



PRINCETON PUBLIC UTILITIES

Electricity — Water

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PRINCETON PUBLIC UTILITIES COMMISSION REGULAR MEETING AGENDA

Mille Lacs Historical Society Amdall Room
101 10th Avenue South
Princeton, MN 55371
September 23, 2026 at 3:00 PM

*A video of the proceedings will be available the next business day at
www.PrincetonUtilities.com/public-utilities-commission.*

1. **Call to Order / Roll Call**
2. **Approval of Agenda** *(No item of business shall be considered unless it appears on the agenda for the meeting. Commission members may add items prior to adoption of the agenda.)*
3. **Public Comment** *(Individuals may address the Commission about any item not contained on the regular agenda. A maximum of three (3) minutes is allotted per person. If multiple people wish to speak on the same topic, they are to designate a spokesperson to speak on all their behalf. The Commission will take no official action on items discussed at the forum and will not speak to legal matters or issues that impact individual privacy rights. The Commission may refer to staff for a future report.)*
4. **Consent Agenda** *(Those items listed under Consent Agenda are considered to be routine by the Commission and will be acted upon by one motion. There will be no separate discussion of these items, unless a Commission Member so requests, in which event, the item will be removed from the consent agenda and considered immediately after the adoption of the consent agenda.)*
 - a. Public Utilities Commission Regular Meeting Minutes – August 26, 2026
 - b. Public Utilities Commission Closed Meeting Minutes – August 26, 2026
 - c. Certification of Accounts Payable
 - d. Resolutions and Orders
 - i. Memo 26-32: 2026 Property Tax Assessments
 - ii. Pay Estimate #4 – Electric Distribution Improvements
 - iii. Pay Estimate #2 – Meter Cutover
 - iv. Pay Estimate #1 – North Substation Transformer
5. **Reports**
 - a. Staff Reports
 - b. City Report (Taylor)
6. **Regular Agenda**
 - a. 2026A Bond Approval (Northland Securities)
 - b. 2027 Preliminary Budget Discussion (Butcher)
 - i. Memo 26-33: 2027 Preliminary Budget Discussion
7. **Adjournment**

*Agenda packets, minutes, and videos for this and past Commission meetings are available online
at www.PrincetonUtilities.com/public-utilities-commission.*

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

August 26, 2026, 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 August 26, 2026, at 1:00 p.m.

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

1. CALL TO ORDER / ROLL CALL

Commissioners: Nick Nowak, Tom Jackson, and Richard Schwartz.

Absent: None

PPU Staff: General Manager Keith Butcher, Water/Power Plant Superintendent Scott Schmit, Office Manager Christina Cunningham, and Secretary/Treasurer Kathy Ohman.

Others: City Councilor Liaison Nick Taylor, Ed Yost, Princeton Resident Jack Edmonds and Jason Miller from Cohn Reznick, LLP.

2. APPROVAL OF AGENDA

Mr. Nowak called for additions or deletions to the agenda. General Manager Keith Butcher requested additions to the agenda:

- 6. Regular Agenda:
 - e. ECA Review

Mr. Schwartz made a motion to approve the agenda of the August 26, 2026, Regular PUC Meeting with additions. Mr. Jackson seconded. Motion carried.

3. PUBLIC COMMENTS:

There were no Public Comments.

4. CONSENT AGENDA:

- a. Public Utilities Commission Regular Meeting Minutes – July 23, 2026
- b. Public Utilities Commission Closed Meeting Minutes – July 23, 2026
- c. Certification of Accounts Payable
- d. Electric Distribution Improvements – Phase II: Pay Estimate #2

Mr. Schwartz made a motion to approve the Consent Agenda of the August 26, 2026 Regular PUC Meeting. Mr. Jackson seconded. Motion carried.

5. REPORTS:

- a. General Manager Report
 - i. Office Manager Report
 - ii. Water/Power Plant Superintendent Report
 - iii. Electric Superintendent Report
- b. City Report
- c. Other Reports
 - i. MPCA Air Compliance Evaluation
 - ii. Pay Estimate #3 – Phase II Distribution Improvements

6. REGULAR AGENDA

a. **2025 AUDIT PRESENTATION**

Jason Miller from Cohn Reznick, LLP presented the 2025 audit to the PPU Commission. Following his presentation, questions were answered.

Discussion.

Mr. Jackson made a motion to accept the 2025 PPU Audit as presented by Cohn Reznick, LLP. Mr. Schwartz seconded. Motion carried.

Jason Miller from Cohn Reznick, LLP left the meeting.

b. **UTILITY BILL UPDATES**

General Manager Keith Butcher presented *Memo 26-27: Bill Re-Design* along with a sample concept bill regarding the redesign. The redesign is intended to make City and utility charges clear for consumers. General Manager Keith Butcher also presented *Memo 26-28: Sewer Billing Fee* regarding the billing fee charged to the City.

Discussion.

c. **NEW PRODUCTION WELL DISCUSSION**

General Manager Keith Butcher presented *Memo 26-29: Future Production Well* along with a letter drafted to the City of Princeton regarding exploratory test wells on city property. Maps were also presented with proposed production test well sites.

Discussion.

d. **2027 WATER ENGINEERING SERVICES DISCUSSION**

General Manager Keith Butcher presented *Memo 26-30: Water Engineering Services* along with a Request for Proposals draft to solicit RFP's for outside consulting services periodically.

Discussion.

Mr. Schwartz made a motion to authorize staff to conduct an RFP for ongoing Engineering Services for the Water Department. Mr. Jackson seconded. Motion carried,

e. ECA REVIEW

General Manager Keith Butcher presented *Memo 26-31: ECA Review* which included a review of ECA impacts on financial reserves.

Discussion.

Mr. Schwartz made a motion to approve an increase in the ECA for the remainder of 2026. Mr. Jackson Seconded. Motion carried.

f. REQUEST TO MOVE 9/23 COMMISSION MEETING TO 3 PM

General Manager Keith Butcher requested to reschedule the Regular PUC Commission Meeting on September 23, 2026 from 1:00 p.m. to 3:00 p.m.

Discussion

Mr. Schwartz made a motion to reschedule the Regular PUC Commission Meeting on September 23, 2026 from 1:00 p.m. to 3:00 p.m. Mr. Jackson seconded. Motion carried.

7. CLOSED SESSION: SERVICE TERRITORY NEGOTIATIONS UPDATE

Mr. Jackson made a motion to close the regular meeting of the Public Utilities Commission at 2:32 p.m. for the purpose of a service territory negotiations update. Mr. Schwartz seconded. Motion carried.

The regular session of the Public Utilities Commission was resumed at 3:11 p.m.

There being no further business, Mr. Jackson made a motion to adjourn the meeting at 3:12 p.m. Mr. Schwartz seconded. Motion carried.

Chair

Secretary/Treasurer

PUBLIC UTILITIES COMMISSION

CLOSED MEETING

August 26, 2026, 2:02 P.M.

Pursuant to due call and notice thereof, the Closed 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 August 26, 2026, at 2:32 p.m.

1. CALL TO ORDER / ROLL CALL

Present: Commissioners Nick Nowak, Tom Jackson and Richard Schwartz.

Absent: None

PPU Staff: General Manager Keith Butcher and Secretary/Treasurer Kathy Ohman.

Closed Meeting was called to order by Chair Nowak at 2:32 p.m.

The purpose of the closed meeting was to discuss the service territory negotiations with Connexus Energy.

Mr. Jackson made a motion to close this portion of the meeting of the Public Utilities Commission at 3:10 P.M. Mr. Schwartz seconded. Motion carried.

Chair

Secretary/Treasurer

Report Criteria:

Summary report type printed

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
7	ADP, INC.	728020716	8-7-26 Payroll Processing Fees	08/07/2026	190.01	190.01	8142026	08/14/2026
		729172978	8-21-26 Payroll Processing Fees	08/21/2026	190.01	190.01	8282026	08/28/2026
Total 7:					380.02	380.02		
60	AT&T MOBILITY	2873130172	Monthly Cell Phones	07/25/2026	459.88	459.88	45856	08/10/2026
Total 60:					459.88	459.88		
95	BOLTON & MENK, INC.	0401186	Engineer Fees PFAS Management/Reduct	07/27/2026	8,430.50	8,430.50	20260187	08/12/2026
Total 95:					8,430.50	8,430.50		
97	BORDER STATES ELEC.	5136-072026	PO 949993 Inventory PVC Conduit	07/31/2026	78.46	78.46	20260188	08/12/2026
Total 97:					78.46	78.46		
134	CANNON TECHNOLOGIE	958057921	PO 365529 Inventory Meters	07/17/2026	23,618.21	23,618.21	45834	07/30/2026
		958078242	PO 365529 Inventory Meters	07/23/2026	24,891.24	24,891.24	45857	08/10/2026
Total 134:					48,509.45	48,509.45		
138	ELAN FINANCIAL SERVIC	5749-072026	Background Check Z. Stamp	07/13/2026	637.76	637.76	45841	07/30/2026
		7274-072026	Steel Punch	07/13/2026	129.76	129.76	45841	07/30/2026
Total 138:					767.52	767.52		
148	CASTREJON, INC.	PAY EST. #3	CAP Plan (Ph2) Distribution Improvements	08/10/2026	172,496.44	172,496.44	20260223	08/31/2026
Total 148:					172,496.44	172,496.44		
153	CENTERPOINT ENERGY	10856562-3-	7-26 Natural Gas 101 S 9th Ave	07/23/2026	32.75	32.75	45858	08/10/2026
		5848750-5-0	7-26 Natural Gas Gen. Plant O&M	07/23/2026	667.21	667.21	45859	08/10/2026
		7559455-6-0	7-26 Natural Gas 1001 S Rum River Dr.	07/23/2026	160.53	160.53	45860	08/10/2026
		9481273-2-0	7-26 Natural Gas Shop	07/23/2026	32.75	32.75	45861	08/10/2026
Total 153:					893.24	893.24		
157	CHAMBERLAIN OIL CO., I	556392-00	PO 949904 Inventory Mobil Delvac Oil	07/23/2026	4,848.63	4,848.63	45835	07/30/2026
Total 157:					4,848.63	4,848.63		
164	CHERI LARSON	12202	Electric Assisted Bicycle Rebate	08/10/2026	150.00	150.00	45862	08/10/2026
Total 164:					150.00	150.00		
175	CITY OF PRINCETON	12216	7-26 Sewer Billing & Late Charges	08/31/2026	123,160.69	123,160.69	20260224	08/31/2026
Total 175:					123,160.69	123,160.69		
176	CITY OF PRINCETON	581	7-26 IT Support Services	08/10/2026	1,012.48	1,012.48	20260225	08/31/2026
		582	8-26 Water 25A G.O. Bond Interest Pymt.	08/10/2026	20,708.33	20,708.33	2026003	08/31/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total 176:					21,720.81	21,720.81		
186	COMPLETE MERCHANT	5430930900	Monthly Credit Card Fees	07/31/2026	28.75	28.75	832026	08/03/2026
Total 186:					28.75	28.75		
187	COMPUTER INTEGRATIO	518553	Microsoft 365 Bus. Standard License	07/14/2026	2,738.06	2,738.06	20260173	07/31/2026
Total 187:					2,738.06	2,738.06		
188	CONNEXUS ENERGY	444352-1796	Monthly Utilities 1100 Watertower Dr. S	07/14/2026	190.04	190.04	45837	07/30/2026
		444352-2972	Monthly Power for Pumping 1001 Rum Riv	07/14/2026	3,115.28	3,115.28	45837	07/30/2026
Total 188:					3,305.32	3,305.32		
240	DGR ENGINEERING	00284742	Engineer Fees Misc. Electric	07/16/2026	318.00	318.00	20260175	07/31/2026
		00284743	Engineer Fees CAP (Ph2) - Constr. & Fina	07/16/2026	14,691.22	14,691.22	20260176	07/31/2026
Total 240:					15,009.22	15,009.22		
292	FAIRVIEW HEALTH SERVI	3852321-072	Random Drug & Alcohol Testing T. Berg	07/31/2026	45.00	45.00	20260189	08/12/2026
Total 292:					45.00	45.00		
296	FASTENAL COMPANY	MNCAM1325	Nuts, Bolts & Washers Gen. Plant O&M	07/13/2026	210.03	210.03	20260177	07/31/2026
Total 296:					210.03	210.03		
301	FINKEN WATER Solutio	39394TP	Bottled Water	07/16/2026	40.95	40.95	20260178	07/31/2026
Total 301:					40.95	40.95		
324	GOPHER STATE ONE CA	6071400	Monthly Locates	07/31/2026	190.35	190.35	20260190	08/12/2026
Total 324:					190.35	190.35		
329	GREAT AMERICA FINANC	42659030	Postage Meter Rental	08/02/2026	164.95	164.95	45865	08/10/2026
Total 329:					164.95	164.95		
336	HANSEN POWER & LIGH	PAY EST. #1	CAP Plan (Ph2) - Meter Cutover	07/23/2026	5,113.85	5,113.85	20260191	08/12/2026
Total 336:					5,113.85	5,113.85		
338	HAWKINS, INC.	7500642	Chemicals Chlorine & Fluoride	07/13/2026	3,323.91	3,323.91	20260180	07/31/2026
Total 338:					3,323.91	3,323.91		
339	HEALTHPARTNERS	0412883160	8-26 Employee Health Insurance	07/05/2026	28,081.18	28,081.18	8032026	08/03/2026
Total 339:					28,081.18	28,081.18		
362	INSTRUMENTAL RESEAR	7321	Monthly Water Testing	08/06/2026	135.40	135.40	45867	08/10/2026
Total 362:					135.40	135.40		

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
402	JIM'S MILLE LACS DISPO	3940154-072	Monthly Trash Service	07/31/2026	241.37	241.37	20260192	08/12/2026
Total 402:					241.37	241.37		
476	KRISS PREMIUM PRODU	201610	Qrtly. Jacket Water Treatment & Maintena	07/01/2026	500.00	500.00	20260181	07/31/2026
Total 476:					500.00	500.00		
493	LINCOLN FINANCIAL GR	4990044029	8-26 Employee Disability Insurance	07/10/2026	460.74	460.74	20260182	07/31/2026
Total 493:					460.74	460.74		
501	LOCATORS & SUPPLIES,	0328329-IN	Hard Hats	07/21/2026	71.39	71.39	20260183	07/31/2026
Total 501:					71.39	71.39		
523	MARV'S TRUE VALUE	2252-072026	Solar Salt Gen. Plant O&M	07/31/2026	219.48	219.48	45868	08/10/2026
Total 523:					219.48	219.48		
550	METRO SALES INCORPO	CW5879	7-26 Managed Technical Services	07/08/2026	3,236.92	3,236.92	45849	07/30/2026
Total 550:					3,236.92	3,236.92		
562	MIDCONTINENT COMMU	13072950115	Monthly Internet	08/01/2026	225.74	225.74	45869	08/10/2026
		13096360115	Monthly Telephone WTP #1	08/01/2026	54.04	54.04	45869	08/10/2026
Total 562:					279.78	279.78		
588	MN DEPT. OF REVENUE	8024684-062	6-26 State Sales Tax Billed	08/20/2026	39,275.00	39,275.00	13433313	08/20/2026
Total 588:					39,275.00	39,275.00		
591	MN MUNICIPAL UTILITIES	69317	Reg. Fee 2026 MMUA Summer Conferenc	07/14/2026	550.00	550.00	20260184	07/31/2026
		69342	Drug & Alcohol Testing Pre-Employment Z	07/14/2026	50.00	50.00	20260184	07/31/2026
Total 591:					600.00	600.00		
594	MN STATE RETIREMENT	P08072026	8-7-26 Payroll MNDP Contribution	08/07/2026	50.00	50.00	12420104	08/11/2026
		P08212026	8-21-26 Payroll MNDP Contribution	08/21/2026	50.00	50.00	12512787	08/25/2026
Total 594:					100.00	100.00		
597	MOODY'S INVESTORS S	P0506796	Annual Fee 8-1-26 to 7-31-27	08/18/2026	500.00	500.00	20260232	08/31/2026
Total 597:					500.00	500.00		
605	NAPA CENTRAL MN	2648-072026	Fuel Lines Gen. Plant Eng. #6 O&M	07/31/2026	305.40	305.40	20260193	08/12/2026
Total 605:					305.40	305.40		
610	NCPERS GROUP LIFE IN	7016020820	7-26 Employee Life Insurance	07/01/2026	64.00	64.00	45850	07/30/2026
Total 610:					64.00	64.00		
637	ONLINE INFORMATION S	1404780	Monthly Online Credit & ID Checks	07/31/2026	140.36	140.36	20260195	08/12/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total 637:					140.36	140.36		
638	OPTUM	0001955460	4-26 to 6-26 HSA Participant Fee	07/13/2026	48.75	48.75	45851	07/30/2026
		08072026	8-7-26 Payroll Employee HSA Contribution	08/07/2026	6,428.55	6,428.55	8112026	08/11/2026
		08212026	8-21-26 Payroll Employee HSA Contributio	08/21/2026	2,428.55	2,428.55	8252026	08/25/2026
Total 638:					8,905.85	8,905.85		
651	PERA	701602-8072	8-7-26 Payroll PERA	08/07/2026	6,256.61	6,256.61	862116	08/10/2026
		701602-8212	8-21-26 Payroll PERA	08/21/2026	6,315.95	6,315.95	864207	08/24/2026
Total 651:					12,572.56	12,572.56		
654	PETTY CASH	12217	Postage for CAP (Ph2) Documents	08/31/2026	85.40	85.40	45896	08/31/2026
Total 654:					85.40	85.40		
661	POSTMASTER	082626	Monthly Billing	08/26/2026	1,167.71	1,167.71	8272026	08/27/2026
Total 661:					1,167.71	1,167.71		
682	PUBLIC UTILITIES COMM	073126	Monthly Utilities	07/31/2026	2,592.65	2,592.65	8122026	08/12/2026
Total 682:					2,592.65	2,592.65		
783	SMMPA	INV2228	7-26 Purchased Power	07/31/2026	581,511.22	581,511.22	726	08/25/2026
Total 783:					581,511.22	581,511.22		
789	SPENCER FANE LLP	1553856	Legal Fees Electric Service Territory Conn	07/07/2026	5,794.00	5,794.00	20260185	07/31/2026
Total 789:					5,794.00	5,794.00		
795	STINSON LLP	352106.0001	Legal Fees General Matters	07/16/2026	150.00	150.00	20260186	07/31/2026
Total 795:					150.00	150.00		
796	STUART C. IRBY CO.	115155-0720	PO 365524, 949991 PVC Conduit, U-Guar	07/31/2026	259,900.62	259,900.62	45870	08/10/2026
Total 796:					259,900.62	259,900.62		
813	TASC	IN3809419	10-1-26 to 10-31-26 COBRA Admin Fees	08/19/2026	32.50	32.50	45902	08/31/2026
Total 813:					32.50	32.50		
858	U.S. BANK EQUIPMENT F	587828443	Monthly Ricoh IM4510 Color Copier Lease	08/01/2026	470.00	470.00	45871	08/10/2026
Total 858:					470.00	470.00		
860	ULTEIG ENGINEERS, INC	ARIV109664	GIS Web App Migration	07/23/2026	1,587.50	1,587.50	20260196	08/12/2026
		ARIV109664	GIS Consulting Services & Support 2026	07/23/2026	853.75	853.75	20260196	08/12/2026
Total 860:					2,441.25	2,441.25		
863	USA BLUE BOOK	INV01116498	Water Testing Supplies AccuVacs, Test Dr	07/29/2026	487.83	487.83	20260197	08/12/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total 863:					487.83	487.83		
867	VERICHECK	072026	Monthly eCheck Charges	07/31/2026	290.75	290.75	8102026	08/10/2026
Total 867:					290.75	290.75		
868	VERIZON WIRELESS	6150055618	Remote Internet WTP #1 & WTP #2 Scad	08/01/2026	415.49	415.49	45872	08/10/2026
Total 868:					415.49	415.49		
869	VESTIS - VS FINANCING,	220844240-0	Cleaning Supplies O&M	07/31/2026	728.54	728.54	20260198	08/12/2026
Total 869:					728.54	728.54		
873	VOYANT COMMUNICATIO	010558-0720	Monthly Telephones	08/01/2026	423.47	423.47	45873	08/10/2026
Total 873:					423.47	423.47		
889	WEX BANK	114070701	Vehicle Fuel	07/25/2026	941.46	941.46	20260199	08/12/2026
Total 889:					941.46	941.46		
897	GRAINGER, INC.	9001025262	Auto Drain Valve Gen. Plant Air System O	07/10/2026	287.50	287.50	20260179	07/31/2026
Total 897:					287.50	287.50		
929	CASELLE, LLC	INV-21934	GL Chart of Accounts Conversion	08/13/2026	3,200.00	3,200.00	20260222	08/31/2026
Total 929:					3,200.00	3,200.00		
968	FIRST UNUM LIFE INSUR	0989161-001	8-26 Employee Life Insurance	07/14/2026	653.36	653.36	45845	07/30/2026
Total 968:					653.36	653.36		
970	HYDRONIC DISTRIBUTIO	22233	Injection Quill WTP #1 & #2	07/29/2026	215.00	215.00	45866	08/10/2026
Total 970:					215.00	215.00		
1042	COHN REZNICK LLP	90297479	Accounting Service 2025 Year End	07/29/2026	1,680.00	1,680.00	45863	08/10/2026
Total 1042:					1,680.00	1,680.00		
1056	EDM INTERNATIONAL, IN	INV-90962	12 Mth. Extended Warranty & Cellular Cov	07/17/2026	290.00	290.00	45840	07/30/2026
Total 1056:					290.00	290.00		
1057	CURB MASTERS, INC.	26377-1	Concrete Curb, Gutter & Walk Office	07/23/2026	4,435.00	4,435.00	45864	08/10/2026
Total 1057:					4,435.00	4,435.00		
1058	GEORGE LUND	12203	E/S Appliance Rebate Refrigerator	08/10/2026	25.00	25.00	45876	08/10/2026
Total 1058:					25.00	25.00		
1060	KATI EYCHANER	083126	Office Clothing	08/31/2026	69.98	69.98	20260230	08/31/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total 1060:					69.98	69.98		
1063	KATHY OHMAN	081326	Supplies	08/13/2026	149.70	149.70	20260229	08/31/2026
Total 1063:					149.70	149.70		
1066	LISA EVERTS	12213	Energy Star Appliance Rebate Dehumidifi	08/28/2026	15.00	15.00	45889	08/31/2026
Total 1066:					15.00	15.00		
1067	WARREN MCVEY	12214	Energy Star Appliance Rebate Refrigerato	08/28/2026	25.00	25.00	45903	08/31/2026
Total 1067:					25.00	25.00		
1070	CARLOS FRANCO	12209	F/B Customer Meter Deposit Refund 601	08/28/2026	419.95	419.95	45877	08/31/2026
Total 1070:					419.95	419.95		
1071	CARLSON CREATIVE GR	12204	F/B Customer Meter Deposit Refund 602	08/28/2026	774.66	774.66	45878	08/31/2026
Total 1071:					774.66	774.66		
1072	DUSTIN LEHMAN	12211	F/B Customer Meter Deposit Refund 211	08/28/2026	258.96	258.96	45880	08/31/2026
Total 1072:					258.96	258.96		
1073	GEORGE GERRARD	12208	F/B Customer Meter Deposit Refund 501	08/28/2026	705.13	705.13	45886	08/31/2026
Total 1073:					705.13	705.13		
1074	HEIDI SLAYTON	12205	F/B Customer Meter Deposit Refund 601	08/28/2026	305.63	305.63	45887	08/31/2026
Total 1074:					305.63	305.63		
1075	LISA ROGALSKI	12206	F/B Customer Meter Deposit Refund 212	08/28/2026	161.86	161.86	45890	08/31/2026
Total 1075:					161.86	161.86		
1076	MARILYN MARSHALL	12210	F/B Customer Meter Deposit Refund 805	08/28/2026	.00	.00	45891	09/10/2026
Total 1076:					.00	.00		
1077	NORMA SPURGIN	12215	F/B Customer Meter Deposit Refund 604	08/28/2026	75.45	75.45	45895	08/31/2026
Total 1077:					75.45	75.45		
1078	RANELYN LARGO	12207	F/B Customer Meter Deposit Refund 115	08/28/2026	250.80	250.80	45898	08/31/2026
Total 1078:					250.80	250.80		
1079	MOLLY ELLEFSON	12212	Refund Overpayment on Final Bill 1414 S	08/28/2026	71.78	71.78	45893	08/31/2026
Total 1079:					71.78	71.78		
Grand Totals:					1,379,258.11	1,379,258.11		

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
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Report Criteria:
Summary report type printed

MEMORANDUM 25-29



TO: Princeton Public Utilities Commission
FROM: Kathy Ohman, Bookkeeper
SUBJECT: 2026 Property Tax Assessments
DATE: September 23, 2026

ITEM SUMMARY

Below is a summary of the delinquent bills that will be submitted for property tax assessments due to non-payment.

BACKGROUND

As it pertains to the collection of delinquent accounts, PPU follows the policy set forth by the Commission which is as follows:

COLLECTION OF DELINQUENT ACCOUNTS

All charges for Utility Services are due in the amount billed on the 12th day of the month or the 1st business day after the 12th, as noted on the bill and become delinquent on the first working day following such due date. The Utility shall endeavor to collect delinquent accounts promptly. Where satisfactory arrangements for payment have not been made Utility services become subject to disconnection. When all administrative efforts at collecting a delinquent account have been exhausted, alternative collection methods will also be used, including collection agency, MN Revenue Recapture Program, assessment of property by the City of Princeton or legal action.

Certification for Past Due Accounts: *The City has adopted ordinance #640 by which the City, in cooperation with the Princeton Public Utility Commission, may certify past due electric, water and sewer bills to the appropriate County Auditor for collection with the subsequent year's taxes due against the parcel for which said past due billing is owed. A copy of Ordinance #640 may be obtained from City of Princeton or Princeton Public Utilities*

PPU, in cooperation with the City of Princeton, work together to address account delinquency through the use of assessments.

It is important to note that Minnesota Statutes 325E.025 states that "A utility shall not: (1) recover or attempt to recover payment for a tenant's outstanding bill or charge from a landlord, property owner or manager, or manufactured home park owner, ..., or manufactured home dealer, ..., who has not contracted for the service." In this statute a utility is defined as: where the utility is defined as "persons, corporations, or other legal entities, their lessees, trustees, and receivers, now or hereafter operating, maintaining, or controlling in this state equipment or facilities for furnishing at retail natural, manufactured, or mixed gas or electric service to or for the public or engaged in its production and retail sale.

Therefore, the assessments below do not include electricity collections for renters. It is anticipated that many of these will be charged-off at the end of the year.

2026 Property Tax Assessments					
Customer	Owner(O) / Renter(R)	Electricity	Water	Sewer	Total
1	R	\$0.00	\$29.52	\$30.46	\$59.98
2	R	\$0.00	\$67.17	\$52.40	\$119.57
3	R	\$0.00	\$45.62	\$31.39	\$77.01
4	R	\$0.00	\$64.83	\$32.98	\$97.81
5	O	\$40.87	\$26.50	\$18.60	\$85.97
6	O	\$217.45	\$50.87	\$19.49	\$287.81
TOTAL		\$258.32	\$284.51	\$185.32	\$728.15

RECOMMENDATION

Staff recommends approval of the above listing as the submission for collections through property tax assessments.

PAY ESTIMATE NO. 4
PHASE 2 ELECTRIC DISTRIBUTION IMPROVEMENTS
PRINCETON PUBLIC UTILITIES
PRINCETON, MINNESOTA
DGR Project Number 427606

For Period From: 8/6/2026 To: 9/2/2026
Contractor: CASTREJON, INC.
Bid Date: 1/14/2026



SUMMARY

VALUE OF WORK COMPLETED TO DATE \$609,231.70
LESS RETAINAGE (5%) \$30,461.59
TOTAL AMOUNT DUE INCLUDING THIS PAYMENT \$578,770.11
LESS ESTIMATES PREVIOUSLY APPROVED
Pay Estimate No. 1 \$155,365.85
Pay Estimate No. 2 \$106,557.94
Pay Estimate No. 3 \$172,496.44
Pay Estimate No. 4
Pay Estimate No. 5
Pay Estimate No. 6
Pay Estimate No. 7
Pay Estimate No. 8
Pay Estimate No. 9
Pay Estimate No. 10
Pay Estimate No. 11

ORIGINAL CONTRACT PRICE \$1,510,850.00
EXPECTED FINAL CONTRACT COST (w/C.O.s, Additions & Deletions) \$1,510,850.00
LESS TOTAL PAYMENTS, INCLUDING THIS PAYMENT \$578,770.11
EXPECTED CONTRACT BALANCE AFTER THIS PAYMENT \$932,079.89
% OF EXPECTED FINAL CONTRACT PRICE PAID, INCL. THIS PAYMENT ... 38%

TOTAL AMOUNT DUE THIS ESTIMATE \$144,349.88

The undersigned Contractor hereby certifies that payment has been made in full for all labor and materials incorporated in the project to date, in accordance with the terms of the Construction Contract.

CASTREJON, INC., Contractor

By Monica Castrejon Date 09.04.2026

CERTIFICATE

THE AMOUNT OF \$ \$144,349.88 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

PRINCETON PUBLIC UTILITIES, Owner

By _____
Title _____
Date _____

DGR ENGINEERING, Engineer

By Stas Infa
Title Design Technician
Date 9/4/2026

PAY ESTIMATE NO. 4

PHASE 2 ELECTRIC DISTRIBUTION IMPROVEMENTS
PRINCETON PUBLIC UTILITIES
PRINCETON, MINNESOTA
DGR Project Number 427606

For Period From: 8/6/2026 To: 9/2/2026
Contractor: CASTREJON, INC.
Bid Date: 1/14/2026



Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE				WORK COMPLETED TO DATE (Including this Pay Period)			WORK COMPLETED THIS PERIOD		
			Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
UD-1/0	Primary cable, 15 kV, 1/0 Sol. Al. (Mft.)	61.400	\$1,750.00		\$1,750.00	\$107,450.00	26.568	43%	\$46,494.00	7.692	13%	\$13,461.00
UD-4/0	Primary cable, 15 kV, 4/0 Str. Al. (Mft.)	4.110	1,750.00		1,750.00	7,192.50	0.636	15%	\$1,113.00			
UD-750	Primary cable, 15 kV, 750 MCM Str. Al. (Mft.)	77.400	3,000.00		3,000.00	232,200.00	11.486	15%	\$34,458.00	0.564	1%	\$1,692.00
UD-4/0 TPLX	Secondary cable, 600 V, 2-#4/0, 1-#2/0 Str. Al. (Mft.)	17.750	1,250.00		1,250.00	22,187.50	13.550	76%	\$16,937.50	2.883	16%	\$3,603.75
UD-350 TPLX	Secondary cable, 600 V, 2-#350, 1-#4/0 Str. Al. (Mft.)	0.700	4,000.00		4,000.00	2,800.00	0.678	97%	\$2,712.00	0.118	17%	\$472.00
UD-4/0 QPLX	Secondary cable, 600 V, 3-#4/0, 1-#2/0 Str. Al. (Mft.)	0.280	4,000.00		4,000.00	1,120.00	0.127	45%	\$508.00	0.127	45%	\$508.00
UG-BP	1Ø transformer box pad (ea.)	57	525.00		525.00	29,925.00	39	68%	\$20,475.00	9	16%	\$4,725.00
UG3-BP	3Ø transformer box pad (ea.)	7	800.00		800.00	5,600.00	2	29%	\$1,600.00	1	14%	\$800.00
UM3-30GS	1Ø sectionalizing enclosure ground sleeve (ea.)	7	600.00		600.00	4,200.00	5	71%	\$3,000.00	2	29%	\$1,200.00
UM33-66GS	3Ø sectionalizing cabinet ground sleeve (ea.)	11	600.00		600.00	6,600.00	2	18%	\$1,200.00	1	9%	\$600.00
UPS-BP	Padmount switch box pad (ea.)	15	700.00		700.00	10,500.00	3	20%	\$2,100.00			
UK5	Secondary pedestal (ea.)	47	125.00		125.00	5,875.00	34	72%	\$4,250.00	4	9%	\$500.00
UR3-(42)	Trenching-special backfill, 42" Deep (Mft.)	0.050	30,000.00		30,000.00	1,500.00						
UR3R-(42)	Trenching-rock, shale or limestone, 42" deep (Mft.)	0.050	30,000.00		30,000.00	1,500.00						
UR4-(1)1.5P	Conduit in trench/bore, (1)1.5" (Mft.)	4.930	3,000.00		3,000.00	14,790.00	3.052	62%	\$9,156.00	1.259	26%	\$3,777.00
UR4-(1)2P	Conduit in trench/bore, (1)2" (Mft.)	5.550	4,000.00		4,000.00	22,200.00	4.584	83%	\$18,336.00	0.534	10%	\$2,136.00
UR5-(1)1.5P	Bore with conduit, (1)1.5" (Mft.)	4.050	12,000.00		12,000.00	48,600.00	2.681	66%	\$32,172.00	1.034	26%	\$12,408.00
UR5-(1)2P	Bore with conduit, (1)2" (Mft.)	5.970	13,000.00		13,000.00	77,610.00	4.191	70%	\$54,481.70	0.710	12%	\$9,230.00
UR5-(3)2P	Bore with conduit, (3)2" (Mft.)	1.230	23,000.00		23,000.00	28,290.00	0.193		\$4,439.00	0.193	16%	\$4,439.00
UR5-(6)2P	Bore with conduit, (6)2" (Mft.)	0.340	32,000.00		32,000.00	10,880.00						
UR5-(1)3P	Bore with conduit, (1)3" (Mft.)	0.730	20,000.00		20,000.00	14,600.00	0.800	110%	\$16,000.00	0.360	49%	\$7,200.00
UR5-(3)3P	Bore with conduit, (3)3" (Mft.)	3.800	28,000.00		28,000.00	106,400.00	0.382	10%	\$10,696.00			
UR6-(30)	Bore without conduit, 30" deep (Mft.)	6.510	12,000.00		12,000.00	78,120.00	6.085	93%	\$73,020.00	1.723	26%	\$20,676.00
UR6-(42)	Bore without conduit, 42" deep (Mft.)	50.990	11,000.00		11,000.00	560,990.00	19.025	37%	\$209,275.00	5.527	11%	\$60,797.00
UR8-(6)	Core drill, 6" diameter (ea.)	7	120.00		120.00	840.00	7	100%	\$840.00	4	57%	\$480.00
UR9-S	Shallow crossing (Mft.)	0.050	100,000.00		100,000.00	5,000.00						
UR-LDS	Lawn damage seeding (Mft.)	2.960	3,250.00		3,250.00	9,620.00	1.610	54%	\$5,232.50	0.690	23%	\$2,242.50
UR-PIT	Splice/Grounding connection pit (ea.)	8	500.00		500.00	4,000.00	3	38%	\$1,500.00	2	25%	\$1,000.00
ASP-REM	Asphalt pavement removal (sq. yd.)	20.0	280.00		280.00	5,600.00	0.2	1%	\$56.00			
ASP-REP	Asphalt replacement (ton)	5.0	330.00		330.00	1,650.00						
PCC-REM	Concrete pavement removal (sq. yd.)	15.0	150.00		150.00	2,250.00						
PCC-REP	Portland cement concrete replacement (cu. yd.)	5.0	330.00		330.00	1,650.00						
FV	Fiber vault (ea.)	1	850.00		850.00	850.00						
MOB	Mobilization (as req'd)	1	78,360.00		78,360.00	78,360.00	0.5	50%	\$39,180.00			

TOTAL CONTRACT PRICE: \$1,510,850.00

TOTAL TO DATE: \$609,231.70

TOTAL THIS PERIOD: \$151,947.25

PAY ESTIMATE NO. 2
PHASE 2 ELECTRIC METER CUTOVER
PRINCETON PUBLIC UTILITIES
PRINCETON, MINNESOTA
DGR Project Number 427606

For Period From: 7/17/2026 To: 9/8/2026
Contractor: HANSEN POWER & LIGHTING, INC.
Bid Date: 5/9/2026



SUMMARY

VALUE OF WORK COMPLETED TO DATE	\$8,416.00	ORIGINAL CONTRACT PRICE.....	<u>\$34,374.00</u>
LESS RETAINAGE.....(5%)	<u>\$420.80</u>	EXPECTED FINAL CONTRACT COST (w/C.O.s, Additions & Deletions).....	\$34,374.00
TOTAL AMOUNT DUE INCLUDING THIS PAYMENT.....	\$7,995.20	LESS TOTAL PAYMENTS, INCLUDING THIS PAYMENT.....	<u>\$7,995.20</u>
LESS ESTIMATES PREVIOUSLY APPROVED.....		EXPECTED CONTRACT BALANCE AFTER THIS PAYMENT.....	<u>\$26,378.80</u>
Pay Estimate No. 1.....	\$5,113.85	% OF EXPECTED FINAL CONTRACT PRICE PAID, INCL. THIS PAYMENT.....	23%
Pay Estimate No. 2.....			
Pay Estimate No. 3.....			
Pay Estimate No. 4.....			
Pay Estimate No. 5.....			
Pay Estimate No. 6.....			
Pay Estimate No. 7.....			
Pay Estimate No. 8.....			
Pay Estimate No. 9.....			
Pay Estimate No. 10.....			
Pay Estimate No. 11.....			
TOTAL AMOUNT DUE THIS ESTIMATE.....	<u>\$2,881.35</u>		

The undersigned Contractor hereby certifies that payment has been made in full for all labor and materials incorporated in the project to date, in accordance with the terms of the Construction Contract.

HANSEN POWER & LIGHTING, INC., Contractor

By Dale Hansen Date 9-9-26

CERTIFICATE

THE AMOUNT OF \$ \$2,881.35 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

PRINCETON PUBLIC UTILITIES, Owner

By _____

Title _____

Date _____

DGR ENGINEERING, Engineer

By [Signature]

Title Design Technician

Date 9/9/2026

PAY ESTIMATE NO. 2

PHASE 2 ELECTRIC METER CUTOVER
PRINCETON PUBLIC UTILITIES
PRINCETON, MINNESOTA
DGR Project Number 427606

For Period From: 7/17/2026 To: 9/8/2026
Contractor: HANSEN POWER & LIGHTING, INC.
Bid Date: 5/9/2026



Unit No.	Name and Description of Construction Unit	No. of Units	UNIT PRICE				WORK COMPLETED TO DATE (Including this Pay Period)			WORK COMPLETED THIS PERIOD		
			Labor	Material	L & M	Ext. Price L & M	Units Comp.	% Comp.	Value of Comp. Work	Units Comp.	% Comp.	Value of Comp. Work
UD-1Ø	Conductor Installation, 1Ø (ea.)	47	\$47.00	\$102.00	\$149.00	\$7,003.00	16	34%	\$2,384.00	6	13%	\$894.00
UD-3Ø	Conductor Installation, 3Ø (ea.)	2	95.00	300.00	395.00	790.00						
UM8-MS-DIS-(200)	Meter Socket w/Main Disconnect, 1Ø, 200 amp (ea.)	1	190.00		190.00	190.00						
UM8-MS (200)	Meter Socket Installation, 1Ø, 200A (ea.)	46	65.00		65.00	2,990.00	16	35%	\$1,040.00	6	13%	\$390.00
UM8-3MS (200)	Meter Socket Installation, 3Ø, 200A (ea.)	2	95.00	300.00	395.00	790.00						
UM8-PW	Plywood Meter Backing (ea.)	1	25.00	25.00	50.00	50.00						
UM8-RM	Remove and Reinstall Existing Meter (ea.)	49	50.00		50.00	2,450.00	16	33%	\$800.00	6	12%	\$300.00
UR12-(1.25)P	Conduit to Service Point, 1.25 in. diameter, Plastic (ft.)	15	5.00	20.00	25.00	375.00						
UR12-(2)P	Conduit to Service Point, 2 in. diameter, Plastic (ft.)	220	5.00	20.00	25.00	5,500.00	80	36%	\$2,000.00	30	14%	\$750.00
UR12-(3)P	Conduit to Service Point, 3 in. diameter, Plastic (ft.)	10	5.00	20.00	25.00	250.00						
ID-OHS	Removal of Existing Overhead Service (ea.)	46	72.00		72.00	3,312.00	14	30%	\$1,008.00	5	11%	\$360.00
IUD-UGS	Removal of Existing Underground Service (ea.)	3	45.00		45.00	135.00	2	67%	\$90.00	1	33%	\$45.00
IUM8-MS	Removal of Existing Meter Socket (ea.)	47	25.00		25.00	1,175.00	16	34%	\$400.00	6	13%	\$150.00
USW	Special Service Entrance Work (hr.)	80.0	95.00		95.00	7,600.00	2.0	3%	\$190.00			
IF (MN)	Inspection Fee (ea.)	49			36.00	1,764.00	14	29%	\$504.00	4	8%	\$144.00
MOB	Mobilization (as req'd)	1										

TOTAL CONTRACT PRICE: \$34,374.00

TOTAL TO DATE: \$8,416.00

TOTAL THIS PERIOD: \$3,033.00

PROGRESS PAYMENT NO. 1

FURNISHING AN ELECTRIC POWER TRANSFORMER - NORTH SUBSTATION
PRINCETON PUBLIC UTILITIES
DGR Project Number: 427609

Invoice Date: March 16, 2026
Invoice Number: 51841
Supplier: Niagara Power Transformer



SUMMARY

TOTAL AMOUNT DUE THIS PAYMENT \$144,905.30 TOTAL PERCENTAGE OF PAYMENTS COMPLETE, INCLUDING THIS PAYMENT 10%

PAYMENT SCHEDULE	SCHEDULED PAYMENT	TOTAL PAYMENTS MADE	INVOICE DATE	DUE UPON
Progress Payment No. 1 (10%)	\$144,905.30	\$144,905.30	March 16, 2026	Order Acknowledgement
Progress Payment No. 2 (40%)	\$579,621.20			Submittal Drawings
Progress Payment No. 3 (45%)	\$652,073.85			Receipt of Equipment in Acceptable Condition
Progress Payment No. 4 (100%)	\$12,000.00			Field Assembly and Testing
Progress Payment No. 5 (5%)	\$72,452.65			After Final Completion, less calculated penalties
TOTAL VALUE OF PAYMENTS	<u>\$1,461,053.00</u>	<u>\$144,905.30</u>		

CERTIFICATE

THE AMOUNT OF \$144,905.30 IS APPROVED FOR PAYMENT ACCORDING TO THE TERMS OF THE CONTRACT.

PRINCETON PUBLIC UTILITIES, Owner

Sign _____

Print _____

Title _____

Date _____

DGR ENGINEERING, Engineer

Sign  _____

Print Andy Koob

Title Project Manager

Date 09.09.2026

1755 Dale Rd.
Buffalo, NY 14225 USA

Phone: (716) 896-6500
Fax: (716) 896-8871
Fed ID: 26-2618603



Invoice No. 51841

Invoice Date: 3/16/2026

Page 1 of 1

Billing address: **Princeton Public Utilities**
Send Invoice to DGR via EMAIL
Princeton, MN 55371

Shipping address: **Princeton Public Utilities**
North Substation
1212 Seventh Avenue N
Confirm Address/Need Site Contact
Princeton, MN 55371

Terms: **Net 30 Days**
Due Date: **4/15/2026**
Acct ID: **PRIPU**

Ship Via: **BEST**
Fob desc: **DESTINATION**
Salesman: **MATUSZAK**

Purchase Order: **DGR CONTRACT 427609**
Freight Terms: **Allowed**
Job Number: **N-40945**

Order Qty	Ship Qty	Part ID/Description	U/M	Unit Price	Extended Price
1.00	1.00	PROGRESS PAYMENT		144,905.30000	\$144,905.30
		10% with Order			

Niagara Serial #N40945, North Substation
13.44/17.92/22.4mva Niagara Mineral Oil, 3-phase 69kV LTC DISC Substation
Transformer

Sales Rep: Evans, Lipka and Associates, Inc.

<i>Invoice Sub-total</i>	\$144,905.30
<i>Freight</i>	\$0.00
<i>Tax</i>	\$0.00
US Funds Invoice Total	\$144,905.30

REPORT GM-26-09



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: General Manager Report
DATE: September 23, 2026

I am pleased to present this monthly report to the Princeton Public Utilities Commission. It provides an overview of the significant activities and developments that took place since our last meeting that are not included in the proposed agenda. Also included are the Monthly Department Reports from each of PPU's Senior Leadership Team.

FINANCIAL UPDATE

Bonding

It is a requirement of statute that any bond issuance greater than \$1.2 million have an independent opinion on the pricing. The Utility has once again enlisted Blue Rose Advisors as our Municipal Advisor to provide a bond pricing opinion. We worked with Blue Rose on our successful 2023A bonds.

The City Council unanimously passed a concurring resolution on September 10 supporting our 2026A Electric Bonds.

Moody's re-affirmed our A3 credit rating on 9/11. Per Northland Securities recommendation, we are purchasing bond insurance through Assured Guaranty. This means that the bonds are sold with an underlying A3 rating with an AA insured rating. The benefit of this approach is that our borrowing rate should be approximately 0.10 to 0.15% lower.

Finance Review

The on-site portion of the financial process review is scheduled for October 5. A presentation to the Commission is planned for December.

Accounting

We have enrolled in First Bank and Trust's Positive Pay program as an additional Fraud Detection Tool.

SMMPA Budget and Rates Workshop

I am planning on attending the SMMPA Budget and Rates workshop on 9/22. This is an opportunity for members to review SMMPA's budget projections and provide feedback.

ELECTRIC

CAP Plan

We are finalizing various utility easements for Phase II.

WATER

Future Production Well

On 8/27, the City Council approved our request to drill four test wells. We hope to complete the work this fall. The results should identify the best location for a future production well.

We are working with Bolton & Menk to include a future production well in a grant application to the state. Receiving state grants is a multi-year effort which is why we are starting now.

COMMUNITY INVOLVEMENT

We remain committed to being active members of the Princeton community and maintaining our industry partnerships.

Customer Relationships

- Big Check picture with the School District on July 30
- We continue to meet with our C&I customers on various topics

Industry Partnerships

- Attended the SMMPA Board Meeting on September 9
- Princeton is participating in an MMUA workgroup to discuss recent rulings at the state PUC

City Activities

- I met with the City's new Emergency Manager, Lisa Lovering, and gave her a tour of our facilities. We are excited to work with her on future efforts.

CONCLUSION

Let me know if you have any questions or require additional information on any of the topics mentioned in this report.

Thank you for your continued trust in our team and supporting our mission to serve the Princeton community.

Future Meetings and Special Events

October 7: Public Power Week / PPU 115th Celebration

October 15-16: SMMPA Annual Meeting

October 28: Commission Meeting

November 18: Commission Meeting (one week earlier than usual due to the holiday)

December 16: Commission Meeting (one week earlier than usual due to the holiday)

REPORT OM-9



TO: Keith Butcher, General Manager
FROM: Christina Cunningham, Office Manager
SUBJECT: September Office Manager Report
DATE: September 23, 2026

I am pleased to present the monthly update report for the month of September. This report summarizes key activities and developments in various departments within our organization.

CUSTOMER SERVICE

Customer Satisfaction: Our team continues to prioritize customer satisfaction. During the past 30 days, 849 phone calls have been taken. We have had a few questions regarding higher bills this month. We had a very warm summer so bills have been a bit higher. We have been doing more education on our billing timeline and meter reading dates to help customers understand.

We are continuing to self audit and verify data transfer from the old system.

We have started our Cold Weather Rule communications. Cold Weather Rule runs 10/1/26-4/30/27. We will begin mailing "Inability to Pay" forms with all disconnection letters the end of September.

BILLING

Payment Processing: Payments were processed as due date was 9/12/26. Penalties were applied and payments continue to be processed as they come in.

Last month, 37% of our customers received their bills electronically. We have customers who have chosen to get bills both by mail and electronically.

MARKETING / PUBLIC RELATIONS

With fall and winter around the corner we are starting to get ready for a few events.

We are gearing up for Public Power Week (10/5-10/9) and have been working with Barry at the Mille Lacs County Historical Society (MLCHS) to start planning. The MLCHS was able to secure a travelling display from the MN Historical Society, "Electrifying Minnesota". We are holding a larger than usual event on October 7, 2026 from 3:30pm-6:30pm in conjunction with the MLCHS and will offer tours of the power plant, our equipment and food. The Depot will be open as well so that people can tour and see the display.

CONCLUSION

We remain committed to upholding our standards of excellence in customer service, billing accuracy, financial management, and marketing.

REPORT WPPS 9-15-2026



TO: Keith R. Butcher, General Manager
FROM: Scott Schmit, Water & Power Plant Superintendent
SUBJECT: Water & Power Plant Report
DATE: September 15, 2026

I am pleased to provide you with a monthly update. This report outlines key activities and developments.

WATER DEPARTMENT

Water quality testing

- The 6 Monthly Bacti/Total Chlorine residual testing samples were collected and submitted to MN Dept. of Health for testing.
- Staff performed daily iron, manganese, fluoride and chlorine testing and daily plant chemical usage logs.
- Staff performed monthly filter testing and well draw down logs.

Other activities

- 3rd Street construction is making good progress. Phase 1 water is completed and residents are back in service. Phase 2 water main and services are being installed.
- Attended weekly construction meetings for 3rd Street project.
- Field staff with the help of the office have continued to monitor and contact customers that are flagged on the leak report.
- Staff continue to stay busy locating We currently have CenterPoint, Electric undergrounding, and 3rd Street ongoing for larger projects along with the normal locate tickets.
- Staff continue to work with Bolton & Menk on the PFAS project.

POWER PLANT DEPARTMENT

- Unit 3 is currently out of service. We believe the voltage regulator failed. Jim has tested the generator and all testing looks good. We are also investigating the generator end bearing to determine if it needs replacement.
- All units have had SMMPA production runs.
- Substation monthly battery maintenance was completed.
- All monthly reporting was completed.
- SMMPA staff were on site to help diagnose unit 3
- The spare injector pump for unit 4 is repaired.
- The second phase of the windows replacement project is underway.

REPORT ES-26-09



TO: Keith R. Butcher, General Manager
FROM: Jeremy Linden, Electric Superintendent
SUBJECT: September Electric Superintendent Report
DATE: September 16, 2026

I am pleased to present the monthly update report for September 2026, highlighting the activities and developments for the Electric Department.

ELECTRIC CAPITAL IMPROVEMENTS PLAN (CAP PLAN) UPDATE

- Castrejon has moved to the South side of town and has completed most of the work in and around West Branch St and has moved to the Old 18/ Mark Park area..
- The survey and easement documents for Hwy 169 are being reviewed by the attorneys and are very close to being completed.
- We have begun transferring services to the new UG lines on the North end of town.
- We continue to set and terminate multiple transformers, cabinets, switches and pedestals North of 12th St.
- Continue to work through the permit processes (DOT, DNR, etc) for Phase 2.

PROJECTS

-
- We have been interviewing candidates for the job opening.
- Installing cable/phasing identification tags on UG Primary in our dist. System.
- Daily service orders for lights and miscellaneous repairs.
- Installed services for new home construction

OUTAGE REPORT

Outage Response: We have had no outages since the last meeting.

CONCLUSION

In summary, the Electric Department continues to make strides in enhancing our infrastructure, ensuring dependable service, and expanding service coverage to new customers. Our dedication to safety, customer service, and infrastructure development remains steadfast.

Looking forward, our focus remains on improving reliability metrics, advancing projects within the Capital Improvements Plan, and investing in staff training to maintain our high standards.

MEMORANDUM 26-33



TO: Princeton Public Utilities Commission
FROM: Keith Butcher, General Manager
SUBJECT: 2027 Preliminary Budget Discussion
DATE: September 23, 2026

ITEM SUMMARY

Attached are key budget impact assumptions being used in the development of the 2027 budget.

BACKGROUND

Staff typically begin budget work in September, provide a proposed budget in October, allow for revisions in November, and seek final approval in December. If there are no significant adjustments, the Commission has provided final approval in November in prior years.

YTD METRICS

2026 thru August	Electric			Water		
	YTD Budget	YTD Actual	Variance	YTD Budget	YTD Actual	Variance
Operating Revenues	\$5,216,921	\$5,874,159	12.60%	\$824,959	\$842,110	2.08%
Operating Expenses	\$4,562,527	\$4,918,743	7.81%	\$478,015	\$463,765	-2.98%
Net Income (Op and Non-Op)	\$174,417	\$496,099	\$321,682	\$33,505	\$237,674	\$204,169

	Worse than plan
	Better than plan

OVERALL ASSUMPTIONS

Revenues

- No significant changes from the last few years. Continue to assume small, modest growth in units sold.

Expenses

- The U.S. Consumer Price Index (CPI) rose 3.4% over the last 12 months ending August 2026.
- Health Insurance premiums are increasing 17.3% for the next plan year.
- Based on recent compensation comparisons and the current CPI, labor costs are assumed to increase 4%.

WATER

Expenses

- We continue to address changing regulatory requirements and major, one-time expenses through the use of grants. There are not any water-specific drivers that would significantly impact next year's budget.
- It should be noted that the 2008A General Obligation Funds will be paid of in 2027 thereby freeing up capital in anticipation of a new production well as well as a reconditioning project for the South Water Tower in a few years.
- The recent construction activities such as the North Water Tower reconditioning as well as the 3rd street reconstruction effort will increase depreciation costs for 2027.

ELECTRIC

Expenses

- SMMPA continues to plan for significant rate swings over the next several years with the bond retirements for Sherco 3, changes in Agency membership, and increased future cost increases for supply due to Minnesota's Carbon Free 2040 law. Previous Commission directives were that small and steady incremental changes were preferred to large, drastic price volatility. These anticipated changes were included in the rate analysis completed earlier this year.
- Based on actual results, a reduction in the budget for secondary repairs was made because of recent underground efforts and new infrastructure being less susceptible to weather damage.
- Included in next year's non-operating expense is the interest cost for the new 2026A Bonds.
- The recent construction activities in both Phase I and Phase II of the CAP plan will increase depreciation costs for 2027.

SUGGESTED MOTION

None