

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

March 24, 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 March 24, 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, City Administrator Michele McPherson, Water Superintendent Scott Daniels, Electric Superintendent Jeremy Linden and PUC customer Jack Edmonds.

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

Chairman Hanson called for additions or deletions to the agenda. PUC Commissioner Rick Schwartz added to the agenda:

Unfinished Business:

- d. Update Credit Card / ACH Fees

Mr. Erickson made a motion to approve the agenda with additions of the March 24, 2021 Regular PUC Commission Meeting. Mr. Schwartz seconded. Motion carried unanimously.

Mr. Erickson moved to approve the Minutes for the February 24, 2021 Regular PUC Commission Meeting. Mr. Schwartz seconded. Motion carried unanimously.

Commission Chairman Greg Hanson stated the Public Comments portion of the PPU Commission Meetings is at each and every meeting. Customers have an opportunity at this time for any concerns or questions to be addressed. Comments and questions can either be made in person, e-mailed or by phone call. There were no Public Comments.

After a discussion, Mr. Schwartz made a motion to approve the certification of accounts payable for the period of February 1, 2021 through February 28, 2021. Mr. Erickson seconded. Motion carried unanimously.

6. REPORTS:

- a. Both the February SMMPA Key Metrics worksheet and February 11th Board Meeting minutes were presented. SMMPA announced at the Board Meeting their 2020 power resource mix for our electricity we supply to the community was 39% from coal, 33% from market purchases, 27% from renewables and 2% from natural gas.
- b. The January 2021 and February 2021 PUC financial reports were reviewed along with Cash Reserves. The days of cash on hand as of February 28, 2021 was 124 in the Electric Department and 444 in the Water Department.

7. UPDATES:

- a. In the Generation Plant, engines test runs were good. The Cat Engine #7 was test ran today which went well. There was a water leak with one cylinder on Engine #3. On March 15th, a representative from MPCA was at the PUC for an air permit compliance inspection. There were some minor reporting changes they requested to be made so report CR-04 has been re-filed.

In the Electric Department, the line crew have continued with tree trimming and converting electric meters to AMI meters. They are working north of the round-about on Rum River Drive to strengthen reliability. They are also working on updating the GIS.

- b. In the Water Department, they are replacing the valve actuators in Water Treatment Plant #1. AMI meter conversions have been put on hold while waiting for a new shipment of water nodes. The Middle Water Tower is going back into service in April. The new skid loader has been delivered.
- c. City Councilor Jules Zimmer introduced newly hired City Administrator Michele McPherson who started on March 8th. She has been involved with everything with the city. Michele comes to the City of Princeton with 34 years of public service. She was previously the Director of Land Services and County Recorder of Mille Lacs County. She will be attending the regular meetings of the PUC Commission.
- d. General Manager Keith Butcher reported the following:
 - i. Regulatory updates included the following reports being completed and submitted: the OSHA 300 Report and the EIA-861 has been submitted. The Reliability Report is due April 1st. During the MPCA Air Permit inspection on March 15th, two recommendations were made. In our annual CR-04 report, we are to report NOx emissions for the previous calendar year. We are to file the semi-annual report for the National Emission Standards for Hazardous Air Pollutants (Quad Z report). There was also some question as to whether or not we other SMMPA units are required to file the DRF-1 report. Manager Keith Butcher is working with the MPCA and SMMPA to address this request.
 - ii. General Manager Keith Butcher reported his first meeting with collective bargaining is scheduled for March 31st. At this time we are experiencing a temporary shortage in office staffing.
 - iii. General Manager Keith Butcher and Greg Bergmann held their semi-annual IT review with CW Technology. Several items were discussed including the continued CW Care Services Agreement, server support, backup and disaster recovery plan. Also discussed our strategic IT alignment plan included security, infrastructure, communications and business and management services.
 - iv. The results from the 2020 Be Bright Campaign were 1,800 LED's purchased during the campaign compared to 1,424 in 2019. This results in a savings of 40,969 kWhs.
 - v. External Events included Commissioner Rick Schwartz and General Manager Keith Butcher participating in a regional Zoom meeting with MMUA, members and Rep. Pete Stauber. General Manager Keith Butcher participated in a regional Zoom meeting with MMUA, members and Rep. Tom Emmer's staff.
 - vi. COVID impacts include with the February 2021 billing, the electric kWh sales were +1.6% over a five year average. 2020 yearly total the electric sales were -4.4% under the 5 year average.
 - vii. The PUC has started cycling electric usage for a few customers in arrears on March 18th following all rules and regulations. The Cold Weather Rule which starts on October 15th will end on April 15th. The intent is to not create a health and safety issue by shutting off a main heating system. During the Cold Weather Rule, it does not forbid shut offs.

Customers must be notified 20 days prior to being disconnected and the PUC must have a willingness to work with customers. If a customer appeals, the first appeal would be to General Manager Keith Butcher. If the customer is not satisfied, the second appeal would be to the PUC Commission. Payment plans are written up with the customer choosing the dates payments will be made and the amount to be paid. The customer must abide by this payment plan to avoid disconnection. The PUC's procedure is the customer receives a reminder notice. If there is no response, a disconnect letter along with a Cold Weather Rule pamphlet with the customers rights and responsibilities, assistance programs and proof of income is sent. If no response from the disconnect letter, a door hanger stating they are subject to being disconnected are sent out. PUC office staff has also been making voice calls and e-mailing customers prior to being disconnected. Majority of the customers receiving disconnect notices have made initial payments and have signed agreed upon payment plans.

8. UNFINISHED BUSINESS:

a. AMI METERS

With the AMI conversions, the Electric Department is 68.8% complete and the Water Department is 30% complete. A slight discrepancy in the demand reading data was identified which resulted in a slight under-collection. Working with Eaton and Yukon, this issue has been resolved.

b. EV CHARGERS

The credit card reader is now working on the DC Fast Charger by Coborns. Two locations have been identified for the L2 Chargers. Host agreements and placement of the charger is being worked out with those parties. The L2 Chargers have the capability to collect fees. Memo 21-11: EV L2 Fee Schedule to set up a fee structure was presented for discussion. The recommendation of ZEF Energy is to charge a prorated \$2.00 per hour on the L2 Chargers without a connection fee. Mr. Schwartz made a motion to authorize charging a prorated \$2.00 per hour charge on the L2 Chargers without a connection fee. Mr. Erickson seconded. Motion carried unanimously.

c. SERVICES TERRITORY / DEVELOPMENT

General Manager Keith Butcher reported the City Council has annexed the Industrial Park into the City of Princeton on March 11th. A signed copy of the annexation order has been forward to East Central Energy and they are currently reviewing it. Once Manager Butcher hears back from East Central Energy he will begin the next steps.

Water Superintendent Scott Daniels left the meeting.
Electric Superintendent Jeremy Linden left the meeting.

d. UPDATE CREDIT CARD / ACH FEES

General Manager Keith Butcher stated he did not have any updates at this time. City Councilor Jules Zimmer stated he did inform the City Council that the PUC was considering charging a electronic payment fee. Commissioner Dan Erickson stated he spoke with former Commissioner Mindi Siercks who stated when the option of paying with credit cards was initiated, there was no discussion on charging fees. Since the PUC first started taking credit card or bank card payments, the use of this service has increased over time. General Manager Keith Butcher stated at his request SMMPA had conducted a survey with SMMPA members regarding the use of credit card fees.. Manager Butcher stated the customers impacted the most with a credit card fee would be low income customers.

City Administrator Michele McPherson left the meeting.

Commissioner Rick Schwartz stated would like this item kept on the PUC Commission agenda until resolved. PUC customer Jack Edmonds stated during the past election, they worked very hard to change the public perception of the PUC. He voiced his concern regarding the implementation of a credit card fee.

PUC Chairman Greg Hanson stated he would like to see what it will cost internally by implementing a credit card fee and how it will impact the PUC cash flows. If it is the decision of the PUC Commission to implement a credit card fee, the decision needs to be made how much the fee would be, how it would be implemented and then set a date at least six months in advance so customers can be notified of the change. The Princeton City Council will also need to be involved in any decisions made regarding this.

9. NEW BUSINESS:

a. MEMO 21-12: FIRSTNET PROPOSAL

General Manager Keith Butcher presented Memo 21-12 FirstNet Proposal. He was approached by Princeton Police Chief to join the City of Princeton in switching cell providers. AT&T has developed their own cell bandwidth with First Net. Princeton Public Utilities can join with other local first responders to provide more reliable cell service especially during emergencies with FirstNet.

b. TORT LIABILITY WAIVER FORM

The tort liability coverage waiver form was presented to the PPU Commission which includes \$500,000.00 cyber security insurance. Mr. Erickson made a motion to approve the tort liability coverage limits of \$1,500,000 from the League of Minnesota Cities Insurance Trust for 2021, the PPU does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04. Mr. Schwartz seconded. Motion carried unanimously.

c. DISCUSSION OF POTENTIAL WORK SESSION

Commissioner Rick Schwartz requested to have a Work Session to help a developer come into the city and work out details so the PUC can service a new 113 unit park on North of County Road 2 and North of the Sherburne Trailer Park. There was a discussion in regards to the City of Princeton needing to approve the park prior to the PUC approving servicing the area. All Commissioners were in approval of having a Work Session on April 7th, 2021 at 1:00 p.m. at the Princeton Depot Museum in the Amdall Room.

There being no further business, Mr. Schwartz made a motion to adjourn the meeting at 3:34 p.m. Mr. Erickson seconded. Motion carried unanimously.



Gregory Hanson
Chairman



Kathy Ohman
Secretary