

PRINCETON PUBLIC UTILITIES COMMISSION
REGULAR MEETING
June 24th, 2020 1:00 P.M.

- 1. Call to Order – Roll Call**
- 2. Swearing in of Commissioner Schwartz**
- 3. Approval of Minutes**
 - a. Public Utilities Commission – Regular Meeting – May 27th, 2020
- 4. Public Comment**

(This agenda section is for the purpose of allowing customers to address the Utility Board. Comments are limited to 3 minutes)
- 5. Approval of Agenda – Additions or Deletions**
- 6. Approval of Accounts Payable**
- 7. Reports & Correspondence**
 - a. Email and Social Media Correspondence
 - b. Mayor Brad Schumacher
 - c. SMMPA Board Meeting (June 17th)
 - d. Electric Department updates
 - i. Generation Plant
 - ii. Distribution System
 - e. Water Department Updates
 - f. City of Princeton update
 - g. General Manager's report
- 8. Unfinished Business**
 - a. AMI Update
 - b. EV Update
 - c. COVID-19 Update
 - d. Princeton Business Park
 - e. New Golf Course Clubhouse and Brewpub
 - f. PILOT Workgroup
 - g. Utility Billing
 - h. 5th Street Watermain Project
 - i. Commissioner email accounts
- 9. New Business**
 - a. 2019 Audit
 - b. Water Rates - Discussion
 - c. Electric Cash Reserve - Discussion
 - d. City Meeting Attendance - Discussion
 - e. July Meeting (and future meeting protocols)
- 10. Adjournment**



Oath of Office for Commissioners

"I, **Richard Schwartz** do solemnly swear to support the Constitution of the United States, the Constitution of the State of Minnesota, and to discharge faithfully the duties of the office of Princeton Public Utilities Commissioner of the city of Princeton, Minnesota, to the best of my judgment and ability."

Signed

Date

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

May 27, 2020, 1:00 P.M.

Pursuant to due call and notice thereof, the Regular Meeting of the Public Utilities Commission, City of Princeton, was held via Zoom due to the COVID-19 pandemic, on May 27, 2020, at 1:00 P.M.

Present: Chairman Greg Hanson and Commissioner Dan Erickson.

Also Present: Manager Keith Butcher, Bookkeeper Kathy Ohman, City Councilor Jenny Gerold, Electric Superintendent Ryan Grant, Water Superintendent Scott Daniels, City Administrator Bob Barbian, Princeton Mayor Brad Schumacher, and Union Times Reporter Tim Hennagir.

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

Chairman Hanson called for additions or deletions to the agenda. Chairman Hanson deleted from the agenda New Business H. Staffing and I. General Manager Annual Review. Addition: New Business: J. E-mail for PUC Utilities.

Mr. Erickson moved to approve the Minutes for the April 22, 2020 Regular PUC Commission Meeting. Mr. Hanson seconded. Motion carried unanimously.

There was no Public Comments.

Mr. Erickson made a motion to approve the agenda with changes of the May 27, 2020 Regular PUC Commission Meeting. Mr. Hanson seconded. Motion carried unanimously.

Mr. Erickson made a motion to approve the accounts payable listing for the period of April 1, 2020 through April 30, 2020. Mr. Hanson seconded. Motion carried unanimously.

General Manager Butcher reported the following:

- A. Princeton Mayor Brad Schumacher addressed a few items. Items he addressed was the annual packet from SMMPA that included a discussion on the listing of voting members of each utilities and the SMMPA Representative for the PUC. His other items he brought up for discussion included General Manager Keith Butcher being on the screening committee for North Branch Light and Power for the hiring of their new general manager. Mayor Brad Schumacher stated his list of items included a PUC employee who is on the Princeton Fire Department, water pumped by the Princeton Fire Department, and a PUC calendar or white board that lists when PUC employees including General Manager Keith Butcher are out of the office or on vacation. General Manager Keith Butcher provided his cell phone number to Mayor Schumacher. He also brought up the discussion of working with the engineer on the Golf Course Clubhouse, PUC staffing and customer meter deposits for homeowners required by the PUC. Union Times Reporter Tim Hennagir requested a copy of the list of items Mayor Schumacher was reading from and copies of all emails regarding issues with the PUC that were sent to council members and PUC employees. There was a discussion following each item addressed.

- B. The SMMPA Board Meeting was held May 7 via video conference. The Key Metrics were provided to the PUC Commission on how operations are changing over time. SMMPA has passed an invoice deferral resolution. SMMPA is expected to be back in their office on June 1. Impacts due to Covid-19 were presented to the board.
- C. In the Generation Plant, they are replacing a pump. They are also replacing a voltage regulator on Engine #5. We have completed our inspection of the 20,000-gallon fuel tanks. We have not received the final reports on the inspection.

In the Electric Department, the line crew is continuing to do some underground work on West Branch Street and some additional underground service for new home construction.

- D. In the Water Department, they have been working on the 5th Street North water main realignment project which went smoothly. We have received final notice for compliance with the 2019 Consumer Confidence Report. Spring flushing is completed. KLM Engineers completed the warranty inspection on the Middle Water tower. They will be doing some touch up painting under the maintenance warranty. Verizon Wireless is working on their upgrade.
- E. City Administrator Bob Barbian reported they are evaluating the impact on sewer due to Covid-19. The City of Princeton is working on the finalization of the Federal EDA application on the industrial park. They are working on the Riebe Park and Riverside Park project converting the parks into a destination area. They will be applying for a grant through SMMPA for pollinator plants. General Manager Keith Butcher will help look into this grant.
- F. General Manager Keith Butcher reported auditors were at PUC from May 19 through the May 21 and everything went very well. He is currently working on the Minnesota Department of Commerce Conservation Improvement Report. An allegation was filed against Princeton Public Utilities with the Princeton Police Department. The PUC cooperated with the Police Department with the investigation. The allegations were deemed unfounded and the case has been closed. Roof inspections have been completed with no repairs being needed. There was an infrastructure meeting held with City Administrator Bob Barbian and Bob Gerold on May 26. The primary topic was a discussion on the City of Princeton's process with building permits as it relates to the typical residential buildings and how this information is shared with the PUC. CW Technology is working on the e-mail migration. On June 1 we will start doing AMI meter conversions again. Currently the PUC Commission Meetings are streamed online through Facebook. With the meeting in June, Keith Butcher would like to switch the video conferences to a You Tube channel. PUC's expired AED pads were donated to the Princeton Fire Department to be used for training purposes.

There was a discussion on the appointment of the SMMPA Alternate Representative Assignment. General Manager Keith Butcher is the primary representative for Princeton Public Utilities and the Alternate Representative was Commissioner Mindi Siercks who has recently retired from the PUC Commission Board. Mr. Hanson made a motion to appoint Electric Superintendent Ryan Grant as Princeton Public Utilities Alternate Representative. Mr. Erickson seconded. Motion carried unanimously.

General Manager Keith Butcher updated the PUC Commission on PUC policy changes due to the COVID-19 pandemic. Late fees have continued to be been waived and the PUC is doing payment plans for customers. Disconnections are still being suspended. The minimum charge for small commercial customers has been waived. Compared to last year, uncollected accounts and payment plans are up. The consensus of the PUC Commission was to continue waiving late fees for the next month and review at that time. The Princeton City Council will review their late fees and advise the PUC what their decision would be.

City Administrator Bob Barbian has requested the PUC provide a quote for electric services to the Princeton Business Park which is not within the PUC service territory. The City of Princeton is not asking the PUC to start the process of acquiring this service territory. The quote would be to complete a Federal EDA Grant application. To provide an accurate quote, the PUC will need to know the specifics of what is needed there.

General Manager Keith Butcher is continuing to have discussions with the owners of the Princeton Golf Club regarding the new Clubhouse and Brewpub. Discussions have been very good with a mutual agreement to place the water main in the southern route. This project is significant for the developer and they has asked for some assistance from the PUC. This project will remove a large dead end in the system.

The Class of 2020 Graduation Banners were put up on May 26 recognizing the senior class. They will be taken down on June 15. This was a great project with everyone working together. The City of Princeton Public Works trimmed the trees so the banners were visible. Feedback on the project has been very positive. Mr. Hanson made a motion to provide the Senior Party with a donation of \$2,000.00 from the PUC. Mr. Erickson seconded. Motion carried unanimously.

General Manager Keith Butcher reported on the PILOT work group. The City of Princeton created the work group consisting of City Councilor Jules Zimmer, City Administrator Bob Barbian, City Finance Director Steve Jackson, and PUC General Manager Keith Butcher. Mr. Erickson made a motion for PUC Commission Chair Greg Hanson to serve on the PILOT work group. Mr. Hanson seconded. Motion carried unanimously. The first meeting of the PILOT work group will be on Friday, May 29 at 10:00 AM.

There was a discussion regarding the PUC Utility Billing. To change the public's perception of the PUC, Commissioner Erickson would like to see the billing separated into three separate bills. The discussion included different ideas on how best to change the public perception and billing of the PUC. PUC utility bills include three separate services electric, water and sewer which is included for the City.

There was a discussion regarding PUC Commissioners using their personal e-mail for PUC business versus having a PUC e-mail account to be used for business. Each councilor on the City of Princeton board is given a City e-mail account to be used for business. Once the e-mail conversion is completed this will be done.

There being no further business, Mr. Hanson made a motion to adjourn the meeting at 3:14 p.m. Mr. Erickson seconded. Motion carried unanimously.

Gregory Hanson
Chairman

Kathy Ohman
Secretary

PRINCETON PUBLIC UTILITIES

Accounts Payable Listing

For 5/1/2020 to 5/31/2020

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
1	Ameripride Linen & Apparel Services	Cleaning Supplies & Services	498.04
2	Border States Electric Supply	Conduit	482.86
3	Card Services (Coborns)	Supplies	69.81
4	Core & Main	Inventory	131.00
5	CW Technologies, Inc.	Rebuild Servers & Workstations, Set Up Fee	5,673.72
6	Ferguson Waterworks	Inventory	1,004.17
7	Finken Water Solutions	Bottled Water	16.65
8	Goodin Company	Unions & Piping Supplies	2,294.92
9	Gopher State One Call	Monthly Locates	183.60
10	Hofman Oil Co.	Monthly Vehicle Fuel	591.15
11	Innovative Office Solutions	Supplies	904.93
12	Instrumental Research, Inc.	Monthly Water Testing	67.00
13	KLM Engineering, Inc.	North Water Tower Dry Tank Inspection	2,500.00
14	Marv's True Value	Shop Supplies, Shipping, Tap & Die Set, Cut Off Wheels	517.32
15	Midcontinent Communications	Monthly Internet & Telephone	249.11
16	Princeton Rental	Bar Chain Oil	24.46
17	Shimmer-N-Shine Maid Service	Office & Shop Cleaning	375.81
18	Travelers	Boiler & Machinery Insurance	73,943.00
19	USA Blue Book	Water Testing Supplies	673.98
20	Verizon Wireless	Monthly Cell Phone	557.50
21	Voyant Communications, LLC	Monthly Telephone	431.59
22	Waste Management	Monthly Trash Service	80.95
23	U.S. Bank Equipment Finance	Monthly Copier Lease Payment	182.00
24	Northland Trust Services	2008 G.O. Bond Interest Payment	40,097.50
25	U.S. Bank Operations Center	2006 Bond Principal, Interest Pymt. & Admin. Fees	95,303.23
26	SMMPA	April Purchased Power	295,097.48
27	Postmaster	Postage for Monthly Billing	759.90
28	1000bulbs.com	Protective Face Masks, Locator Battery	128.53
29	Advance Auto Parts	Commercial Rebate	433.00
30	Altec Industries, Inc.	Annual Truck Safety Inspections	4,267.28
31	Amaril Uniform Company	FR Rated Clothing	189.86
32	Cardmember Service (Mastercard)	Supplies, Zoom Video Conference, TV, Oil Spill Kit	1,033.54
33	Centerpoint Energy	Monthly Natural Gas	970.82
34	City of Princeton	April Sewer Billing & Late Charges	108,493.71
35	Connexus Energy	Monthly Utilities	2,168.32
36	DGR Engineering	Engineer Fees	315.00
37	Electric Motor Service	500-Gallon Pump	6,389.71
38	Fastenal	Pins	63.86
39	Grainger	Motor Starter & Indicator Light	800.50
40	Hawkins, Inc.	Water Treatment Chemicals	1,614.98
41	HealthPartners	June Health Insurance	32,970.59
42	Herc-U-Lift	Oil Change, Service & Repair Forklift	1,737.99
43	Locators & Supplies, Inc.	Locating Paint	368.34
44	McGrann Shea Carnival Straughn	Legal Fees	844.50
45	Metro Sales Incorporated	Maint. Contract & Usage Charges Copier	1,112.00
46	Minuteman Press	Signs, Maintenance Forms	267.44
47	MN Dept. of Health	Qrtly. \$9.72 State Water Fee	4,128.00
48	MN Rural Water Association	Membership Fee	1,652.90
49	MCPA	Hazardous Waste Fee	604.84
50	NCPERS Group Life Insurance	May Life Insurance	96.00
51	Princeton Public Utilities	Supplies	26.41
52	Princeton Senior Party	Donation	2,000.00
53	Public Utilities Commission	Monthly Utilities	1,430.36
54	Salvation Army Heat Share	April Heat Share & PUC Matching	24.00
55	Shred-It USA	Shredding Service	76.66
56	Sun Life Financial	May Short & Long Term Disability Replaces Check dated 4/14/20	881.89
57	Sun Life Financial	June Short & Long Term Disability	773.35

58	Swantec, Inc.	Street Light Pole Repair & Brackets	190.73
59	TASC	COBRA Admin. Fees	15.00
60	Unum Life Insurance Company	June Life Insurance	173.44
61	WSB	Engineer Fees	335.00
62	Delta Dental	May Dental Insurance	1,428.60
63	PERA	May PERA Contribution	12,805.43
64	MN Dept. of Revenue	March Sales & Use Tax	25,640.00
65	Credit Card Company	Monthly Credit Card, eCheck Charges	1,794.10
66	Refunds	Customer Meter Deposits	4,331.03
67	Refunds	Overpayment Refunds on Final Bills	447.05
68	Rebates	Residential Energy Star Rebates	112.88
TOTAL			745,849.32

MEMORANDUM



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: Recent Social Media Posts
DATE: June 24th, 2020

As part of an ongoing effort to address various misunderstandings, the following response is offered to help the public understand the details and background of items affecting Princeton Public Utilities. For this memorandum, we focus on 10 of the more recent comments on social media. Each statement is handled individually.

1. “Princeton Public Utilities uses over \$5.3 million dollars worth of property, buildings, and infrastructure...”

The choice of the word “uses” is very interesting. In some meetings, it is claimed that Princeton Public Utilities does not own property since we are part of the city. In other situations (like here), the implication is that the property is owned by Princeton Public Utilities’ and therefore taxes must be paid. Traditionally it is the property owner’s responsibility to pay any due property taxes. It would seem that either Princeton Public Utilities is a private utility that owns the land and should pay taxes or Princeton Public Utilities is part of the City and therefore doesn’t pay taxes – not both.

The issue is actually more complicated than can be conveyed in a short social media post. Princeton Public Utilities is a municipal electric and water utility formed under the City of Princeton. That means that we are part of the city and therefore a government entity. However, our founders created PPU to be a financially separate and functionally independent entity governed by a Public Utilities Commission appointed by the City Council. This structure was designed to insulate the utility and protect ratepayers from political opportunism. In other words, it is meant to prevent newly elected politicians from raiding utility funds and force an increase in utility rates on Princeton’s citizens; all the while claiming that they weren’t raising taxes. Simply stated, if the city is underfunded, the proper action for the city council to take is to increase property taxes approved in a clear, open, and transparent forum. The Princeton model is specifically designed to make it harder for elected officials to grow city government by increasing the burden on ratepayers through higher rates and then placing the blame on others. If there is a need for additional utility funds because the city is in financial straits, the Commission believes that any request should include an explanation of what the funds would be used for and a justification for why ratepayers, and not taxpayers, should be responsible.

Over the last year and a half, Princeton Public Utilities has welcomed a new General Manager, a new Electric Superintendent, and three brand new Commissioners all entrusted to protect its ratepayers. All of PPU’s officers and staff are committed to protecting the ratepayers of this

community. It is important to the PUC that any decisions that affect rates be decided in an open and transparent manner with all facts at our disposal.

2. “PPU pays no income tax, no property taxes for roads, sidewalks, parks, law enforcement, fire protection, and pays no taxes to our School District or to Mille Lacs or Sherburne counties.”

PPU is a municipal electric and water utility organized under the City of Princeton as a government entity. PPU is therefore treated the same way as the city itself. Comparing PPU to private, for-profit companies is misleading. A far more appropriate comparison is to compare PPU to another municipal utility such as the City of Princeton’s sewer utility. A better question might therefore be: how much in taxes does Princeton’s sewer utility pay? Both are comprised of infrastructure (pipes and facilities) that is paid for by revenues collected through use.

It is our understanding that the sewer utility does not, in fact, pay a PILOT. Nor do many other not-for-profit entities such as government agencies, hospitals, schools, and churches. The reason is because all of us are community focused and provide valuable services to the community. This is why PPU is different from CenterPoint, Xcel, or Century Link. We are not a profit making enterprise that has shareholders requiring large returns on their investment.

3. “The PUC Commission used high priced lawyers”

Historically, PPU and the city shared the same city attorney. However, due to current political concerns, PPU was notified on August 9th, 2019 by the city attorney that:

“We (Dove Fretland P.L.L.P.) find ourselves in another conflict situation where the City of Princeton and Princeton Public Utilities could have conflicting interests regarding possible claims by the City of Princeton against Princeton Public Utilities, and by Princeton Public Utilities against the City of Princeton. Because of the potential conflicts we must advise you that we cannot represent the legal interest of Princeton Public Utilities with respect to such matters. Therefore, we suggest that you obtain other legal representation that can be available should you need such representation.”

As a result, PPU was forced to find other legal representation. Since our legal needs are minimal, we do not pay a retainer. Rather we pay for legal services as needed. PPU’s legal costs in 2019 totaled \$8,467.38 which is lower than our legal expenses incurred in 2018.

4. “The PUC Commission used high priced lawyers on our tax dime”

All of PPU’s revenues come through sales associated with the delivery of electricity and water. PPU does not receive any tax funds. No tax payer funds are used to pay for any part of PPU’s legal needs.

5. **“The PUC Commission used high priced lawyers on our tax dime to find a tax loop hole to stop paying the PILOT Program...”**

What has been suspended is the financial transfer from PPU’s electric and water enterprise funds to the city. PPU still continues with various in-kind contributions that are considered part of a “PILOT”. These services are:

- Inclusion of all sewer charges on PPU’s electric and water bills. PPU covers all costs associated the administration, processing, and collection of payments. The city does pay a nominal fee for processing. This nominal fee was set at \$0.75 per bill per month in 2012. Before that it was set to \$0.60 in 2011 and \$0.50 sometime before 2000.
- Operating and maintaining all city street lights (a portion of these costs are recovered through a street light fee (mainly the electricity used) but that does not cover all our equipment and maintenance).
- Providing for adequate fire protection throughout town. This includes providing funding for the installation and upkeep of the city’s fire hydrants.

The financial transfer is just one small part of the total assistance that PPU has provided to the city every year.

6. **“The PUC Commission used high priced lawyers on our tax dime to find a tax loop hole to stop paying the PILOT Program that they have been paying under the same agreement since 1997.”**

Although the agreement has been in place since 1997, our understanding is that the issue has been looked at many times. It is important to note that there have been just as many changes over the years that would justify lowering the PILOT financial transfer as in increasing it. For example, the original agreement was created back when PPU also provided garbage collection services. When that aspect of our operations went away, the PILOT amount remained unchanged even as revenues dropped. In addition, PPU continued to assist the city in various forms. As cost for services provided by PPU increased, with one such example being the cost of credit card fees for all utility charges, the actual financial transfer did not change. As a result, it is our understanding, that representatives from both the City and the Utility have, from time to time, decided that it would be best to simply continue the program as-is.

The point is that the proper way to address this issue is not by focusing on just one small aspect of the program. Rather, a full and comprehensive analysis needs to be undertaken to fully quantify the services provided by PPU to the City. Fortunately such an effort is underway via a workgroup organized by Councilor Jules Zimmer. PPU looks forward to continue working with Councilor Zimmer on this complicated and nuanced topic.

7. “We the people of Princeton are subsidizing the lavish life style of the elite few at Princeton Public Utilities Management.”

Claims of malfeasance continue to surface time and time again without any evidence or support. Our main office building was originally built in 1911. The average age of our fleet is approximately 11 years old. Salaries offered by PPU are designed to remain competitive with our neighboring utilities so that we can recruit and retain highly qualified personnel in a very technical and challenging field. Whereas many small municipal utilities struggle to fill roles, which then jeopardizes service and reliability to customers, PPU has been able to enjoy the benefits of a skilled work force with a long history of service to the community.

In response to statements made about the “rich getting richer” at the PUC, below is a summary of the stipends paid to elected/appointed officials at the City of Princeton:

	Annual Stipend	per Diem for extra meetings
Mayor	\$3,600	\$25 - \$40
City Council	\$3,090	\$25 - \$40
Chair, Public Utilities Commission	\$1,800	\$50
Public Utilities Commissioner	\$1,200	\$50

A \$150/\$100 monthly stipend is not what one might call a “lavish lifestyle”. Commissioners often spend many, many hours outside of normal meeting times researching issues, responding to customer concerns, and directing the General Manager in their duties.

8. “PPU has cash balance in their check accounting of \$5,692,468.00 as of the last audit.”

The citation appears to be from page 12 of PPU’s 2018 audit. The breakdown is as follows:

	Electric	Water	Total
Cash and Cash Equivalents	\$ 2,221,682	\$ 809,306	\$ 3,303,988
Restricted Assets			
Reserve Fund	\$ 474,250	\$ 97,500	\$ 571,750
Debt Retirement	\$ 265,822	\$ 101,602	\$ 367,424
Improvements and Replacements	\$ 792,948	\$ 929,358	\$ 1,722,306
Total Restricted Cash and Cash Equivalents	\$ 1,533,020	\$ 1,128,460	\$ 2,661,480
TOTAL	\$ 3,754,702	\$ 1,937,766	\$ 5,692,468

For the restricted assets, the following definitions apply:

Reserve Fund - Bond and note covenants require a reserve account to be established. Much of this fund is held in escrow.

Debt Retirement – PPU’s water and electric bond and note indentures require the funds to set aside very specific amounts for payment coverage.

Improvements and Replacements – In 1986, the PUC resolved that any surplus monies in the funds be transferred to a reserve account to be used for emergencies, improvements, and equipment replacements.

The claim that this money is in our “checking account” is a gross misunderstanding of the structure of business finances.

The table below is to help put these numbers in context and come from the City’s last financial audit with PPU’s presented for comparison.

	PPU Electric	PPU Water	City of Princeton (Total)	Sewer	Liquor Store	Airport
Total Operating Revenues	\$7,561,942 (pg. 11 PPU audit)	\$1,398,645 (pg. 11 PPU audit)	\$4,761,277 Total Revenues (pg. 20)	\$1,374,025 (pg. 25: Sales + Charges)	\$4,042,590 (pg. 25: Sales + Charges)	\$110,114 (pg. 25: Sales + Charges)
Total Operating Expenses	\$7,139,594 (pg. 11 PPU audit)	\$920,719 (pg. 11 PPU audit)	\$5,138,426 (Total Expenditures pg. 20)	\$1,305,135 (pg. 25: Cost of Sales + Total Operating Expenses)	\$3,548,037 (pg. 25: Cost of Sales + Total Operating Expenses)	\$308,405 (pg. 25: Cost of Sales + Total Operating Expenses)
Total Cash and Cash Equivalents	\$3,754,702 (pg. 12 PPU audit)	\$1,937,766 (pg. 12 PPU audit)	\$11,524,464 (pg. 16)	\$773,571 (pg. 24)	\$3,753,110 (pg. 24)	\$16,188 (pg. 24)

The total amount of Cash and Cash Equivalents that the city has in its Proprietary Funds is \$4,542,869. The total amount of Cash and Investments (including cash equivalents) is \$11,524,464. The financial transfer of the outstanding PILOT payment for 2020 is \$43,750 or less than 1% of the city’s total cash on hand. At less than 1%, there are many other factors which have a greater impact on city resources than this PILOT financial transfer.

9. “If you watch the PUC Meeting the stock pile of cash is plentiful that water fund has so much capital reserves that they could operate for over one year without a single payment for the citizens of Princeton.”

Although a water utility can often require large capital investments (for such things as water treatment plants, water-mains, and water towers) which is very similar to electric utilities, annual water revenues are significantly lower. As a result, many water utilities will build up cash reserves over a long period of time to be used when a major investment is needed. In looking at the Water Department’s long term plan, the following major investments are anticipated at an estimated cost of \$500,000 each.

- Major water main replacement on 7th Avenue North (1-3 years)
- Painting the North Water Tower

In addition, Water Treatment Plant #1 is now 25 years old. If the state changes its standards and determines that our treatment process is no longer appropriate, a significant investment will be required to meet those new standards.

This does not include the other major capital costs that we incur to regularly to repair leaks, relocate water mains (projects such as 5th Street and various roundabouts), and/or prepare for new developments.

The municipal water utility is a very capital intensive industry with small revenue streams. This is why one doesn’t see too many private water utilities serving communities. The water fund is in a position where more and more infrastructure has been depreciated and future investments will be necessary. Thanks to the foresight of our predecessors, the water fund is in a very healthy position to re-invest in the system without having to implement a major rate increase on customers.

10. “The splash pad has been closed because the PILOT was suspended by the PUC.”

The PILOT financial transfer is a deposit from PPU’s account into the City’s General Fund. It was not earmarked for any particular item and the city is free to use these funds in whatever manner it sees fit. The allocation of the City’s General Fund is determined solely by the City Council, not the Public Utilities Commission.

The splash pad was initially closed by the City due to the COVID-19 pandemic. In conversations between a Commissioner and city staff, the splash pad has since remained closed due to ongoing COVID-19 concerns as well as its budgetary impacts. As it was described to us, the splash pad incurs large costs to operate on an annual basis. Normally, the splash pad is not able to cover its costs and therefore operates at a loss. With COVID-19, the splash pad would only be allowed to operate at 50% capacity (and therefore at 50% revenue) even though it would still incur 100% of the operating costs. A financial decision was made to minimize losses to the city and keep the splash pad closed due to the 50% capacity limitation imposed from the COVID-19 guidelines.



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It has been clear to many people in our community that the perception of Princeton Public Utilities is very poor. This poor perception of our local utilities has been created over decades and will take the whole community to help reform the perception. In the May 2020 City Council Meeting as Mayor I publicly challenged each city council member to give a suggestion to the PUC Board and the new member Rick Schwartz to work on changing this perception.

I wanted to start by noting a few positive changes that the Princeton Public Utilities has done over the past 2 years,

Ended the no bid contracts to interested officers of the PUC Board.

Published the meeting minutes online for the public to see.

Worked with PHS Senior Party in hanging the banners for the 2020 Princeton Seniors .

Items that I personally think will help change the perception of The Princeton Public Utilities.

Immediately remove GM Keith Butcher as the voting member on the SMMPA Board. This voting person needs to be local and pay the PPU Bill. Pick any PUC Commissioner or business owner in town - you need community involvement.

An aggressive tree trimming plan for our cities power lines right now. Show the citizens that PPU workers are working for them and not driving around town in circles. Trimming trees in a neighborhood goes far for many home owners.

Stop charging places of worship in town the high cost of commercial power rates when they're actually only using their power load during off peak times Sunday

Mornings, Wednesday nights etc. Help the faith community and they will help you.

Show the community what the strategy is to match the Connexus Energy power rate of \$.01189 per kWh.

Have two meetings per month to show the rate payers the board is controlling the spending not the general manager on his own. Your budget is \$14,000,000 per year and you have 12 meetings. The City Councils budget is \$4,000,000 +/- and we have 36 meetings. Transparency matters and it takes action and words.

Since you won't change your meeting times from 1pm you need a plan to video broadcast your meeting indefinitely.

PILOT Program needs to fair and put back in place. PUC needs to pay in full all the property taxes due on the \$5,300,000+ million dollars of property they use to the city. PUC needs to pay fair amount for rent per sq ft of office and warehouse rates to the city for the buildings and CAM is already covered by the PUC for the buildings.

Last the PUC could pick other items to help with their perception from the hand out I've attached from Connexus Energy's 2019 Community Report.

Princeton Mayor
Brad Schumacher
612-716-3566
mayor@princetonmn.org

Beacon™ Sherburne County, MN

Summary

Parcel ID 90-004-2300
 Primary n/a
 Parcel RE
 Parcel Type RE
 Property Address
 Plat n/a
 Sec-Twp- Rng Sec.4 T35N R26W
 Legal Description ALL THAT PT OF NW 1/4 DESC AS COMMENCING AT SW COR OF SAID NW 1/4 OF NW 1/4; THENCE N 0 DEG 43 MIN 05 SEC W ASSUMED BEARING ALONG W LINE THEREOF A DIST OF 430 FT TO THE ACTUAL POB OF TRACT TO BE HEREBY DESCRIBED; THENCE E AT RT ANGLES 320 FT; THENCE N PARA WITH SAID W LINE OF NW 1/4 A DIST OF 590.13 FT TO INTERSECT N LINE OF S 1018.68 FT AS MEASURED AT RT ANGLES OF SAID NW 1/4; THENCE S 89 DEG 01 MIN 24 SEC W PARA WITH THE S LINE OF SAID NW 1/4 A DIST OF 320 FT TO INTERSECT SAID W LINE OF NW 1/4; THENCE S 0 DEG 43 MIN 05 SEC E ALONG SAID W LINE OF NW 1/4 A DIST OF 588.09 FT TO POB.
 (Note: Legal descriptions here are for tax purposes only. Do not use them for recording purposes.)
 Last Recording Deeded 4.32
 Acres
 Tax District PRINCETON CITY
 Status N/A
 Appraiser BDR
 School District 477 - PRINCETON



Sales

Document	Sale Date	Sale Price	Adj Price	eCRV
	12/2001	\$86,600	\$86,600	
	11/1992	\$0	\$0	

Valuation

	2020 Assessment	2019 Assessment	2018 Assessment	2017 Assessment
Estimated Land Value	\$146,700	\$146,700	\$110,200	\$110,200
Estimated Building Value	\$397,500	\$397,500	\$152,400	\$144,700
Total Estimated Value	\$544,200	\$544,200	\$262,600	\$254,900
Classification	Public Utility Preferred, Public Utility All Other Machinery, Public Utility Preferred-St Assessed	Public Utility Preferred, Public Utility All Other Machinery, Public Utility Preferred-St Assessed	Public Utility Preferred, Public Utility All Other Machinery, Public Utility Preferred-St Assessed	Public Utility Preferred, Public Utility All Other Machinery, Public Utility Preferred-St Assessed
Occupancy	NON-HOMESTEAD	NON-HOMESTEAD	NON-HOMESTEAD	NON-HOMESTEAD

Tax History

	2020 Payable	2019 Payable	2018 Payable
Taxable Value	\$544,200	\$262,600	\$254,900
Net Tax	\$18,526.00	\$8,304.00	\$8,292.00
Special Assessments	\$0.00	\$0.00	\$0.00
Principle Balance of Spec. Assessments			
Total Payable	\$18,526.00	\$8,304.00	\$8,292.00
Penalty Due	\$0.00	\$0.00	\$0.00
Cost Due & Fees	\$0.00	\$0.00	\$0.00
Interest Due	\$0.00	\$0.00	\$0.00
Total Unpaid	\$9,263.00	\$0.00	\$0.00

Pay Taxes Online



[Click here for General Information & Payment Options](#)

For totals and payment information for past due taxes contact Auditor/Treasurer: 763-765-4352

Tax Statement

2020 Tax Statement

2019 Tax Statement

2018 Tax Statement

The above tax statement links will open in a pop-up. If they do not open, please disable your pop-up blocker.

If you are having difficulties obtaining a PDF copy of your Tax Statement(s) please check the following:

- Your Pop-Up blocker is disabled or set to allow popups from this website.
- Your PDF reader software is fully installed and up-to-date.
- Access to port #10090* is allowed by your firewall. You may need to contact your IT Department for access from within a business environment.

*changed 7/5/2018

Photos



No data available for the following modules: Residential, Commercial, Other Buildings, Sketches.

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Last Data Upload: 6/9/2020, 9:23:33 PM



Version 2.3.62

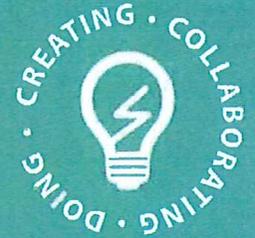


2019 COMMUNITY REPORT

Connexus Energy cares for the communities we serve. We have a deep-rooted tradition of helping local organizations.

The Connexus Energy Foundation was formed in late 2019 to oversee all charitable activities. The foundation funding comes from unclaimed Cash Back payments to former members. Through the foundation we are creating opportunities for those we serve, collaborating with our community partners, and doing everything we can for our communities today and for many more years to come.

This community report is a snapshot of our community activities from the past year.



2019 donations at a glance

\$468,000
Total
donations



146
Number of
donations



46
Gift baskets for
local fundraisers

CREATING OPPORTUNITIES

Our 3 areas of focus

Youth &
Education

Community
Leadership &
Services

Environmental
Education

Sometimes it all comes together. Our new partnership with Hope for the Community Food Shelf is a great example of creating, collaborating, and doing. We stepped in when we heard the Blaine organization was looking to expand and create a much-needed new food shelf at the Anoka Technical College. By collaborating and doing, we are helping students who are on tight budgets get the food they need.



\$86,000 in scholarships

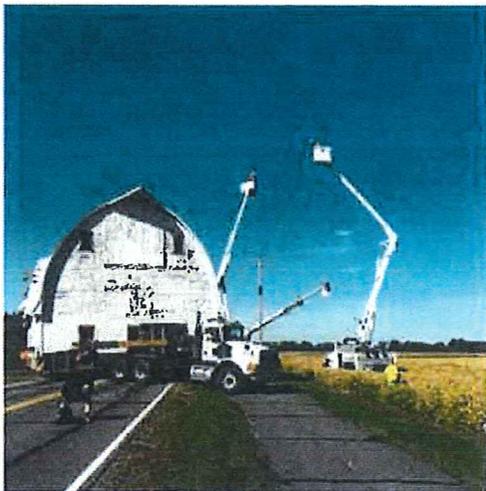
Helping students achieve their dreams



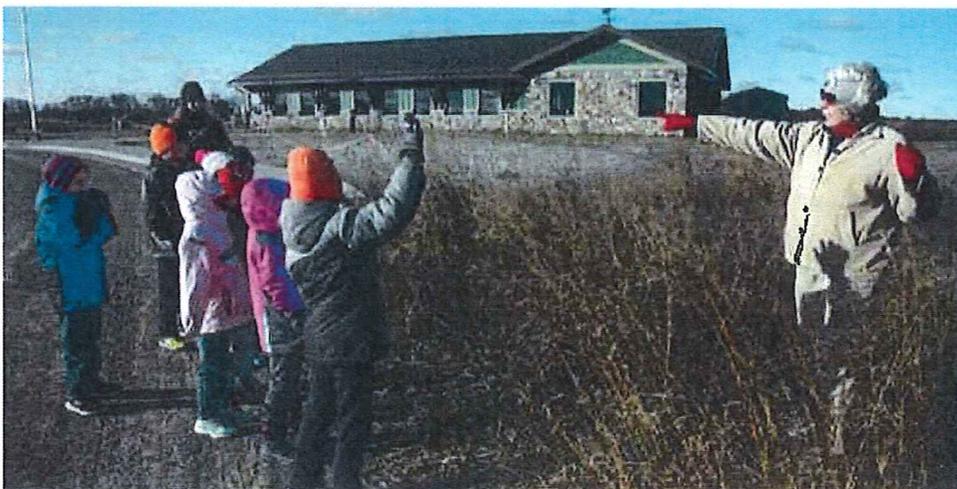
COLLABORATING WITH PURPOSE



The Minnesota Technology Corridor, a collaborative public-private initiative to attract tech companies to the north metro, is a multi-award winner. The collaboration between Connexus Energy and five cities, as well as Anoka and Washington counties and MetroNorth Chamber, has received several awards, including one from the Economic Development Association of Minnesota and the latest from the Association of Minnesota Counties.



When the Becker group, Farm Friends Barn, wanted to preserve an old barn that needed to be moved to a new location, Connexus was there to help. The barn will be used to educate kids about the importance of agriculture.



Our support of the Sherburne National Wildlife Refuge in Zimmerman helps preserve the 30,000+ acres of unspoiled open space. The refuge is known for its special habitats for migratory birds and acres of existing oak savanna.

DOING GOOD



Our sponsorship of Bunker Beach means discounted admission coupons for our members. Every year, the popular water park attracts thousands of our members.

Photo credit: Anoka County Parks



In 2019, more than 6,600 Minnesotans learned about safety by taking part in one of our 226 safety events and demonstrations.



Connexus works closely with our police departments to promote Night to Unite, an annual event that strengthens the relationship between local law enforcement and neighborhood communities.



In 2019, Connexus Energy sponsored a new Twin Cities Public Television documentary, *We're in this together*. It features Anoka area veterans and their families as they share their stories and advice for coping with military deployment.



Connexus employees are doing their part in the community. From uniting together to raise funds for the United Way to packing lunches for Backpack Buddies, our employees volunteer their time to make a difference.



YOUR COMMUNITY, YOUR CHOICE

Our members choose who gets the donation.

2019 recipients

- » Alexandra House
- » Anoka Ramsey Athletic Association
- » Backing the Blue Line
- » Bikes4Kids
- » CAER Elk River
- » Centennial Food Shelf
- » Fur-Ever Home Rescue
- » Impact Services/Meals on Wheels
- » Jack's Basket
- » Rum River Arts Center
- » Ruff Start Rescue
- » WoMn Strong



2019 DONATIONS (\$500+)

Achieve Services
 Alexandra House
 American Red Cross
 Andover Family Funfest
 Andover YMCA
 Anoka Child Abuse Prevention Council
 Anoka County Parks Heritage Labs & Wildlife Outreach
 Anoka Halloween Parade
 Anoka-Hennepin Educational Foundation
 Anoka Historical Society
 Anoka Ramsey Athletic Association
 Anoka-Ramsey Community College
 Anoka Riverfest
 Anoka Rotary Dictionary Project
 Anoka Technical College
 Backing the Blue Line
 Backpack Buddies – Big Lake
 Bikes4Kids
 Bunker Beach
 CAER Elk River
 Cambridge-Isanti Rotary – Taste of Isanti
 Centennial Food Shelf
 Coon Rapids Rotary Writing Contest
 Centennial Educational Foundation

Crossroads Victory Garden
 Elk River Rotary – Taste of Elk River
 Emma B. Howe YMCA
 Energy Resources Center – Pollinator Project
 Family Pathways
 Feed My Starving Children
 Fishing for Life
 Food with Love
 Forest Lake Rotary Winter Plunge
 Fresh Energy
 Farm Friends Barn
 Friends of the Mississippi
 Friends of Sherburne Wildlife Refuge
 Fur-Ever Home Rescue
 Girls on the Run – Twin Cities
 Granny's Closet
 Hope4Youth
 Hope for the Community
 Hugo Food Shelf
 Impact Services/Meals on Wheels
 Initiative Foundation
 Isanti Firefighters Rodeo
 Jack's Basket
 Legacy Foundation of Big Lake
 Mental Wellness Campaign for Anoka County

Mercy Hospital Foundation
 NACE Food Shelf
 National Sports Center
 Night to Unite
 Nowthen Heritage Festival
 Ramsey Fire Department Relief Association
 Ramsey Happy Days
 Ramsey Draw Park Concert Series
 Rum River Arts Center
 Ruff Start Rescue
 Salvation Army HeatShare
 Stepping Stones Emergency Housing
 The Education Foundation of the Forest Lake Area
 The Wave Youth Center – Big Lake
 Tree Trust
 United Way
 U of M Institute for the Environment
 White Bear Lake Educational Foundation
 WoMn Strong
 Youth First

To learn more about our community efforts, visit us at connexusenergy.com.



MEMORANDUM



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: Connexus Comparison
DATE: June 24th, 2020

Information regarding the operation of Connexus has been introduced for today's discussion. Below are four tables analyzing that data. This analysis is offered to help put these numbers in context. Utility rate making, PILOT valuations, and philanthropic philosophy are complicated issues that requires time and effort to develop the appropriate strategy, build community consensus, and ensure long term stability. This is why the Princeton Public Utilities Commission (PUC) supports the work of Councilor Jules Zimmer and is working with him on a PILOT Workgroup to fine tune these numbers. Since this is a discussion that requires research and collaboration, the PUC believes that the PILOT workgroup should be allowed to finish their work to develop a well thought-out proposal that will benefit the city, Princeton Public Utilities, and the community. In the meantime, here is some background on these specific items.

1. Taxes Paid versus Revenue

It is important to understand that the PILOT is a combination of financial resources and in-kind services provided by Princeton Public Utilities to the city. The benefits in having a local, municipal electric utility is that highly technical skills and equipment are available within very close proximity. This benefits the community through fast response times and superior reliability. Princeton Public Utilities often use these skills and equipment to help the city and the community in various areas. Time and resources, although not actual dollars being transferred, have a cost associated with them and therefore have value. The table below attempts to quantify the value of these services. As the PILOT workgroup continues its efforts, we expect that these numbers will be adjusted. It is also possible that other areas will be identified and added to the list. Through the workgroup, this issue continues to be a work in progress.

Calculation of Property Tax Based on Revenue

	Connexus	Princeton Public Utilities	Notes
2019 Revenues Taxes / PILOT	\$239,513,218	\$8,803,172	
	\$3,952,133	\$52,500	
In-kind Services			
Annual Budget for hydrants and parts	\$0	\$20,000	2020 Budget. Does not include added fire protection as part of capital projects such as 2020's 5th Street Watermain Realignment.
Street Light and Signal Expense (2019 actual, non-energy)	\$0	\$15,639	Actual 2019 expenditures. Does not include the cost of electricity which is covered under the Street Light Fee.
Snowplowing Assistance	\$0	\$1,300	Estimated at 20 hours per year for one staff person.
Holiday Decorations	\$0	\$4,160	Estimated at four staff working one day to install and one day to remove. Does not include storage and use/purchase of additional mounting equipment.
Sewer Billing Services (1/2 of Customer Accounts and 1/3 G&A (water portion only)) - 2019 Actual	\$0	\$95,605	Does not include water meter costs, GIS tracking, or upgrades to the new AMI system.
Miscellaneous	\$0	\$3,120	Various technical and emergency assistance provided to the city and community. Estimated at 4 hours per month.
Total Contribution	\$3,952,133	\$192,324	
% of Revenues Paid	1.7%	2.2%	

Definition of Terms

Annual Budget for Fire Hydrants and Parts – Through our water department, Princeton Public Utilities funds the installation of fire hydrants in town. Princeton Public Utilities also performs all maintenance. This is to ensure that the city continues to have reliable fire protection within close proximity of home owners and businesses. The value listed is the budget for 2020.

It does not include the cost to install new public fire hydrants in large capital projects such as 2020's 5th Street Watermain Re-alignment.

Street Lights and Signal Expense – This is the equipment expense (not including labor) for maintaining street lighting throughout town. Generally speaking most of the cost of the electricity to power these lights are covered by the Street Light fee charged to individual customers. The energy costs were therefore not included in this value.

Snowplowing – Historically, Princeton Public Utilities have had staff available to the city to help with plowing the streets after a heavy snowfall. This is not something that had been tracked because Princeton Public Utilities was simply working together with the city to help the community. However it does come at a cost to Princeton Public Utilities. The value listed is an estimate and will be adjusted as more information becomes available.

Holiday Decorations – Princeton Public Utilities stores and maintains all the city's holiday decorations. The cost listed is just for the labor of installing and removing these decorations each year. It does not include the money contributed by Princeton Public Utilities towards the decorations nor any repairs made to the decorations.

Sewer Billing – The costs for our billing services (ie. Customer Accounts and G&A (General and Administration)) is broken out to each department by revenue (for 2020 this means that electric pays 86% of the cost while water pays 14%). Since sewer and water are very similar, as a first cut, it seemed appropriate to split the water department's costs 50/50 between water and sewer. As for other G&A costs, these would include overhead for not just billing but also for water infrastructure maintenance and operation. Therefore, it seemed appropriate to split this into thirds. One third for water billing, one third for water infrastructure administration, and one third for sewer billing.

Miscellaneous – Princeton Public Utilities often is called upon by various city departments to assist in all sorts of activities. This number has not been historically tracked and varies greatly but for this purpose it is estimated at approximately four staff hours each month. These are services that would probably not even be requested from any non-municipal based utility.

The results of this analysis shows that Connexus pays approximately 1.7% of their revenues (using their 2019 financial statement available on their website) in local property taxes. The value of the cash and services provided by Princeton Public Utilities in 2019 was 2.2%. If the PILOT were to be set to match Connexus, the actual payment from Princeton Public Utilities to the City of Princeton would be about \$5,400 per year. Princeton Public Utilities has historically paid \$52,500.

2. Taxes Paid versus Property Value

Calculation of Property Tax Based on Property Value			
	Connexus	Princeton Public Utilities	Notes
Mayor's Example Property Tax Payments / PILOT	\$544,200 \$18,526	\$5,300,000 \$52,500	
In-kind Services (actuals and estimates)			
Annual Budget for hydrants and parts	\$0	\$20,000	2020 Budget. Does not include added fire protection as part of capital projects such as 2020's 5th Street Watermain Realignment.
Street Light and Signal Expense	\$0	\$15,639	Actual 2019 expenditures. Does not include the cost of electricity which is covered under the Street Light Fee.
Snowplowing Assistance	\$0	\$1,300	Estimated at 20 hours per year for one staff person.
Holiday Decorations	\$0	\$4,160	Estimated at four staff working one day to install and one day to remove. Does not include storage and use/purchase of additional mounting equipment.
Sewer Billing Services (1/2 of Customer Accounts and 1/3 G&A (water portion only)) - 2019 Actual	\$0	\$95,605	Does not include water meter costs, GIS tracking, or upgrades to the new AMI system
Miscellaneous	\$0	\$3,120	Various technical and emergency assistance provided to the city and community. Estimated at 4 hours per month.
Total Contribution % of Revenues	\$18,526 3.4%	\$192,324 3.6%	

According to the example provided, Connexus paid \$18,526 in 2019 for an electric substation valued at \$544,200. This equates to a tax rate of 3.4%. For sake of argument let's use the value shared on social media which is that Princeton has \$5.3 million dollars in property value. Using the same analysis as before, Princeton Public Utilities is currently paying a tax rate of 3.6% - ie. more than Connexus. If the PILOT were to be set to match Connexus, the actual payment from Princeton Public Utilities to the City of Princeton would be about \$40,600 per year. Princeton Public Utilities has historically paid \$52,500.

3. Donations versus Revenue

Included in the documents is a Community Report describing activities undertaken by Connexus Energy. The PUC applauds their efforts to give back to the community. Their contributions are very impressive. Princeton Public Utilities, being a much smaller utility, does not have the same financial resources as Connexus but we try to do our part. The PUC has provided scholarships to Princeton High School Seniors, matched customer donations to Heat Share, supported the 2020 Senior Banner project, sponsored various local events such as the Princeton Football booster club, provided ongoing support of various city initiatives leveraging our relationship with Southern Minnesota Municipal Power Agency (on such example is the city's proposed pollinator garden), and Princeton Public Utilities consistently exceeds the low-income assistance state requirement by significant amounts helping our low-income customers reduce their energy burden.

Calculation of Donations based on Revenue		
	Connexus	Princeton Public Utilities
2019 Revenues	\$239,513,218	\$8,803,172
Total Donations	\$468,000	\$11,610
Breakouts (actuals and estimates)		
Scholarships	\$86,000	\$500
Heat Share	N/A	\$170
Banner Project	\$0	\$8,440
	Donation	\$2,000
	Parts	\$200
	Labor	\$6,240
Various Sponsorships	\$0	\$1,000
City Pollinator Garden (Proposed) w/SMMPA	\$0	\$1,500
Low-Income Program (Above and Beyond State Requirements)	N/A	??
% of Revenues Paid	0.20%	0.13%

4. Fee Comparison Examples

As a result of continued questions raised on social media, Princeton Public Utilities released a Residential Rate Comparison report. That report, comparing Princeton Public Utilities to six other local electric utilities, concluded that Princeton's rates are competitive. Three utilities were higher and three utilities were lower than Princeton Public Utilities.

There are many factors to consider when comparing one utility to another. The Residential Rate Comparison is a useful tool to determine if rates are reasonable. But it is only meant to be a high-level comparison and should not be used to evaluate the entire operation of one utility to another. Although a large item, monthly electric rates are but one part of the overall financial story of a utility as it relates to the cash flow and financial health and stability. For example, utility fees can also be an interesting comparison point. From information collected on the Connexus website, we found the following items.

Sample Fee Comparison Examples		
	Connexus	Princeton Public Utilities
Application Fee	\$15	\$0
Transferring Service	\$15	\$0
Credit Card Fee (per transaction)	\$3.95	\$0
Does e-billing include credit card payments?	No	Yes
Pole Attachment Application Fee	\$150	\$0
New Construction Charges (Single Phase)	\$865 and then \$8.50/ft over 150ft	\$710 then \$7.10/ft over 100ft
New Construction Charges (Three Phase)	\$2,400 then \$11.75/ft over 150 ft	\$810 then \$8.10/ft over 100ft

As you can see Princeton Public Utilities performs better in terms of cost on many items. Of course this is just meant to be illustrative. In practice, a discussion focusing on every last dollar and cent between two separate entities would be a huge undertaking and, ultimately, be inconclusive. A much better approach is to focus on whether the utility is providing a competitive service to the community and is financially healthy enough to weather any emergency that may occur.

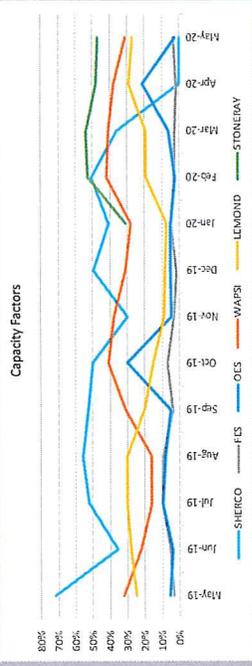
5. Conclusion

As shown above as well as through the discussions over the last two years, Princeton Public Utilities continues to be comparable in its operation with its peers. Princeton Public Utilities provides competitive services and continually supports the community. As with any complicated industry, continued discussions are important to make sure that adjustments are made based on local economic conditions and a changing marketplace. Unfortunately, to selectively pick one little aspect of a utilities' operation without understanding the larger picture and how it affects other areas will provide an incomplete understanding of the industry and result in poor decision-making. The Commission believes that it is important that Princeton Public Utilities continue to strive to provide reliable service at competitive rates. The Commission believes that the PILOT workgroup created by Councilor Jules Zimmer will be able to do the hard work of establishing a solution that will benefit the City of Princeton, Princeton Public Utilities, and the community at large. The Commission supports that effort.

SMMPA Key Metrics

June 2020

PLANT OPERATIONS Performance Metrics

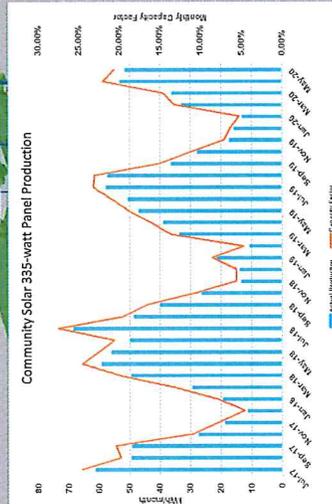


Availability Metrics

For May 2020

	FES	OES	MORA LFG
Availability	97%	98%	32%
Industry Average Availability	93%	93%	N/A
Forced Outage	0%	0%	82%
Industry Average Forced Outage	6%	6%	N/A

Solar Production Metrics



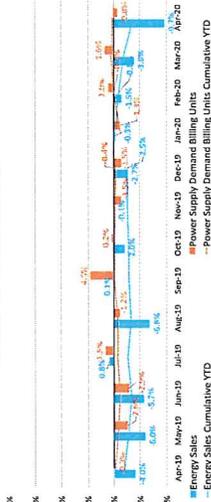
Number of working days since the last time last time accident

1265

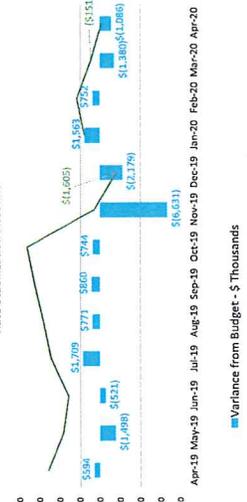
(through 5/20/20)

FINANCIAL Performance Metrics

Member Load Variance from Budget

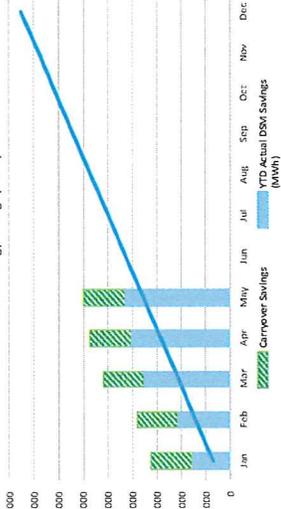


Contributions to/(Distributions) from Rate Stabilization Account



ADDITIONAL Metrics

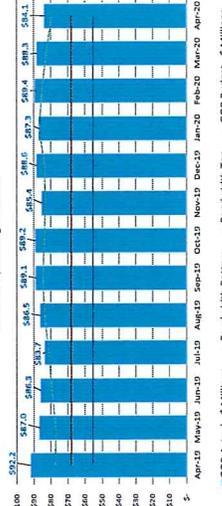
2020 YTD DSM Energy Savings (MWh)



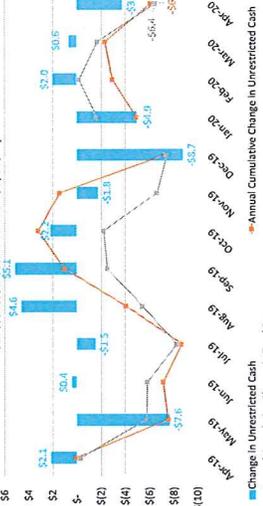
Since 2017, three SMMPA member community representatives have been recognized with national awards from American Public Power Association (APPA).



General Operating Reserves

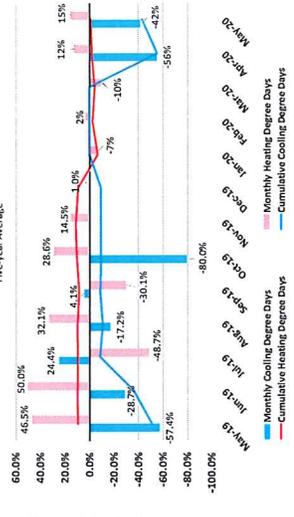


Unrestricted Cash Provided (Used)



Since 2005, we've avoided 7.0 million tons of greenhouse gas emissions, which is the equivalent of 1,519 wind turbines running for one year.

Heating and Cooling Degree Days - Deviation from Average Rochester MN Airport 65 Degree Base Five-Year Average



From: DEED Communications <MNDEED@public.govdelivery.com>

Sent: Friday, June 19, 2020 11:23 AM

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m EMPLOYMENT AND
ECONOMIC DEVELOPMENT



PRESS RELEASE

For Immediate Release

Small Business Relief Grants Program to Begin Accepting Applications on June 23

**More than \$60 million available in grants to small businesses
affected by COVID-19**

St. Paul – The Minnesota Department of Employment and Economic Development (DEED) has announced that the Minnesota [Small Business Relief Grants Program](#) – which was approved by the Minnesota Legislature last week and signed by Governor Tim Walz on Tuesday – will begin accepting applications next week.

This program will provide \$10,000 grants to small businesses that have been impacted by the COVID-19 pandemic. Businesses with 50 or fewer full-time employees are eligible. Half of the funding will go to businesses in Greater Minnesota and half to businesses in the seven-county Twin Cities metro area, as required by law.

Additional requirements include:

- \$18 million for businesses with six or fewer full-time employees
- \$10 million for minority business enterprises
- \$2.5 million for veteran-owned businesses
- \$2.5 million for women-owned businesses
- \$2.5 million for operators of indoor retail and food markets with an ethnic cultural emphasis

“Small businesses across our state urgently need this relief,” said DEED Commissioner Steve Grove. “DEED applauds the bipartisan action to pass this legislation, and we are grateful to Governor Walz for signing the bill quickly so we could immediately get this grant program up and running.”

The application period will begin on Tuesday, June 23 and close at 5:00 p.m. on Thursday, July 2 to fulfill the 10-day period required by the law. A randomized, computer-generated lottery process will be used to select eligible businesses that will receive awards. All awards will be administered by qualified local and regionally based nonprofit agencies, and the grant funds can be used for working capital to support payroll expenses, rent, mortgage payments, utility bills, and other similar business expenses.

To be eligible, businesses must have a permanent physical location in Minnesota and be majority owned by a permanent resident of Minnesota. Businesses must be able to demonstrate hardship as a result of the COVID-19 outbreak. Additional eligibility requirements and application information can be found online at DEED’s [Small Business Relief Grants](#) page.

DEED is the state’s principal economic development agency, promoting business recruitment, expansion and retention, workforce development, international trade and community development. For more information about the agency and its services visit the [DEED website](#) or follow [DEED on Twitter](#).

###

Upon request, this information can be made available in alternate formats for people with disabilities by contacting the DEED Communications Office at 651-259-7161.

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DEED is an equal opportunity employer and program provider.

This email was sent to cp.schoenherr@smpa.org using GovDelivery Communications Cloud on behalf of:
Minnesota Department of Employment and Economic Development · 332 Minnesota Street Suite E-200 · Saint
Paul, MN 55101 · (800) 657-3858

GOVDELIVERY 

COVID-19 Preparedness Plan for Princeton Public Utilities

Princeton Public Utilities is committed to providing a safe and healthy workplace for all our workers, customers, and vendors. To ensure we have a safe and healthy workplace, Princeton Public Utilities has developed the following COVID-19 Preparedness Plan in response to the COVID-19 pandemic. We find ourselves in a very fluid and dynamic situation and these operations protocols will adapt as needed.

Managers and workers are all responsible for implementing this plan. Our goal is to mitigate the potential for transmission of COVID-19 in our workplaces and communities, and that requires full cooperation among our workers and management. Only through this cooperative effort can we establish and maintain the safety and health of all persons in our workplaces. The COVID-19 Preparedness Plan is administered by the General Manager, who maintains the overall authority and responsibility for the plan. However, management and workers are equally responsible for supporting, implementing, complying with and providing recommendations to further improve all aspects of this COVID-19 Preparedness Plan. Princeton Public Utilities' managers and supervisors have our full support in enforcing the provisions of this plan. Our workers are our most important assets. Princeton Public Utilities is serious about safety and health and protecting its workers. Worker involvement is essential in developing and implementing a successful COVID-19 Preparedness Plan. Princeton Public Utilities' COVID-19 Preparedness Plan follows the industry guidance developed by the state of Minnesota, which is based upon Centers for Disease Control and Prevention (CDC) and Minnesota Department of Health (MDH) guidelines for COVID-19, Minnesota Occupational Safety and Health Administration (MNOSHA) statutes, rules and standards, and Minnesota's relevant and current executive orders. It addresses:

- ensuring sick workers stay home and prompt identification and isolation of sick persons;
- social distancing – workers should be at least six-feet apart when possible;
- worker hygiene and source controls;
- workplace building and ventilation protocol;
- workplace cleaning and disinfection protocol; and
- communications and training practices and protocol.

Ensure sick workers stay home and prompt identification and isolation of sick persons

Workers have been informed of and encouraged to self-monitor for signs and symptoms of COVID-19. The following policies and procedures are being implemented to assess workers' health status prior to entering the workplace and for workers to report when they are sick or experiencing symptoms.

- Staff members returning from travel are asked a series of questions before re-entering the workplace. This Medical Questionnaire was provided to Princeton Public Utilities by the Princeton Police Department and includes questions pertaining to:
 - o potential close contact with someone with lab-confirmed COVID-19;
 - o description of recent travels;
 - o medical symptoms such as fever with coughing sneezing, or shortness of breath; and
 - o residing within a community where community-based spread of COVID-19 is occurring.
 - o If the individual possesses any of these characteristics, the individual will not be admitted.
- Workers that are sick are expected to contact their supervisor and stay home.

Princeton Public Utilities is working with staff to promote workers staying at home when they are sick, when household members are sick, or when required by a health care provider to isolate or quarantine themselves or a member of their household.

Princeton Public Utilities will inform workers if they have been exposed to a person with COVID-19 at their workplace and require them to quarantine for the required amount of time. In addition, Princeton Public Utilities has a policy that protects the privacy of workers' health status and health information as described in section 2.8: Confidential Information of the Employee Handbook.

Social distancing – Workers must be at least six-feet apart

Social distancing of at least six feet will be implemented and maintained when possible between workers, customers, and vendors in the workplace through the following engineering and administrative controls:

- The utility lobby has defined waiting spaces and occupancy is limited to two customers at a time.
- Staff meetings larger than four people are no longer held in the PUC conference room. When necessary, larger meetings are either held outside (on the facility grounds), in the Power Plant, or in the Line Crew shop garage.

Depending upon the severity, Princeton Public Utilities has adopted the following responses:

Level One

- If anyone feels ill, they are to stay home.
- All facilities, except for the utility lobby, are closed to the public.
- Staff are expected to work their regular shift in the office unless they are able to work remotely.
- All business activities should be done via phone, email, or remote conferencing as much as possible. Contact with outside customers, vendors, and colleagues should be kept to a minimum.
- All disconnects will be suspended until further notice
- All staff are to clean their workspaces and common areas at least twice a day (before lunch and before they leave for the day). This includes, but is not limited to; counter tops, desk surfaces, door knobs, keyboards, keypads, steering wheels, bathrooms, and other spaces typically touched by multiple people.
- All staff should follow the best practices of social distancing and personal hygiene.

Level Two

- All items in Level One
- The lobby will be closed. We will encourage customers to contact us via phone or email. Online bill payments will be strongly promoted and encouraged. Our drop off box will remain open for customers to drop off payments.
- All Water AMI meter replacements will be suspended
- Staff will be divided into two groups and placed on rotating shifts. While one group is in the office working, the other group will remain at home working on as many tasks as they can

remotely (ie. video trainings, paperwork). This will help isolate teams to prevent everyone from falling ill at the same time.

Level Three

- All items in Level One
- All Electric AMI meter replacements will be suspended
- All facilities will be closed to everyone and all staff are to remain home and work as they can on utility business.

Worker hygiene and source controls

Basic infection prevention measures are being implemented at our workplaces at all times. Workers are instructed to wash their hands for at least 20 seconds with soap and water frequently throughout the day, but especially at the beginning and end of their shift, prior to any mealtimes and after using the restroom. Hand-sanitizer dispensers are at entrances and locations in the workplace so they can be used for hand hygiene in place of soap and water, as long as hands are not visibly soiled. The use of facemasks is encouraged. Workers, customers, and vendors are being instructed to cover their mouth and nose with their sleeve or a tissue when coughing or sneezing, and to avoid touching their face, particularly their mouth, nose and eyes, with their hands. Workers, customers, and vendors are expected to dispose of tissues in provided trash receptacles and wash or sanitize their hands immediately afterward. Respiratory etiquette will be demonstrated on posters and supported by making tissues and trash receptacles available to all workers and other persons entering the workplace.

Workplace building and ventilation protocol

Operation of the building in which the workplace is located, includes necessary sanitation, assessment and maintenance of building systems, including water, plumbing, electrical, and heating, ventilation and air-conditioning (HVAC) systems.

Workplace cleaning and disinfection protocol

Regular practices of cleaning and disinfecting have been implemented, including a schedule for routine cleaning and disinfecting of work surfaces, equipment, tools and machinery, vehicles and areas in the work environment, including restrooms, break rooms, lunch rooms, meeting rooms, checkout stations, fitting rooms, and drop-off and pick-up locations. Frequent cleaning and disinfecting is being conducted of high-touch areas, including phones, keyboards, touch screens, controls, door handles, elevator panels, railings, copy machines, credit card readers, delivery equipment, etc. Appropriate and effective cleaning and disinfecting supplies have been purchased and are available for use in accordance with product labels, safety data sheets and manufacturer specifications, and are being used with required personal protective equipment for the product.

Communications and training practices and protocol

This COVID-19 Preparedness Plan was communicated to all workers on June 23rd, 2020. Additional communication and training will be ongoing through Princeton Public Utilities' Safety Committee Meetings and by the Senior Leadership Team to their staff.

Instructions will be communicated to all workers, including employees, independent contractors, subcontractors, vendors and outside technicians about protections and protocols, including:

- 1) social distancing protocols and practices;
- 3) practices for hygiene and respiratory etiquette;
- 4) recommendations regarding the use of masks, face-coverings and/or face-shields by workers, customers, and vendors.

All workers, customers, and vendors will also be advised not to enter the workplace if they are experiencing symptoms or have contracted COVID-19 as determined by the Medical Questionnaire. Managers and supervisors are expected to monitor how effective the program has been implemented. All management and workers are to take an active role and collaborate in carrying out the various aspects of this plan, and update the protections, protocols, work-practices and training as necessary. This COVID-19 Preparedness Plan has been certified by Princeton Public Utilities management and the plan was posted throughout the workplace and made readily available to employees on June 23rd. It will be updated as necessary by the General Manager.

Certified by:

Keith R. Butcher
General Manager

June _____, 2020

Appendix A – Guidance for developing a COVID-19 Preparedness Plan

General

Centers for Disease Control and Prevention (CDC): Coronavirus (COVID-19) – www.cdc.gov/coronavirus/2019nCoV

Minnesota Department of Health (MDH): Coronavirus – www.health.state.mn.us/diseases/coronavirus

State of Minnesota: COVID-19 response – <https://mn.gov/covid19>

Businesses

CDC: Resources for businesses and employers – www.cdc.gov/coronavirus/2019ncov/community/organizations/businesses-employers.html

CDC: General business frequently asked questions – www.cdc.gov/coronavirus/2019-ncov/community/generalbusiness-faq.html

CDC: Building/business ventilation – www.cdc.gov/coronavirus/2019-ncov/community/guidance-businessresponse.html

MDH: Businesses and employers: COVID-19 – www.health.state.mn.us/diseases/coronavirus/businesses.html

MDH: Health screening checklist – www.health.state.mn.us/diseases/coronavirus/facilityhlthscreen.pdf

MDH: Materials for businesses and employers – www.health.state.mn.us/diseases/coronavirus/materials

Minnesota Department of Employment and Economic Development (DEED): COVID-19 information and resources – <https://mn.gov/deed/newscenter/covid/>

Minnesota Department of Labor and Industry (DLI): Updates related to COVID-19 – www.dli.mn.gov/updates

Federal OSHA – www.osha.gov

Handwashing

MDH: Handwashing video translated into multiple languages – www.youtube.com/watch?v=LdQuPGVcceg

Respiratory etiquette: Cover your cough or sneeze

CDC: www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/prevention.html

CDC: www.cdc.gov/healthywater/hygiene/etiquette/coughing_sneezing.html

MDH: www.health.state.mn.us/diseases/coronavirus/prevention.html

Social distancing

CDC: www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html

MDH: www.health.state.mn.us/diseases/coronavirus/businesses.html

Housekeeping

CDC: www.cdc.gov/coronavirus/2019-ncov/community/disinfecting-building-facility.html

CDC: www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/disinfecting-your-home.html

CDC: www.cdc.gov/coronavirus/2019-ncov/community/organizations/cleaning-disinfection.html

Environmental Protection Agency (EPA): www.epa.gov/pesticide-registration/list-n-disinfectants-use-against-sars-cov-2

Employees exhibiting signs and symptoms of COVID-19

CDC: www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/steps-when-sick.html

MDH: www.health.state.mn.us/diseases/coronavirus/basics.html

MDH: www.health.state.mn.us/diseases/coronavirus/facilityhlthscreen.pdf

MDH: www.health.state.mn.us/diseases/coronavirus/returntowork.pdf

State of Minnesota: <https://mn.gov/covid19/for-minnesotans/if-sick/get-tested/index.jsp>

Training

CDC: www.cdc.gov/coronavirus/2019-ncov/community/guidance-small-business.html

Federal OSHA: www.osha.gov/Publications/OSHA3990.pdf

MDH: www.health.state.mn.us/diseases/coronavirus/about.pdf