

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

January 27, 2021, 1:00 P.M.

Pursuant to due call and notice thereof, the Regular 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 January 27, 2021, at 1:00 P.M.

Present: Chairman Greg Hanson and Commissioners Dan Erickson and Rick Schwartz.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Councilor Jules Zimmer, Water Superintendent Scott Daniels, Electric Lead Lineman Jeremy Linden, and Andy Koob from DGR Engineering. Katie Breth from Minnesota Rural Water Association was present via Zoom.

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

Chairman Greg Hanson swore in elected PUC Commissioner Rick Schwartz.

General Manager Keith Butcher and PUC Chairman Greg Hanson welcomed newly appointed PUC Liaison Jules Zimmer.

Mr. Erickson moved to appoint Mr. Hanson as Chairman for the 2021 year. Mr. Schwartz seconded. Motion carried unanimously.

Mr. Hanson moved to appoint Kathy Ohman as Secretary/Treasurer for the 2021 year. Mr. Erickson seconded. Motion carried unanimously.

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

Mr. Schwartz made a motion to approve the agenda of the January 27, 2021 Regular PUC Commission Meeting. Mr. Erickson seconded. Motion carried unanimously.

Mr. Erickson moved to approve the Minutes for the December 16, 2020 Regular PUC Commission Meeting and the Minutes for the January 13, 2021 Work Study Session as modified. Mr. Schwartz seconded. Motion carried unanimously.

There was no Public Comments.

Resolution 21-01 RESOLUTION OF THE PUBLIC UTILITIES COMMISSION OF THE CITY OF PRINCETON DESIGNATION OF OFFICIAL DEPOSITORIES for the designation all local financial institutions as well as Northland Trust as official depositories of the Commission for the 2021 year. Mr. Schwartz made a motion to accept Resolution 21-01. Mr. Erickson seconded. Motion carried unanimously.

Resolution 21-02 RESOLUTION OF THE PUBLIC UTILITIES COMMISSION OF THE CITY OF PRINCETON DESIGNATION OF OFFICIAL NEWSPAPERS for the designation of the Union-Times as well official newspaper of the Commission for the 2021 year. Mr. Erickson made a motion to accept Resolution 21-02. Mr. Schwartz seconded. Motion carried unanimously.

After a discussion, Mr. Schwartz made a motion to approve the certification of accounts payable for the period of December 1, 2020 through December 31, 2020. Mr. Erickson seconded. Motion carried unanimously.

11. REPORTS:

- a. Katie Breth from Minnesota Rural Water Association presented public information on Princeton Public Utilities' Wellhead Protection Plan. The original Wellhead Protection Plan, Part 1, was filed with the State of Minnesota in 2011. There is a requirement to update or amend the Wellhead Protection Plan every 10 years. There are three primary wells in the City of Princeton. The Wellhead Protection Plan monitors the quality of water for the Minnesota Department of Health. It also addresses potential containments in each area such as with private wells, gas stations, and industrial properties for example. Protecting the groundwater in Princeton is made possible with a joint effort between Princeton Public Utilities, the City of Princeton, adjoining Townships and Counties.

Katie Breth and Water Superintendent Scott Daniels left the meeting.

- b. Andy Koob from DGR Engineering has been hired to perform an electrical system study of Princeton Public Utilities gave a brief introduction of himself and DGR Engineering along with steps they will take in performing the electric system study. The goals for the study is to look at the existing system and identify any deficiencies. Once the deficiencies have been identified, they will apply load growth to the electrical system for the next ten years and see how those deficiencies look with more load. They will provide solutions to fix those deficiencies in the report. The study will take approximately six to nine months to complete. Once completed, Andy Koob will give a formal presentation to the PUC Commission.

Andy Koob and Electric Lead Lineman Jeremy Linden left the meeting.

- c. Both the December SMMPA Key Metrics worksheet and December 9th Board Meeting minutes were reviewed.
- d. The December 2020 PUC financial reports along with Cash Reserves were reviewed.

12. UPDATES:

- a. In the Generation Plant, staff was conducting test runs on January 13th. Ziegler and Caterpillar were at PPU on January 14th to remove the intercoolers. Caterpillar took both intercoolers to their lab for pressure testing which they both failed the test. New intercoolers were ordered and installed on January 22nd. Test runs have been done this week to verify operation. Samples will be taken after the run on January 27th to look for contaminants. Princeton Public Utilities will be hosting MMUA's Generation School on April 20th through April 22nd. PPU is helping MMUA coordinate activities.

In the Electric Department, a lineman attended MMUA's 2021 Electrical Distribution Design Workshop which was held virtually. MMUA's Job Training and Safety held its virtual instruction on January 22nd. Several additional job safety education efforts have been held throughout January.

- b. In the Water Department, the major focus has been on AMI conversions. The Minnesota Department of Health was in Princeton on January 25th for routine testing of the water system. Samples were taken and sent to the lab. Maintenance costs on the skid loader are rising and it has been recommended to dispose of the skid loader and purchase a newer skid loader. Quotes are being compiled for a trade-in and purchase of a new skid loader.
- c. General Manager Keith Butcher reported PPU Staff has been meeting with City Staff on various development project proposals. These meetings were positive, constructive and everyone is listening and considerate of each other.

City Councilor Jules Zimmer reported he is on the hiring committee for the new City Administrator position. They will be conducting initial interviews today and tomorrow. Results will be brought back to the City Council for finalists. Princeton City Councilors have been meeting with department supervisors regarding picking up additional duties during the absence of the City Administrator. New developments they are currently working on includes the 1st Street Apartments and Sherburne Development. The newly elected mayor has set some priorities and is doing a good job. The AT&T Cell Tower will be turned over to the City of Princeton for communication simulcast for first responders, fire departments, etc.

- d. General Manager Keith Butcher reported the following:
 - i. APPA Safety data for 2020 has been submitted along with APPA e-Reliability data. The MPCA Air Permit reports have been submitted. Manager Butcher has been notified that PPU qualifies for filing the short form for our EIA-861 report for 2021. This should result in the need for less staff time for data compilation and entry. The 2020 SMMPA DER Reimbursement report for 2020 Cogen and Small Power Production has been submitted. Manager Butcher will be working on the DNR Water Report which is due February 15th and the DER DG Report which is due March 1st.
 - ii. The League of Minnesota Cities contractor will be on site on February 2nd to perform a property appraisal for PPU's property and liability insurance.
 - iii. PPU is beginning the process of updated the Yukon Server to a 2019 network server. This will allow full utilization of the AMI meter/system. Work has begun on PPU's Datto Alto 3 back-up solution. PPU will now have an onsite drive and cloud copy of our material. Restoration can be done from either the local drive or the cloud. Protected servers can be spun on Datto cloud. Backups will be verified daily which will provide us retention of three months onsite and one year of cloud retention for all data.
 - iv. SMMPA's Energy Service Representative for PPU has been working very closely with Plastic Products on custom rebates, LED conversions and a compressed air survey.
 - v. External Events coming up include the MMUA Legislative Conference schedule for February 10th. The monthly SMMPA board meeting has been moved to February 11th due to a conflict with the MMUA Legislative Conference. PPU staff met with East Central Energy on January 21st to begin the discussion of service territory issues. Once the City of Princeton officially annexes the industrial park into city limits, General Manager Keith Butcher will follow up with ECE on the service territory. A proposed joint meeting with the City of Princeton and PPUC has been postponed until May 6th to take place after a new City Administrator has been hired.
 - vi. The first round of interviews have been completed for the new Electric Superintendent to replace Ryan Grant. Second interviews will be occurring the week of February 1st.

Anticipated selection will be early to mid-February with a start date to be determined upon whomever is selected.

- vii. Union-Times Reporter Tim Hennagir has submitted his resignation and will be leaving. Tim was always fair, thorough and detailed with his reporting. He performed at a very high ethical and good moral standing and will be missed. PPU thanks him for his service.

13. UNFINISHED BUSINESS:

a. AMI

The AMI meter conversions have resumed in early January for both Water and Electric. Internal tracking needs have been refined to allow field staff more days to conduct installs. 59.8% of the Electric meters have been converted to AMI and 25.4% of the Water meters have been converted.

b. EV CHARGERS

The official launch and ribbon cutting for the DC Fast Charger occurred on January 20th. PPU Commissioners Greg Hanson and Richard Schwartz were present along with Princeton Mayor Thom Walker and City Council Liaison Jules Zimmer. Coborn's Store Director Logan Marxhausen and District Manager Francis Audette were also present. At this time, the credit card reader is not working. ZEF will be reimbursing PPU for any connection fees charged. PPU also has two Level 2 EV Chargers to place in Princeton. Manager Butcher will work with the new City Administrator on finding locations. All three EV chargers were supplied and paid for by SMMPA. PPU was responsible for all installation charges. No taxpayer money was used to fund this project.

c. Memo 21-01: ELECTRONIC PAYMENT FEES AND DEPOSIT POLICY REVIEW

General Manager Keith Butcher presented Memo 21-01 regarding Electronic Payment Fees. More information is being compiled and will be presented to the PPU Commission in February.

14. NEW BUSINESS:

a. MEMO 21-02: DEPOSIT INTEREST RATES

General Manager Keith Butcher presented Memo 21-02 Deposit Interest Rate. The Utility Deposit Interest Rate for 2021 which is set by the Minnesota Department of Commerce is 0.1%. Past interest rate history was included in this memo.

b. MEMO 21-03: COGENERATION AND SMALL POWER PRODUCER TARIFF ANNUAL UPDATE

General Manager Keith Butcher presented Memo 21-03 Cogeneration and Small Power Production Tariff for approval. The tariff includes Schedule 1 which shows the average retail utility energy rate for each class and Schedule 4 the average incremental cost. PPU is required to report on any customer owned generation as well as any exports. The updated tariff will take effect January 1, 2021 with no rate changes. As there were no rate changes, the tariff has not changed. Schedule 4 from SMMPA is updated every year. Mr. Erickson made a motion to accept the Cogeneration and Small Power Production Tariff for 2021. Mr. Schwartz seconded. Motion carried unanimously.

c. MEMO 21-04: 2021 COVID DISCONNECTION POLICY

General Manager Keith Butcher presented Memo 21-04 COVID Disconnection Policy which continues to address accounts in arrears. PPU has been reaching out to customers in arrears to address their accounts. The policy pledges to follow the Cold Weather Rule along with reaching out to customers. PPU will continue to reach out to customers in arrears to establish payments plans. For customers that have not established a payment plan with PPU, time limiters will be placed on

those accounts during Cold Weather Rule months. Full disconnection will not be until after April 15th. The consensus of the PPU Commission was to approve the implementation of the 2021 COVID Disconnection Policy effective immediately.

d. MEMO 21-05: MMUA TOM BOVITZ SCHOLARSHIP

The Tom Bovitz Memorial Scholarship was created and is administered by the Minnesota Municipal Utilities Association. PPU has sponsored a \$500.00 Tom Bovitz Memorial Scholarship to graduating students attending Princeton High School. Students are required to complete an essay on the theme of "Municipal Utilities: Good for all of us" which applies to municipal utilities to be turned in to the PPU by Mid-March. Winning essay will be chosen at the April 2021 Regular PPU Commission Meeting and will be forwarded to MMUA for the state level. Applicants' family must be a PUC customer. Judges of the entries are the PPU Commission. Information on the scholarship will be available on PPU website and MMUA. Mr. Schwartz made a motion to sponsor the \$500.00 Tom Bovitz Memorial Scholarship for 2021. Mr. Erickson seconded. Motion carried unanimously.

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



Kathy Ohman
Secretary