

## **PUBLIC UTILITIES COMMISSION**

### **REGULAR MEETING**

**March 22, 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 10<sup>th</sup> Avenue South, on March 22<sup>nd</sup>, 2022, at 1:00 P.M.

Present: Chair Greg Hanson and Commissioners Dan Erickson and Richard Schwartz.

Absent: None.

Also Present: Manager Keith Butcher, Secretary Kathy Ohman, City Administrator Michele McPherson, City Councilor Victoria Hallin, Electric Superintendent Jeremy Linden, Water Supervisor Scott Schmit, and George Eilertson (Northland Securities).

Meeting was called to order by Chair Hanson at 1:02 P.M.

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

Mr. Erickson made a motion to approve the agenda of the March 22, 2022 Regular PUC Commission Meeting. Mr. Schwartz seconded. Motion carried unanimously.

Mr. Erickson made a motion to nominate Mr. Schwartz as Chair for the 2022 year. Mr. Hanson seconded. Mr. Erickson made a motion to close nominations. Mr. Hanson second. Discussion followed. Mr. Hanson made a motion to appoint Mr. Schwartz as Chair for the 2022 year. Mr. Erickson seconded. Mr. Schwartz abstained. Motion carried.

Mr. Hanson made a motion to nominate Mr. Erickson as Vice-Chair for the 2022 year. Mr. Schwartz seconded. Mr. Hanson made a motion to close nominations. Mr. Schwartz seconded. Discussion followed. Mr. Hanson made a motion to appoint Mr. Erickson as Vice-Chair for the 2022 year. Mr. Schwartz seconded. Mr. Erickson abstained. Motion carried.

Mr. Erickson moved to approve the corrected Minutes for the February 23, 2022 Regular PUC Commission Meeting. Mr. Hanson seconded. Motion carried unanimously.

During the Public Comments portion of the meeting, City Councilor Victoria Hallin reported on the 2022 Pulse of Princeton plan through the Economic Development Authority of the City of Princeton. The Pulse of Princeton survey will be mailed to Princeton residents and she is asking residents to send feedback.

After a discussion, Mr. Hanson made a motion to approve the certification of accounts payable for the period of February 1, 2022 through February 28, 2022. Mr. Erickson seconded. Motion carried unanimously.

## **8. REPORTS:**

- a. George Eilertson from Northland Securities presented to the PUC Commission an analysis of the bonds in both Electric and Water. The 2012A Bond will be maturing in 2024. There was a discussion to pay this bond off in June which would save in interest over the next two years. Once the resolution to call the remainder of the bond is approved by the PPU Commission, a resolution would need to be passed by the City Council. Discussion followed. The consensus of the PPU Commission is for General Manager Keith Butcher to move forward with calling the remainder of the bond.
- b. Included in the Commission packets were the March SMMPA Key Metrics worksheet and February 10, 2022 Board Meeting minutes.
- c. Included in the Commission packets were the February 2022 PUC financial reports.
- d. The February 2022 EV and ACH Reports were included in the Commission packets.

## **9. UPDATES:**

- a. For the Electric Department, Electric Superintendent Jeremy Linden reported they fixed a meter socket on a residence. Sunken Ship Brewery and the 1<sup>st</sup> Street Apartments are both moving forward. Anytime Fitness will have their final solar inspection today. The cell tower by Wal-Mart was turned off for maintenance. They have also been doing meter reading and tree trimming.
- b. For the Water Department, Water Superintendent Scott Schmit reported they had attended the Minnesota Rural Water Conference. There is an upcoming change in the EPA Saving Water Act is regarding lead/copper service lines. There was an outside faucet that had not been shut off that showed up in the AMI system reports. They have also been doing monthly testing, maintenance in the distribution system, and plant maintenance.

For the Generation Plant, Water Superintendent Scott Schmit reported they had a visual inspection of the catalyst in preparation for the emission testing. Kriss Water is monitoring the jacket water treatment.

- c. City Administrator Michele McPherson reported the City is still looking for a Finance Director. Activities from the finance department have been divided between employees temporarily. She will be submitting a request to the council for a temporary placement. There has been interest in the Business Park. The Federal EDA grant is under review. There are three summer intern positions to fill. They will be filling a vacancy in Public Works as one employee has resigned. They will also be participating with the Chamber of Commerce at the hiring fair.

- d. General Manager Keith Butcher reported the following:
- i. Deposit notifications have gone smoothly. In February, there was a 30% response for customers that were eligible for deposit returns under the new policy. We have been utilizing the Service Order system in Power Manager to better track customer needs and utility resources. PPU is also taking the opportunity to find ways to streamline our deposit return process. We have been looking into discontinuing our Post Office Box and using standard mail delivery.
  - ii. "Big Check" pictures are scheduled for April 5<sup>th</sup>. Two commercial customers were issued rebates this month. Nancy Kelly, SMMPA ESR, provided us with 2022 forms and display materials for local appliance dealerships and conducted an audit for a commercial customer. In 2021, PPU issued approximately \$78,000 in rebates saving our customers \$161,000 and reducing CO2 emissions by 944 tons.
  - iii. PPU applied for a \$2,500.00 grant from the Minnesota Department of Health through their Source Water Protection Plan Implementation Grant. It would fund an educational sign to be mounted inside Water Treatment Plant #1 and help educate the public on the Wellhead Protection Plan during tours. This helps us meet our Wellhead Protection Plant implementation goals. We will also apply for a grant in April to help offset some of the costs of the potential contaminant survey. WSB has started some data collection but will not begin the inventory until we learn if we win the grant. This will not affect our timeline and we still expect to be done by April 2023.
  - iv. Applications for the scholarship are due April; 6<sup>th</sup>. Essays received will be forwarded to each Commissioner for review and vote. Winner will be announced at the April 27<sup>th</sup> Regular PUC Commission Meeting.
  - v. The March bill insert will be the Connector. Focus will be on water issues, Wellhead Protection, ACH credit, and service fees. The April bill insert will be a flyer on convenience fees.
  - vi. After a Facebook post on the service fee news release, several customers have called with questions.
  - vii. A joint calendar has been created with the Mille Lacs County Historical Society to avoid any miscommunications and double booking related to the Amdall Room.
  - viii. E-mail outage notifications are now accessible on the on-call phones to help coordinate a response. We are now working on ways to share a visual map to help triage an outage.
  - ix. The SMMPA Board Meeting will be held in Princeton on April 13<sup>th</sup>. Commissioners are invited to attend. The Mayor of Princeton will also be invited to attend and welcome the Board to Princeton. After the meeting we will be offering tours of the power plant to anyone that is interested.
  - x. General Manager Keith Butcher reported the MMUA Government Relations Advisory Committee sends out Capitol Letters to all Commissioners.
  - xi. General Manager Keith Butcher reported he has helped the City of Princeton with some minor information requests. PPU and the City of Princeton continue to work together to better serve individual customers and the community.

## **10. UNFINISHED BUSINESS:**

### **a. TOUR DISCUSSION**

General Manager Keith Butcher presented Memo 22-09: Proposed Tour Schedule. The tour of PPU facilities will be conducted April 27<sup>th</sup> following the Regular PPU Commission Meeting. Interested parties will meet at the Depot at 3:00 p.m. A mini bus has been rented for the tour to conclude at 5:30 p.m.

### **b. CITY COUNCIL JOINT MEETING DISCUSSION**

A joint meeting had been approved in February with the City of Princeton to be held May 5<sup>th</sup> at 4:30 p.m. There was a discussion on topics to discuss including the rate study, capital improvement plan, the new business park, potential commercial customers and a recap of the previous year and going forward.

### **c. ACH DISCUSSION**

General Manager Keith Butcher reported the office has been receiving two to three applications per work day wanting to sign up for ACH and receive the 3% discount on their water bill. Customers have also been signing up for paperless billing at the same time.

### **d. IMPROVING OUR PERCEPTION**

There was a discussion on the perception of Princeton Public Utilities including the possibility of changing the return address to read City of Princeton Community Utility Services, Community of Princeton Public Utilities, or other options. There was a discussion of including both the City of Princeton and PPU logos on the envelopes or bill paper.

## **11. NEW BUSINESS:**

### **a. COGENERATION AND SMALL POWER PRODUCTION TARIFF**

General Manager Keith Butcher presented Memo 22-10 Cogeneration and Small Power Production Tariff for approval. The updated tariff includes: Schedule 1 which shows the average retail utility energy rate for each class, Schedule 2 which shows the wholesale supply rates, and Schedule 3 the interconnection process. MMUA has been updating the governing rules and has referenced the new changes with an updated contract.

Mr. Erickson made a motion to repeal The Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Princeton Public Utilities and Schedules 1, 2, 3 and 4. Mr. Hanson seconded. Motion carried unanimously.

Mr. Erickson make a motion to approve Resolution 22-03 adopting Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities. Mr. Hanson seconded. Motion carried unanimously.

Mr. Erickson made a motion to approve Resolution 22-04 updating the Cogeneration and Small Power Production Tariff and Schedules 1, 2, and 3. Mr. Hanson seconded. Motion carried unanimously.

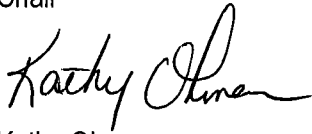
**b. 2021 YEAR IN REVIEW**

General Manager Keith Butcher presented Princeton Public Utilities 2021 Year in Review.

There being no further business, Mr. Hanson made a motion to adjourn the meeting at 3:20 p.m. Mr. Erickson seconded. Motion carried unanimously.



Richard Schwartz  
Chair



Kathy Ohman  
Secretary