

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

February 26, 2020, 1:00 P.M.

Pursuant to due call and notice thereof, the Regular Meeting of the Public Utilities Commission, City of Princeton, was held in Commission Offices, 907 1st Street, on February 26, 2020, at 1:00 P.M.

Present: Chairman Greg Hanson and Commissioner Mindi Siercks.

Absent: Commissioner Dan Erickson.

Also Present: Manager Keith Butcher, Bookkeeper Kathy Ohman, City Councilor Jenny Gerold, Electric Superintendent Ryan Grant, Water Superintendent Scott Daniels, City Administrator Bob Barbian, Princeton Councilor Jack Edmonds, Union Times Reporter Tim Hennagir, and PUC customer Rick Schwartz.

Meeting was called to order by Chairman Hanson at 1:01 P.M.

Chairman Hanson called for additions or deletions to the agenda. There were none.

Ms. Siercks made a motion to approve the agenda of the February 26, 2020 Regular PUC Commission Meeting. Mr. Hanson seconded. Motion carried unanimously.

Ms. Siercks moved to approve the Minutes for the January 22, 2020 Regular PUC Commission Meeting. Mr. Hanson seconded. Motion carried unanimously.

There was no Public Comments.

Ms. Siercks made a motion to approve the accounts payable listing for the period of January 1, 2020 through January 31, 2020 excluding line 24, Minuteman Press. Mr. Hanson seconded. Motion carried unanimously.

General Manager Butcher reported the following:

- A. The SMMPA Board Meeting was held February 12th in North Branch, Minnesota. SMMPA will be launching SMMPA 2.0. By 2030, SMMPA will be 80% carbon free. Sherco 3 will also be retiring in 2030. They announced Finance Director John Winter will be retiring late 2020.
- B. In the Generation Plant, the work on Engine #6 has been completed.

In the Electric Department, the line crew has been doing some tree trimming. We will be re-visiting the PUC Pole Attachment Policy and how we would like it moving forward. As more underground work is being done we will be tearing down old overhead lines and start abandoning poles. We will need to send proper notification to telecoms on the poles. We also are working on other options for the PCB management of our transformers that will save money and time.

- C. In the Water Department, quotes came in late yesterday on the Highway 95 water main relocation project. We have not had an opportunity to review the quotes yet.

- D. City Administrator Bob Barbian reported on their current projects. The reconstruction of 33rd Avenue and 4th Avenue North is moving forward in conjunction with Princeton Township. Bob Barbian thought the PUC currently has water on or near 4th Avenue North. In a Development Review Meeting, there was a discussion regarding apartments being built on 1st Street. If approved, this could be a summer project. The City of Princeton is considering an industrial park development on 42 acres west of Princeton. There was a discussion on East Central Energy serving the electric at this time and the procedure for acquiring the service territory from East Central Electric. There is a proposed restaurant brew pub being looked at near the golf course. General Manager Keith Butcher requested maps for each of the projects as they move forward.
- E. General Manager Keith Butcher presented a residential rebate flyer which was provided by and mailed out to PUC residential customers by SMMPA. The flyer is designed to promote and educate customers on the PUC's available rebates.

A PUC staff member helped the City of Princeton with street snow plowing. There was a discussion on relocating the transformers being stored at the South Substation. General Manager Keith Butcher requested a copy of the Conditional Use Permit for the South Substation. City Administrator Bob Barbian would like a hedge put around the South Substation making the adjoining properties more appealing.

General Manager Keith Butcher reported on the salt purchase last year that was in question. The salt the PUC uses is for sidewalks only and is designed not to harm concrete. It is purchased for the size which fits in the spreader. It also has a slight color to ensure even coverage on the sidewalks to avoid any slip hazards. We also purchase bags for storage and do not have a place to store loose sale. Councilor and PUC Liaison Jenny Gerold stated that it makes sense. I did not realize that the salt was used for the sidewalks. Thank you for clarifying that that.

Mr. Butcher reported on the relationship structure between the City of Princeton and Princeton Public Utilities Commission. The Princeton City Attorney has been on record describing the independence of the PPUC. Union Times Reporter Tim Hennagir made a media request for a similar statement from the PUC attorney. Mr. Butcher stated that while the Princeton City Council appoints the PPUC Commissioners, the Commission has the fiduciary obligation of the utility. A confirmation letter in regards to the relationship structure from Princeton Public Utilities Commission attorney was presented to the Commission.

The Open Meeting Law requirements was presented to the PUC Commissioners. PUC does abide by the Open Meeting Law. Minutes of PUC Commission Meetings are available for public inspection and are also posted in the PUC office and will be on the PUC's website.

Mr. Butcher has been meeting with Mary Lou DeWitt with the City of Princeton reviewing and updated the small cell tower agreement. There will be one common agreement that both the City of Princeton and the PUC would use.

Mr. Butcher has been working through the Customer Support Agreement with Ziegler, Inc. for Cat Engine #7. He was able to re-negotiate a lower rate on the Customer Support Agreement saving nearly 6% off the original contract quote.

Princeton Business Expo is scheduled for Saturday, April 4th at the high school. PUC will have a booth this year at the Princeton Expo. The booth will promote electric and water.

General Manager Keith Butcher reported to date 459 electric and 125 water AMI meters have been changed out. We will be receiving quarterly shipments from Eaton/Cannon of the meters through 2021 for electric.

There was a discussion on the EV Chargers. A template for the host agreement with the EV charger between the property owner and the utility has been work on. Plans are to have the two level 2 EV chargers to be installed by fall 2020. They will be installed in parking lots. The DC fast charger is on hold for now. General Manager Keith Butcher and City Administrator Bob Barbian will meet to discuss the best location for the DC fast charger.

A quote from Total Control Systems, Inc. was presented to the PUC Commission to update the Water Department SCADA system. Budgeted for 2020 was \$45,000.00 to replace the Water SCADA system. The quote came in at \$42,500.00 so this is moving forward. Total Control Systems is also proposing installing a device which will allow for a redundant communication path for SCADA from the water towers to each Water Treatment Plant directly. The cost of this device would be an additional \$4,872.93. Ms. Siercks made a motion to approve the additional \$4,872.93 for the communications device between the water treatment plants and water towers. Mr. Hanson seconded. Motion carried unanimously.

Currently all payroll activities are handled within the PUC office. General Manager Keith Butcher would like to use a payroll contractor to process PUC payroll and keep the PUC compliant with their payroll. From the three companies looked into, ADP has the lowest first year cost and also offers different levels of service. Based on input Mr. Butcher received from colleagues in the industry ADP ranks very high in customer service. Employees have more visibility on their earnings and deductions. The PUC would start with an introductory level to begin with, having the ability to add more services as we grow. After his research, General Manager Keith Butcher is recommending moving forward with ADP. Mr. Hanson made a motion to accept the proposal from ADP to process PUC payroll. Ms. Siercks seconded. Motion carried unanimously.

With the re-appointment of Greg Hanson as PUC Commissioner, there was a discussion to add him as a signer on PUC bank operating accounts. Ms. Siercks made a motion to add Commissioner Greg Hanson on the signature cards for the three bank operating accounts. Mr. Hanson seconded. Motion carried unanimously.

General Manager presented a proposed Infrastructure Meeting Concept to the PUC Commission. The proposal will structure communication between the City of Princeton and PUC. After a discussion on the proposal, it was the consensus of the Commission for General Manager Keith Butcher and City Councilor Jenny Gerold to work together to arrive at an agreed upon proposal. The proposal will be brought to the Princeton City Council.

Commissioner Mindi Siercks has submitted her letter of resignation as a member of the PUC Commission effective March 31st, 2020. Ms. Siercks was thanked for her guidance, assistance and insight. Commissioner Greg Hanson accepted with regret the resignation of Commissioner Mindi Siercks from the PUC Commission. The Princeton City Council will be appointing a new PUC Commissioner to complete Ms. Siercks' term through December 31, 2020.

There being no further business, Ms. Siercks made a motion to adjourn the meeting at 2:08 p.m. Mr. Hanson seconded. Motion carried unanimously.

Gregory Hanson
Chairman



Kathy Ohman
Secretary

