

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

September 22, 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 September 22, 2021, at 1:00 P.M.

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

Absent: None.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Councilor Jules Zimmer, City Administrator Michele McPherson, Electric Superintendent Jeremy Linden and Water Supervisor Scott Schmit.

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

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

Mr. Erickson made a motion to approve the agenda of the September 22, 2021 Regular PUC Commission Meeting. Mr. Schwartz seconded. Motion carried unanimously.

After a discussion and clarification of the minutes, Mr. Erickson moved to approve the changed minutes for the August 25, 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. General Manager Keith Butcher stated he had received a letter from a customer regarding the property tax assessments. He requested this letter to be read and discussed during that portion of the agenda.

After a discussion, Mr. Erickson made a motion to approve the certification of accounts payable for the period of August 1, 2021 through August 31, 2021. Mr. Schwartz seconded. Motion carried unanimously.

6. REPORTS:

- a. The September SMMPA Key Metrics worksheet and August 11th Board Meeting minutes were presented. There was a discussion regarding SMMPA's 2022 cash reserves and distribution.
- b. The August 2021 PUC financial reports were presented.

7. UPDATES:

- a. In the Generation Plant, General Manager Keith Butcher reported they did test runs in September on the 9th and 10th. Stack inspections looked good. With Engine #7's intercooler replacement. Ziegler

and the Cat Engineers are on site today to remove and inspect the components as they are removed. The intercooler cores will be taken to the Ziegler facility where they will test the cores while the Cat Engineers verify the tests. The new intercooler cores will be installed on Thursday and Friday. Once repairs and reassembly of the unit are complete they will test run Engine #7 for four hours to ensure sufficient sample quantities for testing.

In the Electric Department, Electric Superintendent Jeremy Linden reported the underground on 17th Avenue North is almost complete. There were a couple outages toward 75th Avenue due to wind, a tree branch and a lightning strike. A voltage issue was reported on 7th Street North due to squirrels chewing on lines. Rum River Residential Suites on 1st Street is moving along. They continue working with DGR on the system study.

- b. In the Water Department, Water Supervisor Scott Schmit reported they have completed the hook up and hydrant installation at the Taco John's relocation. He has been working with the contractors at Rum River Residential Suites on 1st Street on sealing a well. Water and sewer installation are estimated for the end of September. An easement has been established at Sunken Ship Brewery to keep the hydrant accessible to PPU and the City of Princeton. Fall hydrant flushing in targeted areas is being done this week. Water tower inspections are done.

General Manager Keith Butcher reported if the hydrant flushing in targeted areas is successful, going forward the spring hydrant flushing would be a full flush and the fall flushing just in targeted areas. A Wellhead Protection Plan meeting is scheduled for October 12th. The Minnesota Department of Health requires there be two managers listed on the Wellhead Protection Plan. Manager Keith Butcher requested Scott Daniels be removed as manager from the Wellhead Protection Plan and replace him with Scott Schmit. Mr. Erickson made a motion to remove Scott Daniels as Manager on the PPU Wellhead Protection Plan and replace him with Water Supervisor Scott Schmit. Mr. Schwartz seconded. Motion carried unanimously. Water Operator Paul Parson resigned from his position in September. This open position for Water Operator will close on September 30th with the hope to fill this position by mid-November.

- c. City Administrator Michele McPherson and City Councilor Jules Zimmer updated the PPU Commission on recent City activities and projects.
- d. General Manager Keith Butcher reported the following:
 - i. Regulatory updates include the Minnesota Department of Health reports are completed. We have been working on the updates and changes made for the new Cold Weather Rule requirements. New requirements include a 30 day disconnection notice.
 - ii. The office staff has been including a free LED bulb in new customer welcome packets that are distributed in partnership with the Chamber of Commerce. The DGR system study should be completed by mid-December 2021. Staff has been working to re-format and update various documents along with the Water Service Rules.
 - iii. General Manager Keith Butcher will be participating in the Chamber of Commerce's 2021 Leadership Series starting tomorrow. Chairman Greg Hanson and Keith Butcher will be attending the SMMPA Annual Meeting on October 14th and 15th.
 - iv. "Drive Electric" is next week. We have a Facebook post that is scheduled.

8. UNFINISHED BUSINESS:

a. DEPOSIT POLICY

General Manager Keith Butcher presented Memo 21-27: Deposit Policy Change. The new Service

Deposit requirement will launch on October 1st, 2021 using a soft credit check in lieu of a customer meter deposit. Customers will pay a \$10.00 application fee when applying for service. There was a discussion on the proposal to add Utility Deposits to the Fee Schedule and update PPU Service Rules to include all application and processing fees. Also discussed was circumstances to return a deposit. The consensus of the commission was that a deposit will only be returned when the customer is able to pass a credit check and the customer has not been subject to a disconnection or late penalty within the last two years. Mr. Erickson made a motion to accept Memo 21-27: Deposit Policy Change with modifications as discussed. Mr. Schwartz seconded. Motion carried unanimously.

b. ACH DISCUSSION

General Manager Keith Butcher reported he has been working to update the ACH form and continues promoting ACH. There was a discussion on how to continue promoting ACH more. There was also a discussion on implementing a convenience fee for payments made electronically. Mr. Schwartz made a motion to adopt a convenience fee. Mr. Schwartz commented he would like this fee in place by year end. After a discussion, the motion was rescinded.

City Administrator Michele McPherson left the meeting.

c. DONATION POLICY

General Manager Keith Butcher distributed a copy of the League of Minnesota's Donation Policy primer to the Commission prior to September 22nd. There was a discussion on how the Donation Policy must read for projects and promoting the community. This policy follow the City of Princeton's Donation Policy.

Electric Superintendent Jeremy Linden and Water Supervisor Scott Schmit left the meeting.

d. PRINCETON'S BUSINESS PARK ANNEXATION

General Manager Keith Butcher presented Memo 21-28: ECE Annexation Addendum. A discrepancy in the legal description of the new Princeton Business Park was discovered. Two acres in the Public Safety Building lot had been excluded. The amendment will correct the legal description. Mr. Schwartz made a motion to accept the addendum to the Electric Service Territory Agreement with East Central Energy. Mr. Erickson seconded. Motion carried unanimously.

9. NEW BUSINESS:

a. DELINQUENT BILLS AND PROPERTY TAX ASSESSMENTS

General Manager Keith Butcher presented Memo 21-29: 2021 Property Tax Assessments. Past due utility bills as of August 31, 2021 was presented to the PPU Commission for approval to be assessed to 2022 property taxes. Manager Keith Butcher read a letter received from Deborah Pope Burg. There was a discussion on the status of each account. After a discussion, Deborah Pope Burg's request to have her property tax assessment removed was denied. Staff will continue working to collect funds. Mr. Erickson made a motion to approve the list of delinquent utility bills to be assessed to the 2022 property taxes. Mr. Schwartz seconded. Motion carried unanimously.

b. 2022 MMUA SAFETY MANAGEMENT PROGRAM RENEWAL

General Manager Keith Butcher presented Memo 21-30: MMUA Safety Management Program Renewal. The renewal for the next program year of October 1, 2021 through September 30, 2022 has increased \$350.00. Mr. Schwartz made a motion to approve the renewal of the MMUA Safety Management Program. Mr. Erickson seconded. Motion carried unanimously.

c. 2021 PUBLIC POWER WEEK

Public Power Week which is promoted by APPA is October 3rd through October 9th. PPU will be holding an event on Saturday, October 9th, 2021 from 9:00 AM to 12:00 Noon to welcome the Princeton Community to our site to visit staff and ask questions they may have. There will be tours, safety demonstration, gifts and snacks available at the event. During the week, cookies will be available for customers along with a free LED bulb. There will also be a drawing for a gift box provided to the PPU from SMMPA.

d. BE BRIGHT CAMPAIGN

General Manager Keith Butcher reported SMMPA will be launching the Be Bright Campaign on October 1st with LED bulb rebates at point of sale. Coborn's will be participating in the campaign this year. They will have LED bulbs available to customers at a reduced price. Customers who receive a rebate at time of purchase are not eligible for an additional LED rebate from PPU.

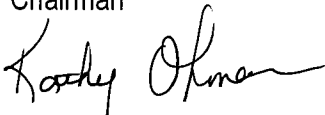
e. HEAT SHARE AGREEMENT RENEWAL

General Manager Keith Butcher presented Memo 21-31: HeatShare Renewal. The PPU has been involved with Salvation Army with the Heat Share Program for assistance to low income customers for several years. For every dollar contributed to the HeatShare Program by PPU customers, PPU has matched up to \$50.00 in the past. The renewal contract for 2022 was presented to the PPU Commission for approval. There was a discussion on PPU contributed funds. Mr. Schwartz made a motion to approve the HeatShare Agreement Renewal and discontinue the PPU contributions effective immediately. Mr. Erickson seconded. Motion carried unanimously.

There being no further business, Mr. Schwartz made a motion to adjourn the meeting at 3:56 p.m. Mr. Erickson seconded. Motion carried unanimously.



Gregory Hanson
Chairman



Kathy Ohman
Secretary