, December 2019 to Present
GTRE Commercial, Associate Appraiser, 2016 to 2019
The Appraisal Group, Appraiser, 2015 to 2016
Diversified Real Estate Services, Inc., Associate Appraiser, 2014 to 2015

EDUCATIONAL BACKGROUND

Bachelor of Science Degree in Business, Major - Real Estate
St. Cloud State University, St. Cloud, MN

SPECIALIZED REAL ESTATE TRAINING

Real Estate Principles and Procedures, Appraisal Institute, 2012
Real Estate Property Management, Saint Cloud State University, 2012
Real Estate Investments, Saint Cloud State University, 2012
Real Estate Law, Saint Cloud State University, 2012
National USPAP 15-Hour Course, North Star Chapter, 2012
Real Estate Appraisal, Saint Cloud State University, 2013
Commercial Appraisal, Saint Cloud State University, 2013
Real Estate Finance, Statistics and Valuation Modeling, North Star Chapter, 2013
Supervisory Appraiser/Trainee Appraiser Course, Northstar Chapter, 2016
General Appraiser, Income Approach / Parts I & II, Northstar Chapter, 2017
General Appraiser, Site Valuation and Cost Approach, Northstar Chapter, 2019
General Appraiser, Market Analysis and Highest & Best Use, Northstar Chapter, 2019
General Appraiser, Report Writing and Case Studies, Northstar Chapter, 2019
Commercial Appraisal Review, McKissock Educational Services, 2019
General Appraiser, Sales Comparison Approach, Northstar Chapter, 2019

APPRAISAL EXPERIENCE

Valuation and analysis of many types of commercial real estate, including, but not limited to: retail, office, industrial, special purpose properties, vacant land, and multi-family residential properties. Valuations have been performed for financing purposes, highest and best use determination, and due diligence support. Valuations and market studies have done on proposed, partially completed, new construction, renovated and existing structures.

QUALIFICATIONS OF

JASON L. MESSNER

PROFESSIONAL AFFILIATIONS

MAI Member, Appraisal Institute

Certified General Real Property Appraiser, Minnesota License No. 4000836
Member, Minneapolis Area Association of Realtors
Member (No. 6591), International Right of Way Association

BUSINESS EXPERIENCE

Patchin Messner Valuation Counselors, President/Principal, 2001 to Present
Patchin Messner Appraisals, Inc., Principal, 1995 to 2000
Peter J. Patchin & Associates, Inc., Associate Appraiser, 1986-1994
Century 21 Granite City Real Estate, Residential Salesperson, 1985

EDUCATIONAL BACKGROUND

Bachelor of Science Degree, St. Cloud State University, majored in Real Estate, graduated Magna Cum Laude, 1986
Associate in Arts Degree in Business Administration, Willmar Community College, graduated with honors, 1984

SPECIALIZED REAL ESTATE TRAINING

Basic Valuation Procedures, American Institute of Real Estate Appraisers, 1986
Real Estate Appraisal Principles American Institute of Real Estate Appraiser, 1986
Capitalization Theory and Techniques (Part A), A.I.R.E.A., Minneapolis, MN, 1987
Standards of Professional Practice, A.I.R.E.A., Minneapolis, MN, 1988; Appraisal Institute, Minneapolis, MN, 1994
Capitalization Theory and Techniques (Part B), A.I.R.E.A., Minneapolis, MN, 1989
Case Studies in Real Estate Valuation, American Institute of Real Estate Appraisers, Mpls., MN, 1990
Report Writing & Valuation Analysis, Appraisal Institute, Minneapolis, MN, 1991

SEMINARS ATTENDED

Appraisal Institute

Condemnation: Legal Rules and Appraisal Practices
Special-Purpose Properties: The Challenges of Real Estate Appraising in Limited Markets
New Industrial Valuation
The Road Less Traveled: Special Purpose Properties
National Uniform Standards of Professional Appraisal Practice Update
The Appraiser as Expert Witness
The Appraisal of Local Retail Properties
Valuation of Detrimental Conditions in Real Estate
Analyzing Distressed Real Estate
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)
Fundamentals of Separating Real Property, Personal Property, and Intangible Business Assets
Appraising the Appraisal: Appraisal Review-General
Complex Litigation Appraisal Case Studies
Real Estate Valuation in Condemnation Appraising in Minnesota

APPRAISAL EXPERIENCE

Preparation of appraisals for condemnation, tax appeal, litigation, financing, debt restructuring, acquisition/disposal, and special assessment appeal. Properties appraised include: office buildings, warehouses, service stations, manufacturing plants, medical and veterinary clinics, shopping centers, restaurants, apartment buildings, subsidized housing, research and redevelopment buildings, grain elevators, flour mills, special-purpose properties, lands, air rights, aviation easements, utility easements, highway easements, and environmentally impaired properties. Specialize in litigation valuation of commercial, industrial, development land and investment properties.

QUALIFICATIONS OF

JASON L. MESSNER (CONTINUED)

RELATED EXPERIENCE

Participant in the writing of The Effect of Contamination on The Market Value of Property, Federal Highway Admin.; Office of Right-of-Way, Washington, DC, 1993

Faculty participant at the Hazardous Waste Litigation seminar, Minnesota Institute of Legal Education, 1995

Adjunct lecturer on environmental appraisal issues, University of St. Thomas, Mpls., MN, 1996 and 2002

Faculty participant at the Annual Right-of-Way Professionals Conference, Minnesota Department of Transportation, 2004, 2005 and 2007

Metro/Minnesota Chapter of the Appraisal Institute; Education Coordinator – 1997 through 2001, Secretary – 2001, Vice President – 2002, President – 2003, Region III Representative - 2008 through 2011. National Board of Directors of the Appraisal Institute, 2012 through 2016.

APPRAISAL CLIENTS

Alliant Techsystems, Inc.
Bank of America
B.P. Oil Pipeline Company
Burlington Northern Railroad Company
Campbell Soup Company
Ceridian Corporation
CMC Heartland Partners
Deluxe Check Corporation
Equitable Life Assurance Co.
Exxon Mobil Corporation
Farm Credit Services
First Bank Systems
Great River Energy
Honeywell, Inc.
IBM Corporation
IDS Financial Services
Internal Revenue Service
Jostens, Inc.
LaSalle National Bank
Lockheed Martin
Louisville Regional Airport Authority

Medtronic, Inc.
Metropolitan Airports Commission
Mpls. Community Planning and Economic
Development (CPED)
Minnesota Department of Transportation
3M Corporation
Northwest Airlines, Inc.
Northwestern Mutual Life Insurance Co.
Old Dutch Foods
Philips Lighting
Resolution Trust Corporation
Reynolds Metals Company
Soo Line Railroad Company
Unisys Corporation
University of Minnesota
U.S. Environmental Protection Agency
U.S. Fish & Wildlife
U.S. Postal Service
Wells Fargo
Williams Pipeline Company
Xcel Energy

Other clients include various Cities (Andover, Belle Plaine, Bloomington, Brooklyn Center, Burnsville, Cambridge, Chanhassen, Chaska, Cokato, Columbia Heights, Crystal, Duluth, Elk River, Farmington, Jordan, Lake City, Lino Lakes, Marshall, Medina, Minneapolis, Minnetonka, New Brighton, New Prague, Osseo, Prior Lake, Ramsey, Richfield, Robbinsdale, Rochester, St. Paul, St. Louis Park, Savage, Shakopee and Victoria), and Counties (Benton, Brown, Carver, Clay, Dakota, Douglas, Goodhue, Hennepin, Jackson, McLeod, Murray, Nicollet, Otter Tail, Ramsey, Scott, Sherburne, Stearns, Steele and Washington), in the State of Minnesota.

COURT EXPERIENCE

Qualified as an expert witness in Minnesota Tax Court, U. S. District Court (Minnesota), Anoka, Carver, Dakota, Goodhue, Hennepin, Isanti, Rice, Scott, Wabasha, Washington and Wright County District Court and various Commission Hearings.

SHAKOPEE PUBLIC UTILITIES
MEMORANDUM

TO: John Crooks, Utilities Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: Electric Projects - 2020
DATE: September 2, 2020

ISSUE

Attached are the corrected 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.

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 Addtion	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
62	Suites of Shakopee - Windermere	Windermere Way	Multi-Family	2021-2022	Design	125	0
63	Core Crossings Apartments	Southbridge Crossings East	Multi-Family	2021-2022	Design	200	0
64	SPUC Tank 8	Windermere South 2nd	Utilities	2020-2021	Design	15	0
65	Greystone Corporate Office	Canterbury Ninth	Commercial	2021	Design	150	0
66	Prairie Pointe	4th Ave/Sarazin St	Multi-Family	2021	Design	112.5	0
67	Hentges Industrial Park	70th and Cretex Ave	Industrial	2021-2022	Design	XXXX	0

Totals: 17487.5 4130

CIP Projects

1	SS - 31 CR 42-19 Relocation	County Road 42	Utilities	2020	Construction
2	SS - 83 Extension	South Shakopee Substation	Utilities	2020	Construction
3	DL - 98 Extension	Canterbury/Unbridled	Utilities	2020	Construction
4	West Shakopee Substation Site	Hentges Industrial	Utilities	2020	Preliminary
6	East Shakopee Substation Site	Hwy 169/CR 69	Utilities	2020	Preliminary
7	DL - 41/44/55 Circuit - CR 83 Relocation	Dean Lake Sub	Utilities	2020-2021	Design
8	Heritage Lateral Reconfiguration	Heritage	Utilities	2021	Design

**SHAKOPEE PUBLIC UTILITIES
MEMORANDUM**

TO: John Crooks, Utilities Manager 
FROM: Joseph D. Adams, Planning & Engineering Director 
SUBJECT: Electric Distribution Feeder Relocation Construction Agreement
DATE: September 3, 2020

ISSUE

The Gaughan Companies are developing a block of old Shakopee into a mixed use project called the River Bluff Addition and is requesting SPU relocate and bury underground around the site an existing overhead electrical feeder circuit, SH-09.

BACKGROUND

This project has been discussed before and has evolved over time to now encompass the entire block fka Block 7 Shakopee plat located between First Avenue and Levee Drive between Atwood and Scott Streets.

The City of Shakopee has vacated the alley in the block and the developer has requested all of the utilities in the area to relocate their facilities outside of the project. Since this is private development project, per state statute SPU is entitled to be reimbursed for the relocation costs.

Staff has designed a relocation plan that will include a concrete encased duct bank to accommodate additional circuits that the Commission has already agreed to relocate underground (SH-08 and SH-10) to improve the aesthetics along the river bank and calculated the developer's cost sharing to be equal to 10.9% of the duct bank plus other materials on a pro rata basis with a maximum cost of \$111,000.00 to the developer based on an estimate for direct burying just the one circuit SH-09 that the developer is responsible for funding.

DISCUSSION

Attached is the cost sharing agreement for the Commission to approve.

REQUESTED ACTION

Staff requests the Commission approve the Electric Distribution Relocation Construction Agreement.

**ELECTRIC DISTRIBUTION RELOCATION
CONSTRUCTION AGREEMENT**

THIS AGREEMENT, made and entered into as of this 3rd day of September, 2020, by and between Gaughan Companies, hereinafter referred to as the "Developer," and Shakopee Public Utilities Commission, a municipal utility commission organized under Minnesota law, hereinafter referred to as "SPU."

RECITALS:

1. The Developer is proposing to redevelop a block with a mixed use development including approximately 170 market-rate luxury apartments, approximately 125 garage parking spaces, approximately 70 surface parking spaces, and 3,000 square feet of commercial space, hereinafter referred to as the "Project".
2. The Project is located in the City of Shakopee.
3. The Project requires relocation of existing electrical distribution facilities and installation of new electrical distribution facilities for the purpose of providing electrical service for the Project.
4. The purpose of this Agreement between the parties is to establish the terms regarding responsibilities and cost participation for relocating existing electrical distribution facilities and the installation of new electrical distribution facilities.

NOW THEREFORE, in consideration of the mutual undertakings and agreements contained within this agreement, the Developer and SPU hereby agree as follows:

1. Work – SPU will provide relocation and replacement of its electrical facilities and installation of its new facilities as set out below and in more detail in Exhibit A attached hereto and incorporated herein.
 - a. Relocation and Replacement of Existing Facilities. SPU will relocate and replace: (1) the existing main electric distribution feeder; and (2) the existing lateral electric distribution facilities that provide electricity to the adjacent properties via a loop feed. The current location of these facilities and the location of the replacement facilities are generally depicted on Exhibit B attached hereto and incorporated herein. The relocated facilities shall be

partially located within a concrete encased duct bank, further described in Exhibit A, of which the Developer shall pay a portion of the duct bank installation cost as identified on Exhibit C.

- b. The work to be done by SPU does not include the removal and restoration of sidewalks, curbs and gutters, pavement, trees, or landscaping. All such removal and restoration is the responsibility of the Developer.
- c. New Facilities. SPU will provide an underground primary electrical distribution system to serve the Project. SPU will construct and install the underground electrical distribution system to serve the Project. The Developer and SPU will enter into an Underground Distribution Agreement (UDA), a copy of which is attached as Exhibit D to this Agreement. The costs of such new facilities will be paid as provided in the UDA.

2. Allocation and Payment of Relocation Costs:

- a. The Developer shall be responsible for one hundred percent (100%) of the engineering design, project management, and construction costs of the relocation of existing facilities, subject to the Developer's right of cost review in accordance with the terms of this Agreement. This shall include the removal of the existing electrical distribution facilities within the Project limits. This shall include 10.9% of the construction cost of the concrete encased duct bank as detailed in Exhibit C. The Developer's responsibility of the relocated facilities shall not exceed \$111,000, which is demonstrated in Exhibit C as the estimated cost of the relocation cost without the duct bank.
 - b. The Developer shall reimburse SPU for the costs, as detailed in the Underground Distribution Agreement, for the extension of the new underground electric distribution facilities that will serve the Project.
- 3.** An estimate of the electrical relocation project costs based on preliminary engineering estimates and the breakdown of cost participation between SPU and Developer is attached as Exhibit C.
- 4.** SPU shall prepare plans and specifications for the construction of the concrete encased electrical duct bank and solicit competitive bids. The construction of the duct bank shall be specified to be coordinated with Developer. SPU shall award the contract for the electrical relocation project to the lowest responsible bidder. Within ten (10) business days of

the award of the contract, SPU shall provide the bid tabulation to Developer. SPU shall provide the Developer with copies of any change orders or other contract amendments within ten (10) business days after they are executed by SPU and the contractor.

5. Prior to the commencement of the Work, the Developer shall deposit with SPU one hundred percent (100%) of the estimated costs. Upon completion of the work, SPU agrees to provide the Developer with final detail of the actual work performed and the actual costs of such work. The Developer shall have the right to review more detailed documentation of the work performed and related costs upon request. Upon close-out of the work under this Agreement, Developer shall be invoiced for the remaining balance of the Developer's portion of the actual final project costs. In the event the initial payment exceeds the Developer's final share of these costs, as determined by the actual final construction costs, such overpayment shall be returned to the Developer by SPU within thirty (60) days after SPU's final acceptance of the work.
6. This agreement shall be effective upon signature of both parties herein.
7. Developer shall appoint an authorized agent for the purpose of administration of this agreement. SPU is notified of the authorized agent of Developer as follows:

Dan Hebert
Senior Vice President of Commercial Accounts
Gaughan Companies
56 East Broadway Avenue, Suite 200
Forest Lake, MN 55025
651-255-5558
danhebert@gaughancompanies.com

The Developer is notified the authorized agent for SPU as follows:

Joseph Adams
Planning and Engineering
Director
Shakopee Public Utilities
P.O. Box 470
255 Sarazin Street
Shakopee, MN 55379-0470
952-233-1501
jadams@shakopeeutilities.com

- 8.** This Agreement shall be governed by the laws of the State of Minnesota. The appropriate venue and jurisdiction for any litigation hereunder will be those courts located within the County of Scott, State of Minnesota. If any provision of this Agreement is held invalid, illegal, or unenforceable, the remaining provisions will not be affected.
- 9.** Developer binds itself, its successors and assigns, to SPU in respect to all covenants, agreements, and obligations contained in this Agreement. Neither Party shall assign this Agreement without the prior written consent of the other Party.
- 10.** The Parties agree that no change or modification to this agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, executed and made part of this agreement. The execution of the change shall be authorized and signed in the same manner as for this agreement.
- 11.** In the event any provision of this agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the Parties unless such invalidity or non-enforceability would cause the agreement to fail its purpose. One or more waivers by either party of any breach of any provision, term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.
- 12.** It is understood and agreed that the entire agreement between the Parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the Parties relating to the subject matter hereof. Any changes or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing and signed as an amendment to this Agreement.
- 13.** This agreement may be executed in one or more counterparts or in multiple originals, either one of which is as valid as the other and when taken together shall constitute one agreement.
- 14.** All facilities installed under this agreement shall be owned by SPU as a part of the local electrical distribution system. No assertions shall be made by Developer to own any part of the installation including, but not limited to, the concrete encased duct bank.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

WITNESSED

SHAKOPEE PUBLIC UTILITIES COMMISSION

By 
Signature

By 
Signature

Denisa A. Nelson
Print Name of Witness

JOHN R. CROOKS, UTILITIES MANAGER

9/4/20
Date

WITNESSED

GAUGHAN COMPANIES

By 
Signature

By 
Signature

Tim Holter
Print Name of Witness

Don Hubert SUP Commercial Account
Print Name and Title

9-3-2020
Date

EXHIBIT "A"

RESPONSIBILITIES OF DEVELOPER AND SPU

DEVELOPER AREA OF RESPONSIBILITY

Prior to the time the installation of any segment of the underground electric system is commenced by Shakopee Public Utilities Commission (SPU), Developer shall confirm or establish grades, within the Project limits, along the route for the electric relocation which shall not be above, or more than six (6) inches below, the finished grade. Before trenching operations are started by Shakopee Public Utilities Commission:

1. The route of said underground system shall be accessible to Shakopee Public Utilities Commission equipment, and
2. All obstructions, within the Project limits, such as but not limited to trees, sidewalks, retaining walls and signs, shall be removed from the route by Developer at no cost or expense to Shakopee Public Utilities Commission, and
3. Developer shall provide surveying stakes, within the Project limits, of the relocated facilities route as directed by and at intervals designated by SPU, and
4. Developer shall install conduit (material provided by SPU) across any driveway or parking lot surface within the Project limits as designated by SPU, and

Developer shall install a pad for a new pad mount transformer(s) at a mutually agreeable location within the Project limits. Said pad shall be installed and built to the specifications as provided by SPU.

After the installation of the underground electric system has been completed by SPU and the system is operational, Developer shall be responsible for the restoration of any sod, curb, sidewalks or other site features disturbed by the installation of the underground electric system except said disturbances East of Atwood Street right of way.

All costs that SPU incurs associated with the installation of the relocated electric distribution system shall be allocated between the Developer and SPU as detailed in the body of this agreement. All costs associated with the extension of the underground electric distribution system solely for the new electric service of the Project shall follow the conditions as described in the Underground Distribution Agreement. The cost of the concrete encased duct bank shall be allocated as detailed in the body of this Agreement.

Developer shall coordinate the relocation of other small utilities that are attached to SPU's existing wood poles within the Project limits.

SHAKOPEE PUBLIC UTILITIES COMMISSISON AREA OF RESPONSIBILITY

Prior to the installation of the underground electric system, SPU shall provide the material to Developer for the installation of the conduits across any street, drive or parking lot surface as necessary and SPU shall obtain the necessary Right of Way permits from the City of Shakopee.

SPU shall install a concrete encased duct bank from the alley at Scott Street to Fuller Street. SPU shall install three 750 mcm 15 KV underground electric power cables within the duct bank to a riser on Fuller Street. Trenching and installation of said duct bank shall be completed by SPU, or SPU's contractor. The cables will be installed within the duct bank.

SPU shall install three 1/0 AL 15 KV underground electric power cables from the duct bank in the alley at Scott Street to the alley between Atwood Street and Fuller Street in order to maintain a loop for the current SPU customers to the west and east of the Project. Trenching for said installation shall be completed by SPU. The cables shall be installed direct buried and within the duct bank installed by SPU.

SPU shall install six 1/0 AL 15 KV underground electric power cables to a new transformer(s) to service the Project. The six cables will provide a loop for the new transformer, tied into the loop providing service to the existing customers East and West of the Project. The cables shall be installed within conduit installed by Developer to and from the transformer pad(s) for the Project.

SPU shall install a new pad mount transformer(s) at a mutually agreeable location on Developer's property.

SPU shall remove all power cables and overhead electric facilities within the Project limits.

EXHIBIT "B"

Depiction of Existing and Relocated Electric Distribution Facilities

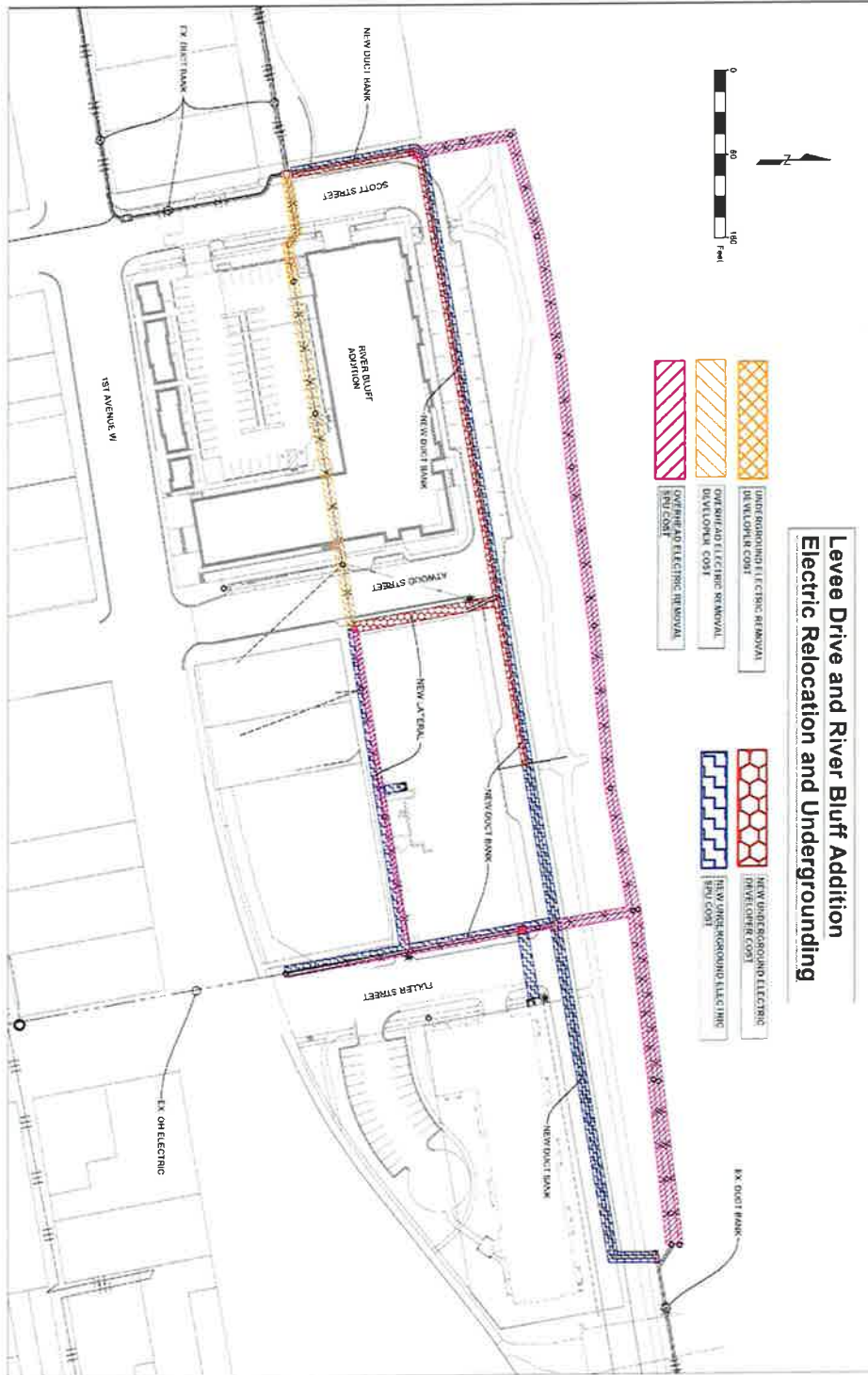


EXHIBIT "C"

ESTIMATE OF PROJECT COSTS AND COST BREAKDOWN

River Bluff Addition Electric Relocation & SPU Circuit Underground - Estimated Cost Breakdown

Estimated Costs

Circuits SH10/SH08 (along river) Relocation	\$ 103,469.34
Duct Bank - Levee from Scott to Holmes	\$ 320,906.00
River Bluff Apts - Electric Line Extension	\$ 42,522.50
SH09 Relocation:	
River Bluff Apts - Electric Relocation (no ductbank)	\$ 111,040.37
Circuit SH09 - River Bluff portion in Ductbank	\$ 43,096.58
Circuit SH09 - SPU portion in Ductbank	\$ 56,481.00
Total SH09 in Ductbank:	\$ 99,577.58

Duct Bank Apportionment

Scott/Alley to Fuller/Alley (SH09 - two 6"):	2240 FT
Scott/Alley to Holmes (SPU Fiber - one 2"):	1090 FT
SH08 (two 6"):	2500 FT
SH10 (two 6"):	2500 FT
Future Feeder #1 (two 6"):	2500 FT
Future Feeder #2 (two 6"):	2240 FT
Lateral Circuit (one 4"):	840 FT
Total lineal footage of 5 Circuits, fiber, and Lateral:	13910 FT
**River Bluff Portion - 760ft x 2:	1520 FT
River Bluff portion of Duct Bank:	10.9%

Gaughan Responsibility for Electric Relocation & Lateral Extension

River Bluff Apts - Electric Relocation (Not in Ductbank):	\$ 111,040.37	(See Note 3)
Circuit SH09 - River Bluff portion in Ductbank:	\$ 43,096.58	
River Bluff portion of Duct Bank:	\$ 34,978.75	
Total River Bluff SH09 Relocation in Ductbank:	\$ 78,075.33	(See Note 3)
River Bluff Apts - Electric Line Extension (75% of Material):	\$ 42,522.50	(See Note 4)
Total Estimated Cost to Gaughan:	\$ 153,562.87	

SPU Circuits SH08/SH10 Undergrounding Costs

SPU portion of Duct Bank:	\$ 285,927.25
Relocation for SH08/SH10:	\$ 103,469.34
SPU Portion of SH09 Relocation:	\$ 56,481.00

Total: \$ 445,877.59

**Gaughan portion is identified as the distance from the alley at Scott to the alley at Atwood. The quantity of 2 was arrived via one for the lateral and one for the mainline circuit (SH09).

Note:

1. Relocation estimates are preliminary engineering estimates and are not based on actual contract pricing. Engineering estimates are available upon request.
2. All facilities installed per this estimate are and will be owned and maintained by SPU as a part of the local electrical distribution system. No part of this installation will be owned by Gaughan Companies.
3. The estimate for the electric relocation of SH09 for the River Bluff Apartments project is demonstrated to be more, based on the allocation of costs in this estimate, than placing the relocation within the proposed duct bank versus direct buried around the site. The actual relocation cost is measurable only when accounting for the duct bank installation cost since the relocation will be placed within the duct bank.
4. The electric line extension (75% of Material) estimate is the cost identified as the new line extension cost to serve the Project and is detailed within the Underground Distribution Agreement.

Printed: 9/3/2020

EXHIBIT "D"

RIVER BLUFF ADDITION - UNDERGROUND DISTRIBUTION AGREEMENT

UNDERGROUND DISTRIBUTION AGREEMENT

AGREEMENT Made this 3rd day of September, 2020, between Shakopee Public Utilities Commission, a municipal utility commission organized under Minnesota law, hereinafter referred to as Shakopee Public Utilities Commission and GAUGHAN COMPANIES, hereinafter called Developer/Customer,

WHEREAS, Shakopee Public Utilities Commission has been requested to provide an underground electric distribution system to serve certain properties hereinafter called RIVER BLUFF ADDITION, located on the following described real estate, situated in the City of Shakopee, County of Scott, State of Minnesota, to wit:

LOT 1, BLOCK 1, RIVER BLUFF ADDITION, SCOTT COUNTY, MINNESOTA

NOW, THEREFORE, In consideration of the mutual covenants and agreements hereinafter contained to be kept and performed, the parties hereto agree as follows:

I. General:

1. Subject to all the terms and conditions hereinafter contained Shakopee Public Utilities Commission shall install, own, operate and maintain all facilities necessary to provide an underground electric distribution system to serve the plat attached hereto as Exhibit "A", or the above described real estate. The input end of the underground service connection shall be deemed the terminus of the customer's wiring.

2. Shakopee Public Utilities Commission shall endeavor to coordinate the installation of said underground system with the activities of the Developer/Customer in the area to be served: provided, however, Shakopee Public Utilities Commission shall not be required to install said underground system in segments smaller or larger than considered economically feasible. Shakopee Public Utilities Commission shall not be responsible for any damages resulting from delay in completing the installation of the underground system contemplated herein, whether such delay is due to casualty, labor dispute, weather or other similar or dissimilar cause beyond the reasonable control of Shakopee Public Utilities Commission.

3. Prior to the installation of said system, owner of the property shall at no cost or expense to Shakopee Public Utilities Commission, grant such easement rights as Shakopee

Public Utilities Commission may require for the installation, operation, and maintenance of said system.

4. Prior to the time the installation of any segment of said underground system is commenced by Shakopee Public Utilities Commission, Developer/Customer shall establish grades in the easement strip which shall not be above, or more than four (4) inches below, the finished grade. Before trenching operations are started by Shakopee Public Utilities Commission:

- (a). The route of said underground system shall be accessible to Shakopee Public Utilities Commission equipment, and
- (b). All obstructions shall be removed from such route by Developer/Customer at no cost or expense to Shakopee Public Utilities Commission, and
- (c). Marker stakes at lot corners shall be placed by Developer/Customer at intervals designated by Shakopee Public Utilities Commission, and
- (d). No street lights shall be installed until streets are to grade and staked, and curb work is complete.

5. Shakopee Public Utilities Commission will make final connections of its facilities to the terminus (as defined in Paragraph 1 hereof) of each customer's wiring.

6. In consideration of Shakopee Public Utilities Commission installing and owning the underground system as described in Paragraph 1, Developer/Customer agrees to pay to Shakopee Public Utilities Commission, on or before the completion of such installation, at such time as the actual cost can be determined, in cash, a sum equal to 75% of the total materials cost (this percentage figure represents the Utilities estimated cost differential between the cost of an overhead distribution system as opposed to the cost of an underground distribution system), plus any and all permit fees associated with installation of utilities within public right of way and easements. Prior to the Shakopee Public Utilities Commission entering into a contract for the installation of such underground distribution system the Developer/Customer will deposit cash with the Shakopee Public Utilities Commission in an amount of 75% of the total materials cost as estimated, to assure performance. At such time as the final cost is determined, adjustments shall be made so that the cost to the Developer/Customer will be 75% of the total materials cost. Upon receipt of a bill documenting final costs, the Developer/Customer will pay Shakopee Public Utilities Commission such amount by which 75% of actual materials cost exceeds the Developer's/Customer's deposit(s), plus such additional amount to cover any unpaid costs described in Section I paragraphs 7, 8, 9 and 10 below. Shakopee Public Utilities Commission will refund to the Developer/Customer such amount that the Developer's/Customer's deposit(s) exceeds the total of 75% of actual material costs plus any costs described in Section I paragraphs 7, 8, 9 and 10 below within thirty (30) days after completion of the work. No interest will be paid on any such deposit(s).

7. Street lighting will be installed in type and number per Shakopee Public Utilities Commission specifications and the current City of Shakopee Street Lighting Policy in effect at the time of installation. The Developer/Customer shall be responsible for the actual cost of purchasing and installation.

8. Developer/Customer shall be subject to an additional winter construction charge of up to \$6.00 per trench foot for underground facilities installed between October 15 and April 15. The Developer/Customer will deposit with Shakopee Public Utilities Commission an amount to cover such winter construction charge based on the estimated trenching required. Final determination of whether sufficient frost exists and to what extent it affects the cost of installation will be made by the Utilities Line Superintendent. However, if the Developer/Customer has met all requirements necessary to accept service and has signed an underground agreement or order, paid the deposit(s) described above in Section I paragraphs 6 and 7, and notified Shakopee Public Utilities Commission in writing prior to October 1st that the proper grades have been established and the site is ready to accept electrical service, winter construction charges will be waived.

9. Developer/Customer shall pay all additional installation costs incurred by Shakopee Public Utilities Commission because of (a) delays caused by Developer/Customer, (b) soil conditions that impair the installation of underground facilities, such as rock formations, (c) paving of streets, alleys, parking lots, or other areas prior to the installation of the underground facilities, or (d) unique characteristics, as defined by Shakopee Public Utilities Commission, that cause the installation costs to exceed an amount justified by the expected load.

10. Developer/Customer shall pay the cost of any subsequent relocations or rearrangement of any portion of Shakopee Public Utilities Commission underground facilities made to accommodate Developer/Customer needs or because Developer/Customer alters the grade.

11. This agreement shall be in lieu of any other provision of Shakopee Public Utilities Commission's rules and regulations which may pertain to the payment of excess costs associated with the installation of underground service.

12. Developer/Customer shall not assign this agreement without written consent of the Shakopee Public Utilities Commission.

13. All wiring beyond the service connection shall be the responsibility of the customer.

II Underground Distribution, Residential Not Including Apartment Buildings:

(Not Applicable)

III Underground Distribution, Non-Residential Including Apartment Buildings:

1. All of the terms of Section I (General) shall apply, with the exception that the Developer's responsibilities shall extend only as far as described in Section III paragraph #2 and that the Customer, or Owner of a particular piece of property, shall be responsible for that portion as described in Section III paragraph #3.

2. The responsibility of the Developer starts at the first point at which the new underground distribution system connects to the existing distribution system (overhead or

underground), extends through the point on the property line at which the Shakopee Public Utilities Commission determines to make the service entry point to each particular piece of property, and ends at the second point at which the new underground distribution system connects to the existing distribution system (overhead or underground). This includes all equipment up to and including any pad mount switch or termination cabinet and necessary connecting modules to which terminations are connected.

3. The responsibility of the Customer, or Owner of each particular piece of property, starts with the point on the property line at which the Shakopee Public Utilities Commission determines to make the service entry point to that particular piece of property and extends through the underground service connection which shall be deemed to be the secondary terminals of the transformer, and ends at the point on the property line at which Shakopee Public Utilities Commission determines to make the service exit point. This includes all terminations, protective devices, and other equipment installed for that customer's service.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

WITNESSED

By 
Signature

Denise A. Nelson
Print Name of Witness

CITY OF SHAKOPEE
PUBLIC UTILITIES COMMISSION

By 
Signature

JOHN R. CROOKS, UTILITIES MANAGER

9/3/20
Date


Name of Developer/Customer

56 E Broadway
Address

Forest Lake MN 55025
City State Zip

WITNESSED

By 
Signature

Tim Holter
Print Name of Witness

By 
Signature

Dan Holter, SVP Commercial Accounts
Print Name and Title

9-3-2020
Date



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

September 2, 2020

TO: John Crooks 

FROM: Sharon Walsh

SUBJECT: Follow Up to Commissioner Comments from August 17th Regular Meeting

Overview

Following the Communications and Rebranding Review presented at the August 17th Regular Commission Meeting, Commissioners Meyer and Mocol each had comments related to the new website or communication practices. The following provides answers and/or updates related to those comments.

1. Website Redirect – the redirect from the prior website ‘spucweb.com’ to the new ‘shakopeeutilities.com’ site took customers to a landing page that was not personalized for SPU. On 8/19, the redirect was modified to eliminate the redirect landing page altogether. Customers are immediately taken to the new website if they enter the old URL.
2. Website Homepage Image – the website was launched with an image of the SPU front entrance sign, but copy was obstructing our logo on the sign. Due to the formatting of the home page as a ‘widget’ there is little flexibility in the positioning of copy. Therefore, the image on the homepage is being changed so copy does not impede the image. Going forward photos/images with words or specific details will be avoided in this area of the homepage.
3. Ongoing Communications –
 - a. Website - since the initial website launch on 8/3, navigation has been improved, pages and events have been added, forms have been tweaked and copy edited. The emergency communication banner has been utilized during recent power outages, as has the “Report an Outage” form. Both have worked very well. The website will continue to evolve to meet internal and external needs.
 - b. Facebook – to communicate more consistently with our customers and create a stronger following for the SPU page, a new communications process has been implemented. Each week Directors will submit topics or current events from their respective departments to the Director of Customer Relations/Marketing. This information will be drafted into posts each week. Individuals who comment or “like” SPU will be invited to follow our page. Additionally, the cover and profile pictures were updated on 8/24, with a description of what RP3 means.
 - c. Customer Survey – initial discussions have been conducted and preliminary survey content has been drafted with the assistance of L&S Communications.

Action Required


No action is required at this time.






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shakopee, mn 55379
main # 952.445-1988 • fax # 952.445-7767
www.shakopeeutilities.com

August 31, 2020

TO: John Crooks, Utilities Manager 

FROM: Kelley Willemssen, Interim Director of Finance and Administration 

SUBJECT: REVISED: Proposed 2021 Budget Planning Schedule

Below is the proposed 2021 Budget Planning Schedule. The dates highlighted in yellow indicate the changes being proposed.

Overview of Key Dates for Commission

- 08/17/20 Request Commission direction on wage planning
- 10/05/20 Commission Decision on General Wage Range Increases
- 11/02/20 Commission Review of Draft CIP, Cash flow, and budget
- 12/07/20 Final Budget Approval by Commission
- 12/21/20 Commission adoption of various fee/rate resolutions as needed


REQUESTED ACTION:

No action is necessary at this time.



po box 470 • 255 sarazi
shakopee, mn
main # 952.445-1988 • fax # 952.445-1989
www.shakopeeutilities.com

14c

TO: SHAKOPEE PUBLIC UTILITIES COMMISSION
FROM: JOHN R. CROOKS, UTILITIES MANAGER 
SUBJECT: WAGE AND COMPENSATION ANALYSIS – AEM UPDATE
DATE: SEPTEMBER 4, 2020

SPU Staff has begun working with Abdo, Eick and Meyers (AEM) on the Position Classification and Compensation Study. After supplying the requested data and information, a Kickoff Meeting was held with AEM Staff and SPU Staff on September 1, 2020.

A draft of the report is planned on being presented by AEM to the Commission the first meeting in November.