

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

July 26, 2023, 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 July 26th, 2023, at 1:00 p.m.

1. CALL TO ORDER / ROLL CALL

Present: Chair Richard Schwartz and Commissioners Dan Erickson and Jack Edmonds.

Absent: None.

Also Present: Manager Keith Butcher, City Administrator Michele McPherson, Electric Superintendent Jeremy Linden, Water/Power Plant Superintendent Scott Schmit, Office Manager Christina Cunningham, and Secretary/Treasurer Kathy Ohman.

Meeting was called to order by Chair Schwartz at 1:00 p.m.

2. APPROVAL OF THE AGENDA

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

Commissioner Erickson added to the agenda:

Regular Agenda:

- d. Princeton Public Utilities Commission Communications Protocol Policy Proposal

Chair Schwartz added to the agenda:

Regular Agenda:

- e. Email from Mr. Butcher dated 7/15/2023
- f. Interest Rates Earned with PPU and Financial Advisor Information

Mr. Erickson made a motion to approve the agenda of the July 26th, 2023 Regular PUC Meeting with additions. Mr. Schwartz seconded. Mr. Edmonds opposed. Motion carried 2-1.

3. PUBLIC COMMENTS:

Chair Schwartz shared a comment he received from PPU customer Andrew Bylund at 702 North 3rd Street regarding a dead tree near a power line. Discussion followed. Chair Schwartz will notify PPU customer that at this time there will not be any action taken.

4. CONSENT AGENDA:

- a. Public Utilities Commission Regular Meeting Minutes – June 28th, 2023
- b. Certification of Accounts Payable
- c. SMMPA Reports – Minutes and Key Metrics
- d. Financial Reports – Income Statement, Balance Sheet, Trial Balance, and Cash Reserves
- e. Operational Reports – EV and ACH Report

Mr. Schwartz made a motion to approve the Consent Agenda of the July 26th, 2023 Regular PUC Meeting. Mr. Erickson seconded. Motion carried unanimously.

5. UPDATES:

- a. Electric Superintendent Jeremy Linden provided the Electric Department update.
- b. Water/Power Plant Superintendent Scott Schmit provided the Water Department update and the Power Plant update.
- c. Office Manager Christina Cunningham provided the Office Department update.
- d. City Administrator Michele McPherson provided an update on City activities.
- e. General Manager Keith Butcher provided an update on PPU activities.

Office Manager Christina Cunningham left the meeting.

6. REGULAR AGENDA:

a. **ELECTRIC RATE STUDY UPDATE**

General Manager Keith Butcher presented *Memo 23-20: Electric Rate Study Update*. After DGR completed the electric rate study in 2022, PPU adopted a seasonal rate structure per their findings which was implemented in 2023. DGR is proposing to update PPU's rate study information to ensure that the utility is meeting all of its financial obligations. Discussion followed. Mr. Edmonds made a motion to approve to have DGR update PPU's electric rate study information. Mr. Erickson seconded. Motion carried unanimously.

b. **ELECTRIC CAP PLAN – PHASE II**

General Manager Keith Butcher presented *Memo 23-21: Electric Capital Plan – Phase II* which included project schedules and Task Order No. 05 from DGR Engineering. PPU is looking to begin the preparation and design work for Phase II of the 10-year capital improvement plan for the electric system. Discussion followed. Mr. Edmonds made a motion to approve Task Order 05 – Phase II from DGR Engineering at an estimated cost of \$25,100.00. Mr. Erickson seconded. Motion carried unanimously.

c. **SPECIAL MEETING**

Chair Schwartz requested the Special Meeting discussion be placed on hold.

City Administrator Michele McPherson left the meeting.

d. PRINCETON PUBLIC UTILITY COMMISSION COMMUNICATION PROTOCOL POLICY PROPOSAL

Commissioner Dan Erickson presented a proposal for Princeton Public Utility Commission Communications Protocol to be added to the PPU Commission Policy Manual. Commissioner Erickson read through his proposal with an explanation of points presented. Discussion followed. Following the discussion, it was the consensus of the PPU Commission for each commissioner to draft their proposals for the PPU Commission Policy Manual and bring it to a special meeting or workshop.

e. E-MAIL FROM KEITH BUTCHER DATED 7/15/2023

Chair Schwartz brought up the discussion regarding an e-mail that was sent from General Manager Keith Butcher on July 15th, 2023. Chair Schwartz provided comments to the e-mail sent. At the conclusion, General Manager Keith Butcher responded. Discussion followed regarding policies and communication between all parties.

f. INTEREST RATES EARNED AND FINANCIAL ADVISOR INFORMATION

Chair Schwartz brought up the discussion regarding interest rates PPUC is earning. There was also a discussion regarding having a financial advisor such as RBC come to PPUC for vetting and to assist with investments. There was a discussion simultaneously between the e-mail received from Keith Butcher and interest rates earned. Commissioner Dan Erickson will research fiduciary discussions.

c. SPECIAL MEETING

Chair Schwartz brought up the discussion of scheduling a special meeting on August 16th, 2023 regarding the Commission Protocol Policy Proposal, the e-mail from Keith Butcher dated July 15th, 2023 and postponing the General Manager Review until after the special meeting. Discussion followed. There was a discussion for each commissioner to put together their policy change suggestions they would like to be considered. It was the decision of the PUC Commission to not schedule a special meeting.

Items PPU Commissioners would like on the agenda for the August 30th, 2023 Regular PPU Commission Meeting include:

- a. PPUC Communication Protocol Policy
- b. 7/15/2023 E-mail
- c. Vegetation/Tree Trimming Policy
- d. Annexation Feasibility Study
- e. Financial Planning
- f. Depository List

7. CLOSED SESSION: GENERAL MANAGER REVIEW

Mr. Edmonds made a motion to close the regular meeting of the Public Utilities Commission at 3:29 p.m. for the purpose of completing the performance and evaluation review of the General Manager. Mr. Erickson seconded. Motion carried unanimously.

The regular session of the Public Utilities Commission was resumed at 4:34 p.m.

8. CLOSED MEETING RECAP

Mr. Erickson made a motion to approve a step increase for General Manager Keith Butcher. Mr. Edmonds seconded. Mr. Schwartz abstained. Motion carried 2-0.

There being no further business, Mr. Schwartz made a motion to adjourn the meeting at 4:36 p.m. Mr. Edmonds seconded. Motion carried unanimously.



Richard B. Schwartz
Chair



Kathy Ohman
Secretary/Treasurer