

PUBLIC UTILITIES COMMISSION

WORK STUDY SESSION MEETING

November 11, 2020, 1:00 P.M.

Pursuant to due call and notice thereof, the Work Study Session Meeting of the Public Utilities Commission, City of Princeton, was held at the Mille Lacs County Historical Society Depot Museum in the Amdall Room, 202 10th Avenue South, on November 11, 2020, at 1:00 P.M.

Present: Chairman Greg Hanson and Commissioner Dan Erickson. Commissioner Rick Schwartz was present via Zoom.

Also Present: Manager Keith Butcher, Electric Superintendent Ryan Grant, Water Superintendent Scott Daniels, and City Administrator Bob Barbian.

Meeting was called to order by Chairman Hanson at 1:00 P.M.

Mr. Erickson made a motion to appoint General Manager Keith Butcher as Secretary for the November 11, 2020 Work Study Session meeting. Mr. Schwartz seconded. Motion carried unanimously.

Mr. Schwartz made a motion to approve the agenda with additions of the November 11, 2020 Work Study Session Meeting. Mr. Erickson seconded. Motion carried unanimously.

3. BUDGET DISCUSSION:

General Manager Keith Butcher explained items on the 2021 budget in more detail to give a better understanding of the budget. All revenue and expense plan totals were explained in detail what is included in each item. Going into more detail with Electric Expenses comparing the 2020 budget to the 2021 budget and what any increases would include. There was a discussion on expenses for the Electric Department.

In the Water Department, the revenue and expense plan totals were explained in detail what is included in each item. There was a discussion on the expenses for the Water Department along with revenues and year end balances. Discussions included depreciation and number of days of cash on hand.

General Manager Keith Butcher went over Capital Project items in each department for 2020 and 2021. The AMI meter conversions in the Electric Department should be completed in 2021.

General Manager Keith Butcher went over a five-year plan in PPU's IT system. Included in the plan is the replacement and/or upgrade of equipment.. The five-year plan in the Electric Department potentially includes significant investments in transformer replacements at both the North and Plant Substations. There is also some anticipated SCADA system upgrades in the power plant. To determine the scope and timing of these items, it is proposed that we conduct and complete electric system study in 2021. Upon the completion of the system study and the development of a large capital improvement plan, it may be prudent to conduct a rate study to ensure future costs and revenues are reasonable. The five-year plan in the Water Department includes significant investments is a 7th Avenue North replacement of water infrastructure and valve replacements at Water Treatment

Plant #1. Repainting of the North Water Tower would be done in seven to eight years per engineers recommendations. The five-year plan for the building and grounds include roof replacements on the buildings and a storage addition on the warehouse.

4. CLOSED SESSION:

Per Minnesota Statutes, section 13D, Mr. Erickson made a motion to close the Work Study Session Meeting of the Public Utilities Commission at 2:29 P.M to discuss the general manager's performance review. Mr. Schwartz seconded. Motion carried unanimously.

The Work Study Session Meeting of the Public Utilities Commission was resumed at 3:32 P.M.

There being no further business, Mr. Erickson made a motion to adjourn the meeting at 3:33 p.m. Mr. Schwartz seconded. Motion carried unanimously.



Gregory Hanson
Chairman



Keith R. Butcher
General Manager/Appointed Secretary