

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

February 23, 2022, 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 February 23rd, 2022, at 1:00 P.M.

Present: Vice-Chair Dan Erickson and Commissioner Richard Schwartz.

Absent: Commissioner Greg Hanson.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Councilor Jules Zimmer, City Administrator Michele McPherson, Electric Superintendent Jeremy Linden, Water Supervisor Scott Schmit, Nick Loehlein (Connexus Energy) and Dan Patnode.

Meeting was called to order by Vice-Chair Dan Erickson at 1:03 P.M.

Mr. Erickson called for additions or deletions to the agenda.

- General Manager Keith Butcher added to the agenda:
New Business:
 - d. Service Territory
- With the absence of Chair Greg Hanson, it was decided to delete agenda item 4a: Election of Officers - Chair

Mr. Schwartz made a motion to approve the agenda of the February 23, 2022 Regular PUC Commission Meeting with additions and deletions. Mr. Erickson seconded. Motion carried unanimously.

General Manager Keith Butcher swore in appointed PUC Commissioner Mr. Dan Erickson.

Mr. Schwartz moved to appoint Kathy Ohman as Secretary/Treasurer for the 2022 year. Mr. Erickson seconded. Motion carried unanimously.

Mr. Schwartz moved to approve the Minutes for the January 26, 2022 Regular PUC Commission Meeting. Mr. Erickson seconded. Motion carried unanimously.

There were no Public Comments.

After a discussion, Mr. Schwartz made a motion to approve the certification of accounts payable for the period of January 1, 2022 through January 31, 2022. Mr. Erickson seconded. Motion carried unanimously.

8. REPORTS:

- a. Included in the Commission packets were the February SMMPA Key Metrics worksheet and January 13th Board Meeting minutes.
- b. Included in the Commission packets were the January 2022 PUC financial reports.

9. UPDATES:

- a. For the Electric Department, Electric Superintendent Jeremy Linden reported they hooked up the electric service for the new apartment building on 1st Street. The new AMI electric meters for the apartments are anticipated to be shipped in April. There was an outage on 7th and 9th Avenue recently and another one from 2nd Street and 6th Street South. They isolated the cable and service was back on within one hour. There were no weather related outages. The new solar project on Highway 95 is complete. There is another project starting soon. Inventory counts are complete and the physical spot-check with the auditors went well.
- b. For the Water Department, Water Superintendent Scott Schmit reported there was a hydrant leak. The hydrant was isolated and will be repaired in the spring. Cell phones were switched from Verizon to FirstNet. They conducted monthly testing, changed a valve at Water Treatment Plant #2, performed truck maintenance and completed snow plowing. Next week they are attending a Technical Conference in St. Cloud with Minnesota Rural Water Association. Water nodes are still out with an anticipated ship date in April.

For the Generation Plant, Water Superintendent Scott Schmit reported they test ran engines today. Engine #4 has an exhaust leak. Kriss Water is testing the jacket water treatment.

- c. City Administrator Michele McPherson reported the Finance Director for the City of Princeton resigned. The job is posted and closes on Tuesday. The Tech Services Manager is analyzing the current phone system. They are looking to replace the airport beacon. They are still waiting on the Federal EDA Grant. She is working with Senator Pete Stauber's office on this grant. They are in the process of hiring two new police officers. There is a public hearing tomorrow schedule for the small cities grant application. She updated the PPU Commission on other recent City activities and projects.

City Councilor Jules Zimmer reported the Community Development Directly is working on a project promoting Princeton as an age-friendly environment for all ages.

- d. General Manager Keith Butcher reported the following:
 - i. Electric Superintendent Jeremy Linden is taking the lead on using the WEX fuel cards to help reduce fuel costs by approximately 1%.
 - ii. Deposit refund notifications are going out per the new policy and we have had some response. Overall, the process is operating very smoothly. We are working on automating the process going forward as part of our monthly procedures. The rate study

- is moving forward.
- iii. Monthly safety training through MMUA occurred on February 17th.
 - iv. Water Supervisor Scott Schmit is taking the lead on converting telecomm services from Verizon to FirstNet. The program is designed for first responders to facilitate communications during an emergency.
 - v. Our property and liability insurance provider would like to conduct a thermal imaging inspection later this year.
 - vi. January 2022 commercial rebates were issued to three business in Princeton.
 - vii. Nancy Kelly, SMMPA ESR, is attending our weekly staff meetings about once a month. This is helping to coordinate our activities and messaging
 - viii. The results from the 2021 Be Bright Campaign were 2,220 LED's purchased during the campaign compared to 1,800 in 2020. This results in a savings of 67,099 kWhs.
 - ix. The next round of "Big Check" pictures are scheduled for April 5th.
 - x. PPU filed the annual MPARS Report with the DNR and paid the Water Appropriations. PPU also filed the DER Interconnection Report, the Air Emissions Inventory Report, the DOE Reports EIA 861(S) and EIA-923. Auditors were in the office on February 9th to do preliminary data collection and inventory checks.
 - xi. A schedule is set for bill inserts in 2022. In February, we are doing an insert on the ACH credit, March will have the Connector, and April will have an insert on Convenience Fees. The Connector includes information on ACH, Convenience Fees and Wellhead Protection.
 - xii. Greg Bergmann is working on a better way to connect Yukon (AMI) with Power Manager (billing software). Water Supervisor Scott Schmit is taking the lead on converting to FirstNet. All PPU company phones are converted. The next step is to upgrade the tablets and Water SCADA system with the final step being the Gateways.
 - xiii. Princeton is hosting the monthly SMMPA Board meeting on Wednesday, April 13th. Commissioners are welcome to attend. General Manager Keith Butcher informed City Administrator Michele McPherson and Princeton Mayor Thom Walker. Joe Hoffman was hired to replace the retiring Chris Schoenherr as Chief External Affairs Officer.
 - xiv. General Manager Keith Butcher reported the MMUA Government Relations Committee is working on current legislation discussions including EVs, transmission, solar, energy efficiency, and weatherization. He also gave an update on Glencoe's air permit renewal.
 - xv. General Manager Keith Butcher attended the MMUA Legislative Rally on February 8th and 9th. Chris Schoenherr and Mr. Butcher met with Sondra Erickson and Andrew Mathews regarding specific topics.
 - xvi. With the Wellhead Protection Plan, Water Supervisor Scott Schmit and Keith Butcher held a kick-off meeting on February 2nd with WSB and Katie from MN Rural Water Association. A Coordination Meeting with the City of Princeton is scheduled for February 28th. Grant applications open March 1st and closes March 31st. He is working with the City on a small education effort.
 - xvii. General Manager Keith Butcher reported APPA wrote an article in their e-newsletter dated January 31, 2022 regarding Princeton Public Utilities' rate study efforts.

10. UNFINISHED BUSINESS:

a. ACH DISCUSSION

General Manager Keith Butcher included a tracking report for the new 3% ACH credit in the Reports and Presentations section of the Agenda.

b. CONVENIENCE FEE

General Manager Keith Butcher presented Memo 22-08: Convenience Fee Schedule. The goal for implementing the Convenience Fee is May 1st, 2022. Customers will be notified with the March 2022 Connector. A separate insert regarding the fee will be mailed with April 2022 bills along with social media postings and e-mail blasts.

c. SMMPA DISTRIBUTION

SMMPA's 2022 budget included a cash distribution to members to be paid in two installments with the first installment being in February.

d. TOUR DISCUSSION

There was a discussion on a tour of PPU facilities for Commissioners. The consensus of the PPU Commission was to hold the tour after the April 27th regular PPU Commission Meeting.

11. NEW BUSINESS:

a. LETTER OF SUPPORT REQUEST FROM CITY OF PRINCETON

The City of Princeton submitted a preliminary application to the State of Minnesota for a \$600,000.00 infrastructure improvement grant. This grant would be used to upgrade infrastructure including water infrastructure. Mr. Schwartz made a motion to approve writing the letter of support to the City of Princeton. Mr. Erickson seconded. Motion carried unanimously.

b. CITY JOINT MEETING DISCUSSION

There was a discussion on having a joint meeting annually with the City of Princeton. Thoughts on this year's meeting would be a discussion on project updates and the rate study. Mr. Schwartz made a motion to have a joint meeting with the City of Princeton on May 5th, 2022 at 4:30 p.m. Mr. Erickson seconded. Motion carried unanimously.

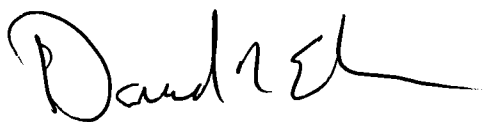
c. ANNUAL OPEN MEETING LAW PRIMER

General Manager Keith Butcher presented information from the League of Minnesota Cities on Minnesota's Open Meeting Law.


d. SERVICE TERRITORY

With the 21st Avenue reconstruction project, there is a trail on the west side of the road. Approximately six street lights are to be placed in East Central Energy's service territory. An Exception Agreement with East Central Energy is necessary for PPU to serve and maintain these street lights. Mr. Schwartz made a motion to approve the exception agreement with East Central Energy for PPU to serve the street lights on 21st Avenue. Mr. Erickson seconded. Motion carried unanimously.

There being no further business, Mr. Schwartz made a motion to adjourn the meeting at 2:50 p.m. Mr. Erickson seconded. Motion carried unanimously.

A handwritten signature in cursive script, appearing to read "Daniel Erickson".

Daniel Erickson
Vice-Chair

A handwritten signature in cursive script, appearing to read "Kathy Ohman".

Kathy Ohman
Secretary