

**PRINCETON PUBLIC UTILITIES COMMISSION  
REGULAR MEETING  
February 26<sup>th</sup>, 2020 1:00 P.M.**

- 1. Call to Order – Roll Call**
- 2. Approval of Minutes**
  - a. Public Utilities Commission – Regular Meeting – January 22<sup>nd</sup>, 2020
- 3. Public Comment**

*(This agenda section is for the purpose of allowing customers to address the Utility Board. Comments are limited to 3 minutes)*
- 4. Approval of Agenda – Additions or Deletions**
- 5. Approval of Accounts Payable**
- 6. Reports & Correspondence**
  - a. SMMPA Board Meeting (January 9<sup>th</sup>)
    - i. SMMPA Key Metrics
  - b. Electric Department updates
    - i. Generation Plant
    - ii. Distribution System
  - c. Water Department Updates
  - d. City of Princeton update
  - e. General Manager's report
    - i. Residential Rebate Flyer
    - ii. Items from last meeting
      1. Salt purchases
      2. Attorney's letter on PUC independence
      3. South Sub
    - iii. Open Meeting Law information
    - iv. Small Cell Tower Agreement Update
    - v. Ziegler Customer Support Agreement
    - vi. City Assistance Update
- 7. Unfinished Business**
  - a. AMI Conversion Update
  - b. EV Charger Update
- 8. New Business**
  - a. Water SCADA Communication Upgrade quote
  - b. Payroll Contractor
  - c. Add Commissioner Hanson as signatory to banking accounts
  - d. Infrastructure Meeting Proposal
  - e. Commissioner's Siercks' resignation letter
- 9. Adjournment**

## PUBLIC UTILITIES COMMISSION

### REGULAR MEETING

January 22, 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 in Commission Offices, 907 First Street, on January 22, 2020, at 1:00 P.M.

Present: Chairman Mindi Siercks and Commissioners Dan Erickson and Greg Hanson.

Absent: None

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 Councilor Jack Edmonds, Union Times Reporter Tim Hennagir, and PUC customer Rick Schwartz. PUC customer Kevin Gerrard arrived at 2:30 P.M.

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

General Manager Keith Butcher swore in newly elected PUC Commissioner Greg Hanson.

Ms. Siercks moved to appoint Mr. Hanson as Chairman for the 2020 year. Mr. Erickson seconded. Motion carried unanimously.

Mr. Erickson moved to appoint Kathy Ohman as Secretary/Treasurer for the 2020 year. Ms. Siercks seconded. Motion carried unanimously.

Chairman Siercks called for additions or deletions to the agenda. Deletions: New Business: A. SMMPA Member Financial Metrics. Addition as requested by City Councilor Jenny Gerold: Unfinished Business: A. Attending Meetings.

Ms. Siercks made a motion to approve the agenda of the January 22, 2020 Regular PUC Commission Meeting. Mr. Erickson seconded. Motion carried unanimously.

Mr. Erickson moved to approve the Minutes of the December 18, 2019 meeting. Ms. Siercks seconded. Motion carried unanimously.

During Public Comment, Tim Hennagir from the Union Times spoke in regards to the Princeton City Council agenda for the meeting being held January 23, 2020 at 7:00 P.M. On the agenda under 11.1 is Mayor Schumacher's In Lieu of Property Tax Proposal. Tim Hennagir is questioning whether General Manager Keith Butcher or a PUC Commissioner will be attending this meeting to respond to the proposal after it is presented so he could receive some comment on it. General Manager Keith Butcher and PUC Commissioners were not aware it was on the agenda. PUC customer Rick Schwartz stated he has received the proposal himself. City Administrator Bob Barbian stated the proposal is being brought to the Princeton City Council for council discussion.

Princeton Councilor Jack Edmonds thanked the PUC Commission for his participation as Liaison for the past three years. He has appreciated and enjoyed being involved with the PUC Commission.

PUC Commissioner Chairman Greg Hanson thanked Princeton Councilor Jack Edmonds as the liaison for the Princeton City Council for the past three years. He also thanked Princeton Councilor Jenny Gerold for accepting the appointment of Liaison.

Resolution 20-01 RESOLUTION OF THE PUBLIC UTILITIES COMMISSION OF THE CITY OF PRINCETON DESIGNATION OF OFFICIAL DEPOSITORIES for the designation all local financial institutions as well as Northland Trust as official depositories of the Commission for the 2020 year. Ms. Siercks made a motion to accept Resolution 20-01. Mr. Erickson seconded. Motion carried unanimously.

Ms. Siercks moved to designate the *MILLE LACS UNION-TIMES* as the official paper of the Public Utilities Commission for the 2020 year. Mr. Erickson seconded. Motion carried unanimously.

After a discussion started by Princeton Councilor Jenny Gerold on the sand and salt purchases, Mr. Erickson moved to approve the accounts payable listing for the period of December 1, 2019 through December 31, 2019. Ms. Siercks seconded. Motion carried unanimously.

General Manager Butcher reported the following:

- A. The monthly SMMPA Board Meeting was held January 9<sup>th</sup> in Rochester, Minnesota. Discussions at the meeting included the small solar buy back policy, economic development, resource allocation and CapX. SMMPA also presented a 2020 year in review.
- B. In the Generation Plant, they will be running engines tomorrow. The warranty with Caterpillar will be extended on the Cat Engine #7.  
  
In the Electric Department, the line crew has been taking down Christmas decorations, counting inventory and trimming trees. The line crew has installed 174 AMI meters to date.
- C. In the Water Department, the garages have been rearranged for storage and maintenance. They are also installing AMI meters. The Highway 95 water main relocation project will be going out for bids the end of January 2020. This water main relocation also includes additional fire protection on the north side of Princeton.
- D. City of Princeton updates included a discussion on the EV chargers coming. City Administrator Bob Barbian and General Manager Keith Butcher will be working together on site locations for the chargers. There was a question on the Economic Development rebates for commercial customers offered through SMMPA. General Manager Keith Butcher stated SMMPA has not had any participation in this rebate to date. City Administrator Bob Barbian stated the lot where the South Substation is located was approved for the Substation. The PUC is also storing transformers on this lot. Mr. Barbian stated the lot was not approved for storage. He would like the PUC to move the transformers that are stored there and plant a green buffer between the South Substation and residential lots. City Administrator Bob Barbian reported that Connexus is continuing to work on setting up a solar garden in Princeton. This property is located outside the PUC service territory.
- E. General Manager Keith Butcher welcomed Princeton Councilor Jenny Gerold to the PUC

Commission meetings. If she should have any questions, he asked that she contact him.

General Manager Keith Butcher presented a year in review for 2019. He stated he has a great crew working at the PUC. The review was split up by department.

An Energy Savings Tips booklet was also presented to the PUC Commission. This booklet was provided to the PUC by SMMPA and includes tips for both electric and water utilities. They will be available to hand out to customers.

The host agreement contract for the EV chargers is being worked on. At this time, the fast charger has been put on hold. Interest on customer meter deposits is paid annually to customers with the interest being applied to their account. Interest for 2019 was 2.7%. Interest for 2020 which is set by the State of Minnesota Department of Commerce is 1.5%. PUC has had an employee helping the City of Princeton with snow plowing. They also helped the City with digging holes for the pier being installed on the Rum River. There was a discussion on street lighting within the City of Princeton and ownership of street light poles. General Manager Keith Butcher will look into this further.

City Councilor Jenny Gerold brought up the discussion of someone from the PUC Office being more involved with City of Princeton meetings. On Mondays, a management meeting is held weekly. She felt this meeting would be beneficial for department managers of PUC to attend. She also felt the study session meetings held the first Thursday of every month would be of benefit for General Manager Keith Butcher to attend. There was also a discussion on the General Manager attending the City of Princeton meetings quarterly. At this time, no definite decisions were made.

Commission Chairman Greg Hanson had to leave the PUC Commission meeting at 2:45 P.M. unexpectedly. Therefore Resolution 20-02 Minuteman Press Service was tabled for a later date.

City Administrator Bob Barbian left the PUC Commission meeting at 3:00 P.M.

PUC has sponsored a \$500.00 Tom Bovitz Memorial Scholarship to graduating students attending Princeton High School. Students are required to complete an essay on the theme of "Municipal Utilities: Good for all of us" which applies to municipal utilities to be turned in to the PUC by Mid-March. The winning student's essay will be forwarded to Minnesota Municipal Utilities for the state level. Applicants' family must be a PUC customer. Ms. Siercks made a motion to sponsor the \$500.00 Tom Bovitz Memorial Scholarship for 2020. Mr. Erickson seconded. Motion carried unanimously.

The 2019 Audit engagement letter from auditing firm Mayer, Porter & Nelson, Ltd., was presented to the Commission for approval. After a discussion regarding going out for bids in 2021, Mr. Erickson made a motion to retain the services of Mayer, Porter & Nelson, Ltd., Certified Public Accountants, to audit the records of the Princeton Public Utilities for the year ending December 31, 2019 at a fee not to exceed \$10,500.00. Ms. Siercks seconded. Motion carried unanimously.

The Cogeneration and Small Power Production Tariff for 2020 was presented to the PUC Commission. If a PUC customer were considering installing solar or wind power, an agreement with the PUC would be signed. This tariff would be filed with the local utility for approval and execute an interconnection agreement with the utility. As there were no rate changes, the tariff has not changed. Schedule 4 from SMMPA is updated every year. Mr. Erickson made a motion to accept the Cogeneration and Small Power Production Tariff. Ms. Siercks seconded. Motion carried unanimously.

General Manager Keith Butcher reported the Cash Reserve Policy has been established as a guiding principal and documents where the PUC is at currently. This policy sets a good basis to protect the financial health of Princeton Public Utilities. The long term goal in the Electric Department is to have 180 days cash on hand. The discussion going forward will be how we achieve this.

There being no further business, Mr. Erickson made a motion to adjourn the meeting at 3:27 p.m. Ms. Siercks seconded. Motion carried unanimously.

Gregory Hanson  
Chairman

Kathy Ohman  
Secretary

DRAFT

**PRINCETON PUBLIC UTILITIES**

**Accounts Payable Listing**

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

	<u>Vendor</u>	<u>Description</u>	<u>Amount</u>
1	HealthPartners	January Health Insurance	25,240.67
2	Princeton Area Chamber of Commerce	2020 Membership Dues	475.00
3	Sun Life Financial	January Short & Long Term Disability	808.86
4	Unum Life Insurance Company	January Life Insurance	191.19
5	Amaril Uniform Company	FR Rated Clothing	3,122.35
6	Ameripride Linen & Apparel Services	Cleaning Supplies & Services	375.81
7	Blue 42 LLC	New Website Design & Agency Plan	4,925.00
8	Blue Tarp Financial	Hackzall, Impact & Drill Kit	558.00
9	Cannon Technologies	2020 Load Management & AMI Support	5,266.56
10	Card Services (Coborns)	Supplies, Gift Card Christmas Lighting Contest	185.38
11	Dakota Supply Group	Meter Seals	902.41
12	ECM Publishers	Advertising Christmas Lighting Contest	720.50
13	Finken Water Solutions	Bottled Water	30.55
14	Leah Heffley	2019 Local Scholarship Award	250.00
15	Hofman Oil Co.	Monthly Vehicle Fuel	674.91
16	Innovative Office Solutions	Supplies & Office Chairs	1,988.83
17	Instrumental Research, Inc.	Monthly Water Testing	67.00
18	League of MN Cities	2020 Property & Liability Insurance	53,756.00
19	Locators & Supplies, Inc.	Hard Hats & FR Vests	295.39
20	M. Groebner's Construction, Inc.	Replace Service Door	700.00
21	Marv's True Value	Grinding Wheels, Plywood, Supplies	289.87
22	Menards	Fittings & Air Hoses, Motion Sensors, LED Bulbs	743.82
23	Midcontinent Communications	Monthly Internet & Telephone	249.39
24	Minuteman Press	Website Changes, Business Cards, Banner, Plaque, Stamp	627.96
25	NAPA Central, MN	Tools, Oil	169.71
26	Neopost USA, Inc.	2020 Maintenance Agreement	1,883.21
27	Villa Manor	2020 Commercial Rebate	57.91
28	Connie Wangen	Consulting Services	2,662.50
29	Waste Management	Monthly Trash Service	80.95
30	Casey's General Store	2020 Commercial Rebate	2,056.00
31	Verizon Wireless	Monthly Cell Phone	571.00
32	Voyant Communications, LLC	Monthly Telephone	420.96
33	U.S. Bank Equipment Finance	Monthly Copier Lease Payment	182.00
34	U.S. Bank Operations Center	2006 Bond Interest Pymt. & Admin. Fees	5,305.01
35	SMMPA	December Purchased Power	330,537.60
36	Postmaster	Postage for Monthly Billing	770.73
37	1000bulbs. Com	Non-Shunted Lampholders	40.55
38	American Solutions for Business	Utility Bill Paper & Envelopes	615.12
39	Auto Value Princeton	Tow Strap	139.00
40	C. Emery Nelson, Inc.	Fuel Filters & O-Rings	579.27
41	Cardmember Service (Mastercard)	Pelican Box, Rubber Mats, Drill, Oil Filters, Supplies	2,137.18
42	Centerpoint Energy	Monthly Natural Gas	2,700.79
43	City of Princeton	January "In Lieu of Taxes"	4,375.00
44	City of Princeton	December Sewer Billing & Late Charges	111,554.82
45	City of Princeton	Qrtly. Franchise Fee	18,917.00
46	Connexus Energy	Monthly Utilities	1,941.67
47	Crawford's Equipment	Harness	67.93
48	Deputy Registrar	MN Vehicle Registrations	308.00
49	Gopher State One Call	2020 Annual Fee	50.00
50	HealthPartners	February Health Insurance	22,401.21
51	John Henry Foster	Auto Drains	287.67
52	Kriss Premium Products, Inc.	Jacket Water Treatment & Maintenance	500.00
53	McGrann Shea Carnival Straughn	Legal Fees	725.38
54	MN DNR Ecological & Water	2019 Annual Water Appropriations Fee	1,551.18
55	MN Municipal Utilities	Dues, Safety Training	6,186.50
56	NCPERS Group Life Insurance	January Life Insurance	112.00
57	Neopost USA, Inc.	Ink Cartridge	140.00

58	Northland Securities, Inc.	2019 Continuing Disclosure Report	1,500.00
59	Kathy Ohman	Recording Fees	140.00
60	Plastic Products Company	2020 Commercial Rebate	2,288.00
61	Princeton Rental	Coil & Sharpen Chains	80.82
62	Public Utilities Commission	Monthly Utilities	1,818.29
63	Rum River Motel	2020 Commercial Rebate	770.00
64	Safeguard Locksmith	New Lock & Keys	566.00
65	Salvation Army Heat Share	November Heat Share, PUC Matching & 2019/2020 Contribution	134.00
66	Shimmer-N-Shine Maid Service	Office Cleaning	311.39
67	Shred-It USA	Shredding Service	165.46
68	Clara Skeim	2019 Local Scholarship Award	250.00
69	State of Minnesota	2020 Decals Inspection Program	12.00
70	Stuart C. Irby Co.	Safety Equipment, Testing of Gloves & Sleeves	615.83
71	Sun Life Financial	February Short & Long Term Disability	640.78
72	TASC	COBRA Admin. Fees	15.00
73	Unum Life Insurance Company	February Life Insurance	164.69
74	USA Blue Book	Tools	325.03
75	Ziegler, Inc.	Warranty Inspection	1,210.38
76	MN Dept. of Labor & Industry	Engineer License	20.00
77	Delta Dental	January Dental Insurance	1,334.90
78	PERA	December/January PERA Contribution	20,927.47
79	Optum	December H S A Contributions	7,037.01
80	MN Dept. of Revenue	November Sales & Use Tax	23,881.00
81	Credit Card Company	Monthly Credit Card, eCheck Charges	1,715.60
82	Refunds	Customer Meter Deposits	3,515.68
83	Refunds	Overpayment Refunds on Final Bills	1,139.51
84	Rebates	Residential Energy Star Rebates	304.08

TOTAL

693,356.22



## NEWS RELEASE

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For Immediate Release

February 5, 2020

### **SMMPA plans to be 80% carbon-free in 2030**

*Agency will reduce CO2 emissions by 90% over 2005 levels*

Southern Minnesota Municipal Power Agency (SMMPA) today announced its plan to reshape its generation portfolio through the retirement of the Sherco 3 coal-fired power plant and replace it primarily with wind and solar generation. The plan would result in a 90% reduction in CO2 emissions from 2005 levels and 80% carbon-free energy on an annual basis in 2030. "We have a unique opportunity to reimagine SMMPA and are excited to take the Agency in this new direction," said Dave Geschwind, Executive Director and CEO. "We will be taking our commitment to sustainability to a new level while maintaining our legacy of reliability and affordability."

SMMPA currently owns 41% of the 900-megawatt Sherco 3 coal-fired generating unit located in Becker, Minnesota. Sherco 3's majority owner, Xcel Energy, announced plans in 2019 to retire the plant in 2030. SMMPA expects all its outstanding debt on Sherco 3 will be paid off in 2027.

Natural gas and other non-coal fossil-fueled generation will continue to play an important role in maintaining reliability for SMMPA's members. The Agency expects these facilities to provide a relatively small percentage of its energy needs on an annual basis, but to continue to facilitate the increase in intermittent renewable resources, like wind and solar, while maintaining reliability and affordability.

"SMMPA's member communities support this strategic initiative to reduce carbon emissions," said Joe Hoffman, SMMPA Board President and Preston Public Utilities general manager. "We are excited about capturing this opportunity to address important environmental objectives while maintaining an affordable energy supply."

Geschwind cautions that there are still important decisions to be made. "While we are optimistic that technological breakthroughs are on the horizon, the cost of achieving the last 10-20% reduction in carbon emissions in the power sector is currently projected to be prohibitively high with today's technology. We believe society will need to evaluate whether further reductions beyond 80% in this sector are the most economical and practical path to deep carbon reductions economy-wide."

# more #

SMMPA plans to be 80% carbon-free in 2030

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In outlining its strategic direction, SMMPA also highlighted the potential of beneficial electrification in applications like electric vehicles (EV) as well as energy efficiency to be important elements of meeting societal sustainability goals.

In November 2019, SMMPA announced plans to create an “EV Charging Network” connecting its member communities. SMMPA’s energy efficiency programs have been recognized four times with ENERGY STAR® Awards from the Environmental Protection Agency.

Geschwind says SMMPA will need the support of the member communities, elected officials and SMMPA staff to successfully implement the plan. He also urges policymakers to provide utilities with flexibility and to resist one-size-fits-all mandates where there is clear evidence the industry is already moving to meet public policy goals.

SMMPA understands this transformation will not happen overnight and will not be easy. Nonetheless, the Agency says it will strive to keep its rates competitive and limit wholesale rate increases to levels at or below the rate of inflation during the transition.

As it launches this strategic initiative the Agency labels as “SMMPA 2.0”, it is adopting a new logo and tag line - “Your Partner for a Bright Energy Future.”

“We are proud of our past and honor the successes achieved by SMMPA for the forty years we’ve been in existence,” said Geschwind. “We are building on that legacy but also recognize this is a turning point for our organization. The new logo and tag line capture that spirit and our excitement as we begin this new strategic journey.”

To learn more about SMMPA’s strategic initiative, please see [www.smmpa.com/SMMPA2.0](http://www.smmpa.com/SMMPA2.0)

### **About SMMPA**

SMMPA provides electricity and related services to 18 municipally operated utilities, mostly in south-central and southeastern Minnesota. For more information about SMMPA, please visit [www.smmpa.com](http://www.smmpa.com).

### **Media Contact:**

Chris Schoenherr, Southern Minnesota Municipal Power Agency

Office: (507) 292-6440

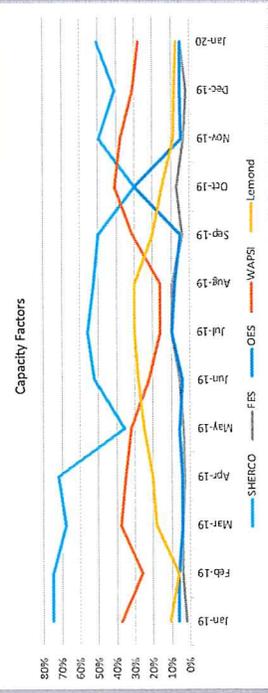
[cp.schoenherr@smmpa.org](mailto:cp.schoenherr@smmpa.org)

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# SMMPA Key Metrics

February 2020

## PLANT OPERATIONS Performance Metrics

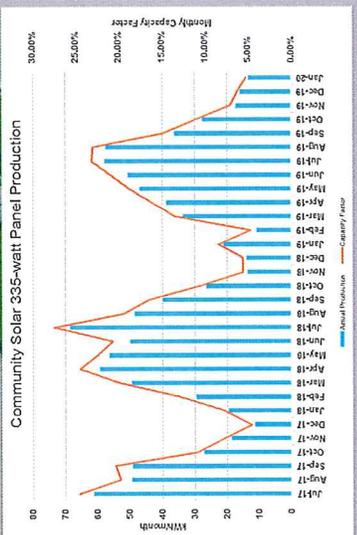


## Availability Metrics

For January 2020

Metric	FES January	OES January	MORA LFG January
Availability	95%	96%	0%
Industry Average Availability	92%	92%	N/A
Forced Outage	6%	0%	100%
Industry Average Forced Outage	6%	6%	N/A

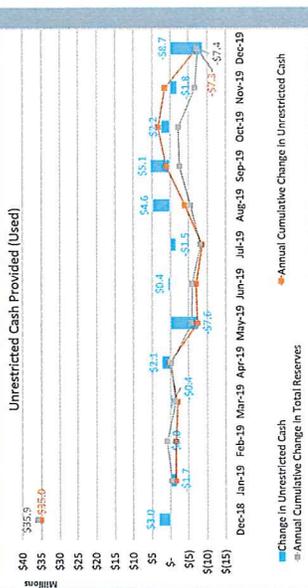
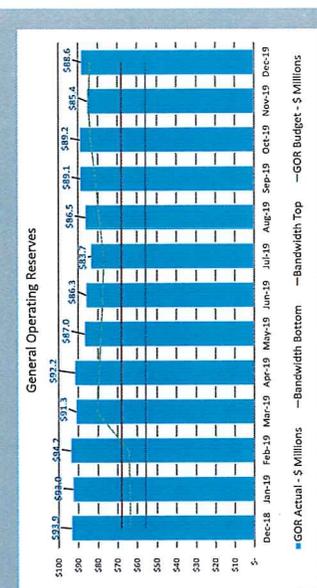
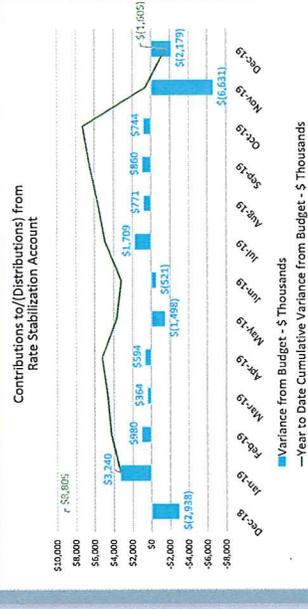
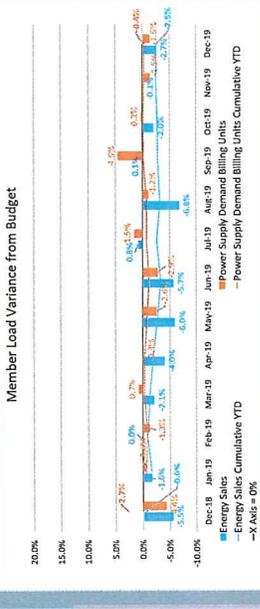
## Solar Production Metrics



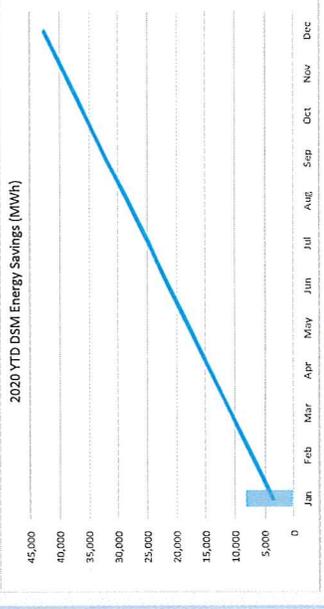
Number of working days since the last time accident

**1185**  
(through 1/31/20)

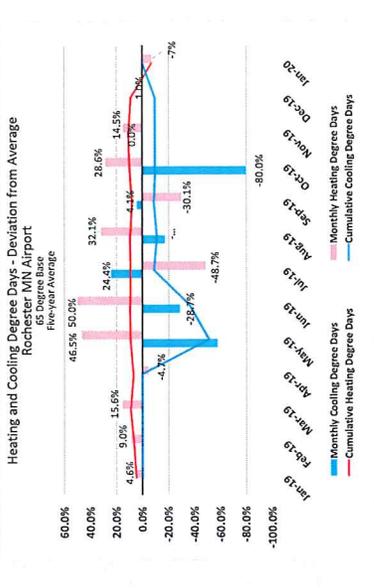
## FINANCIAL Performance Metrics



## ADDITIONAL Metrics



Since 2005, we've avoided 6.3 million tons of greenhouse gas emissions, which is equivalent to nearly 85,000 tanker-trucks worth of gasoline.



2019 HEALTHIEST EMPLOYERS HONOREE

SMMPA was one of the 2019 honorees for the Healthiest Employers of Minnesota as awarded by the Springbuk Health Intelligence Platform. The Agency, which ranked #5 among companies under 500 employees, was honored for their commitment to employee health and corporate health.

**MCGRANN SHEA CARNIVAL STRAUGHN & LAMB, CHARTERED**

**ATTORNEYS AT LAW**

WILLIAM R. MCGRANN  
DOUGLAS M. CARNIVAL  
KATHLEEN M. LAMB  
JOHN R. SCHULZ  
BRIAN L. SOBOL  
SCOTT B. CROSSMAN  
CARLA J. PEDERSEN

ROGER J. STELLJES  
JEFFREY C. URBAN  
KATHLEEN MICHAELA BRENNAN  
CARL S. WOSMEK  
AMY L. COURT  
CHRISTY E. LAWRIE

CURT N. TRISKO  
  
OF COUNSEL  
ROBERT O. STRAUGHN  
PETER L. COOPER  
  
ANDREW J. SHEA  
(1938-2018)



February 11, 2020

Keith Butcher  
General Manager  
Princeton Public Utilities  
907 First Street  
Princeton, MN 55371

Re: Independence of a Municipal Utilities Commission  
Our File No.: 63052-004

Dear Mr. Butcher:

You asked me to briefly summarize the legal authorities concerning the independence of a municipal utilities commission from a city council.

As you know, a municipal utilities commission enjoys substantial powers under Minnesota Statutes, Chapter 412 and 453. Section 412.361 lists a number of express powers, including:

- the "power to extend and to modify or rebuild any public utility and to do anything it deems necessary for its proper and efficient operation" (subd. 1);
- the "power to employ all necessary help for the management and operation of the public utility, prescribe duties of officers and employees and fix their compensation." (subd. 2);
- the "power to buy all fuel and supplies, and it may purchase wholesale electric energy, steam heat, hot water energy, gas or water, as the case may be, for municipal distribution." (subd. 3); and
- the "power to fix rates and to adopt reasonable rules and regulations for utility service supplied by the municipally owned public utilities within its jurisdiction." (subd. 4).

Keith Butcher  
February 11, 2020  
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In addition, the Minnesota Supreme Court has long emphasized the importance of maintaining the independence and autonomy of a municipal utilities commission, particularly in matters relating to rates.

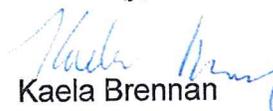
The purpose was to create a . . . commission . . . and to clothe it with exclusive authority, acting by itself, and independently of the city council, or mayor, to operate, control and manage a city water and light plant. This authority is expressed in clear and unambiguous language and effectually creates a department of village or city government responsible only to the people. No revisory control is vested in the council or mayor. . . . *State ex rel Briggs v McClraith*, 129 N.W. 377, 378 (Minn. 1911) (emphasis added).

The Minnesota Supreme Court later emphasized in strong terms the intent for a utilities commission to be independent from a city council. *State ex rel Chisholm v Borgeran*, 194 N.W. 624 (Minn. 1923) (stating “[t]he duties and powers of the commission emphasizes the legislative intent to create a body free from any coercion or control by the village council. . . . free from the baneful influences which so often result from the frequent changes of the political complexion of an elective village council.”).

Finally, a municipal utilities commission is also statutorily treated quite differently from other city departments. The city may not sell its utilities unless the utilities commission concurs in a proposal by the city council, and ultimately that action must receive approval by two-thirds of the city electors. Minn. Stat. § 412.321, subd. 4. And a commission may not be abolished or its jurisdiction reduced by the city council without approval by the electors. Minn. Stat. § 412.391.

In conclusion, the Legislature empowered a municipal utilities commission to operate, control, and manage its utilities – independent from the city council. The Minnesota Supreme Courts has stressed this independence from the city council.

Sincerely,

  
Kaela Brennan



## PRINCETON PUBLIC UTILITIES COMMISSION

Electricity — Water

907 FIRST STREET / PO BOX 218 / PRINCETON, MN 55371-0218  
TEL: 763-389-2252 / FAX: 763-389-2273

### LICENSE AGREEMENT

**THIS LICENSE AGREEMENT** (“Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2020, by and between \_\_\_\_ (entity name) \_\_\_\_\_, located at \_\_\_\_ (address) \_\_\_\_\_ (“Licensor”) and Princeton Public Utilities, a Minnesota municipal utility located at 907 1st Street, Princeton Minnesota 55371 (the “Utility”) (each a “Party” and collectively the “Parties”).

### RECITALS

Licensor operates a (nature of business) \_\_\_\_\_ and Utility has requested Licensor to grant a license to Utility to use that portion of the Licensor’s parking lot designated as the “License Area” on Exhibit A attached hereto for the limited purpose of installing and operating an electric vehicle charging station. Licensor has agreed to grant such a license and provide a location, parking, and access to the electric vehicle charging station under the terms of this Agreement.

**NOW, THEREFORE**, in consideration of the Recitals and the agreements contained herein, Licensor and Utility agree as follows:

1. License. Licensor hereby grants to Utility, subject to the terms and conditions of this Agreement, an exclusive license (the “License”) the right and privilege to install, maintain, repair, replace, operate, and use a Level 2 electric vehicle charger and related equipment (the “Equipment”) in the License Area. Licensor shall designate two parking spaces adjacent to the Equipment for use of the Equipment (“Parking”).

2. No Interest in License Area. Utility acknowledges and agrees that this Agreement does not grant Utility any estate or other interest in the License Area or any part thereof, except the License expressly described herein.

3. Indemnity; Limitation of Liability. Licensor does not warrant that the License Area is suitable for the purposes for which it is permitted to be used under this Agreement. Licensor shall not be responsible or liable for, and Utility shall defend, indemnify, and hold harmless Licensor and any officers, agents, and employees of Licensor, from any claim, demand, liability, judgment, award, fine, lien, loss, damage, expense, charge, or cost of any kind or character (including reasonable attorneys’ fees and court costs) arising directly or indirectly from Utility’s use of the License Area, including, without limitation, claims arising from any injury or damage to the person or property of Licensor or any other person in or about the License Area where the injury or damage is caused by the negligence or misconduct of Utility, its agents, employees, or contractors. Neither Party shall be liable to the other for punitive, indirect, exemplary, consequential,

or incidental damages arising in connection with this Agreement, and each Party hereby waives its right to claim any such damages. This Section 3 shall survive expiration or termination of this Agreement.

4. Utility Duties and Responsibilities.

a. **Equipment.** Utility is responsible for all costs associated with the acquisition, installation, maintenance, repair, use, operation, and/or removal of the Equipment.

b. **Maintenance.** Utility acknowledges that the License Area is in good order, condition and repair, and agrees that its use of the License Area will comply with all applicable laws, rules, and regulations and that Utility shall maintain the License Area in a similar condition that the License Area is in on the date hereof, and not commit any nuisance or waste on the License Area. Utility shall use commercially reasonable efforts to maintain (or arrange maintenance of) the Equipment in working order and good repair.

c. **Fees.** Utility shall have the exclusive authority to determine the means, methods, receipt, and use of any fees for use of the Equipment.

d. Utility shall refrain from any marketing, notices, or advertising on the Equipment that could reasonably be expected to be in competition with or limit use of Licensor's business.

5. Licensor Duties and Responsibilities. During the term of this Agreement, Licensor shall:

a. allow the Equipment to remain at the License Area and permit Utility access to the Equipment to enable Utility to install, operate, and maintain the Equipment;

b. designate and maintain the dedicated Parking adjacent to the Equipment;

c. maintain continuous freedom of access to the Equipment and the Parking, including commercially reasonable ingress and egress to the Parking, daily snow clearance (as applicable) and maintenance of the parking lot surface in a similar fashion as the Licensor's surrounding parking area; and

d. refrain from entering into any agreement or arrangement with any other person to provide electric vehicle charging services at, adjacent to, or near the premises, or otherwise take any action that could reasonably be expected to limit use of the Equipment.

6. Compliance with Laws. The Parties shall not commit or permit any act to be performed on the License Area or omission to occur which will be in violation of any statute, regulation, or ordinance of any governmental body or which will be in violation of any insurance policy carried on the License Area by Licensor.

7. Assignability and Transfer. This Agreement and the License herein granted, may not be assigned or transferred to any third party by Utility without the prior written approval of Licensor. Before assigning or transferring its rights under this License Agreement to a third party, Utility shall offer to Licensor the right to acquire the Equipment. This Agreement shall run with

the title to the Licensed Area and shall automatically be transferred to the new owner if ownership of the License Area changes.

8. Term and Termination. This License shall be for an initial term of ten (10) years, beginning on the date first written above and may only be terminated during the initial term by Utility or by written agreement of the Licensor and Utility. Following the initial term, this License shall remain in effect until terminated by either Party. Licensor may terminate this Agreement after the initial term upon ninety (90) days written notice to Utility. Utility may terminate this Agreement at any time, upon written notice to Licensor. Utility shall remove all of the Equipment from the License Area and return the License Area to its existing condition by the effective date of a termination.

9. Miscellaneous Provisions.

a. Notice Addresses. All notices shall be sent by registered or certified mail addressed as follows:

Licensor:

Utility:                   Princeton Public Utilities  
                                  Attn: General Manager  
                                  907 1st Street  
                                  Princeton, MN 55371

Either Party may, by such notice, designate a new or other address to which notice may be mailed.

b. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Minnesota. If any provision is deemed illegal or invalid for any reason, such provision shall not affect the validity of the remainder of this Agreement.

c. This Agreement and the documents referred to herein constitute the entire agreement and understanding of the Parties relative to the subject matter hereof. Headings are provided for convenience and do not form part of the Agreement.

d. This Agreement may not be amended or modified, except by the written agreement of each Party.

e. Nothing contained in this Agreement shall create any relationship between the Parties other than that of licensor and licensee. The Parties disclaim any intention to create a joint venture, partnership, or agency relationship.

f. This Agreement may be executed in any number of counterparts, and each such executed counterpart shall be deemed to be an original instrument, but all such executed counterparts together shall constitute one and the same agreement. Facsimile or PDF counterpart signatures to this Agreement shall be acceptable and binding.

**IN WITNESS WHEREOF**, the parties have executed and delivered this Agreement as of the date first written above.

**LICENSOR:**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**PRINCETON PUBLIC UTILITIES:**

By: \_\_\_\_\_

Its: Chair

By: \_\_\_\_\_

Its: General Manager

**EXHIBIT A**

**Depiction of the License Area**



Total Control Systems, Inc  
 38841 Nyman Drive NE  
 PO Box 40  
 Stanchfield, MN 55080-0040  
 Phone 320-396-4442 / Fax 320-396-4443

February 10th, 2020

To: Scott Daniels

Re: Princeton, MN. – Water Tower Cradlepoint Devices

**Total Control Systems, Inc. (TCS)** proposes the following equipment for the City of Princeton Water Towers. TCS proposes supplying, installing & configuring a Cradlepoint IBR600C device for all 3 water towers. This will allow for a redundant communication path for SCADA to each WTP directly. Currently all communication is dependent on WTP #1. This addition will also allow remote access for troubleshooting and modifications to be made by TCS when customer requests. This ability will decrease downtime and service costs.

Qty. 3 Verizon Cradlepoint IBR600LPE  
 Qty. 6 Verizon Cradlepoint IBR600LPE antennae  
 Qty. 6 Cradlepoint IBR600LPE 6' antennae cables

Includes:  
 Install & configure all hardware & software  
 Verify all SCADA Functions  
 Training

**Total Cost: \$4,872.93 (NO Tax Included)**

**NOTE: Monthly Verizon service NOT included, this is a customer responsibility.  
 TCS advises Verizon Unlimited GB/Month plans for EACH site at \$39.99/month Government rate per site.**

Does not include:

1. Added control functions not listed

- Sales tax exempt, City to supply exemption certificate
- Terms are Net 30 days from invoice date. No retainage allowed. A 1.5% charge per month added to any past due balance. Price may be dependent on past credit history.
- This quote/proposal valid for 60 days.
- Work to commence after receipt of an acceptable written purchase order acknowledging acceptance of our terms.
- F.O.B. **job-site**.
- Start-up service/training, documentation and equipment adjustment is included as specified.
- TCSI does not accept any liquidated damages.
- ALL PANELS FURNISHED BY TCS WILL HAVE A UL 508 SERIALIZED OR UL698A ENCLOSED INDUSTRIAL CONTROL PANEL RELATING TO HAZARDOUS LOCATIONS WITH INTRINSICALLY SAFE CIRCUIT EXTENSIONS LABEL, AS REQUIRED.

If you have any questions regarding our proposal, please contact our office. We look forward to working with you on this project.

Sincerely,  
**TOTAL CONTROL SYSTEMS, INC.**

Kraig LaFreniere  
 KL/lb

# Infrastructure Meeting Concept

*Developed by: Keith Butcher*

*Date: January 28<sup>th</sup>, 2020*

## Background

It is the desire of all parties to continue to encourage effective communications between the staff of the City of Princeton (City) and the staff of Princeton Public Utilities (PPU). Both entities are responsible for meeting the infrastructure needs of the community but are functionally and financially separate organizations. Each organization is led by a different individual, the City Administrator for the City of Princeton and the General Manager for Princeton Public Utilities.

The situation that we find ourselves in today is different from the situation that existed years ago when other formats were originally implemented. New times require new ideas and new approaches. In the spirit of partnership and collaboration, Princeton Public Utilities proposes a restructuring of the existing communication structure with the City of Princeton as it relates to day-to-day operations focusing on the community's infrastructure needs.

## Proposal

With two functionally independent entities an effective and collaborative approach would be to hold a joint meeting that is run and managed by co-chairs.

## Management

The co-chairs would be the City Administrator and the General Manager. Both would assist in setting the agenda, taking notes, reporting minutes, and guiding the discussion. They would be equals working together to move the meeting forward and encourage collaboration and accountability.

## Attendants

Since the primary purpose is to focus on the infrastructure needs of the community, the attendees will consist of the Department Heads for each organization responsible for infrastructure. This would include the Director of Public Works (City), Wastewater Treatment Manager (City), Water Superintendent (PPU), and Electric Superintendent (PPU).

## Meetings

Monthly, or semi-monthly, meetings would be the most appropriate. In the beginning, semi-monthly meetings would help establish a communication channel and allow staff to build stronger relationships. As the process matures (and during busy construction times) meetings may be reduced to once a month. It is the recommendation that these meetings occur at least once a month.

## Location

In order to foster collaboration, partnership, and dialogue, the location of the meetings will flip between the City of Princeton and Princeton Public Utilities – each being afforded the opportunity to host the other.

Princeton City Council  
705 Second Street North  
Princeton, MN 55371

Dear Mayor and Council Members,

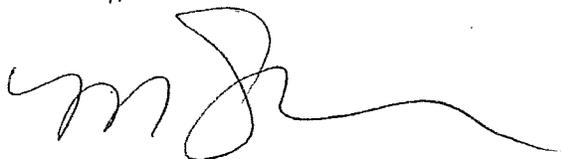
This is not easy for me but with this notice I am informing you that I will be resigning my position as Commissioner of the Princeton Public Utilities Commission. In the interest of operational continuity, I will maintain my position until a successor can be appointed. However, it is my intention to resign effective March 31, 2020, or sooner if a replacement can be approved.

I am resigning due to personal reasons. Although I had considered resigning sooner, the utility has been going through a significant transition and I felt it necessary to stay on and assist in any way that I could. In the last year we have welcomed two new commissioners, a new General Manager, a new Electric Superintendent, and a new Council liaison. I leave knowing that I have accomplished my goal, ensuring that Princeton Public Utilities continues to provide safe and reliable electricity and water to the community at competitive costs. I leave with no regrets and I'm proud of the accomplishments of this utility and its staff over the years. As an advocate for public power, I believe the community benefits when it has a voice in how its electric and water services are provided while insulating ratepayers from political whims.

We now find ourselves in a forward thinking environment with committed individuals working hard to provide comprehensive services to the community. I leave knowing that the utility is in good hands. The Commission is fully aware of the impacts of rate increases on the community while the General Manager is interested in providing 21<sup>st</sup> century services to the community all the while navigating a fluid and evolving electricity market. Princeton should be proud with how the community has rallied together for the common good.

The best is still yet to come and I am excited to see what lies ahead.

Sincerely,

A handwritten signature in black ink, appearing to be 'Mindi Siercks', written in a cursive style.

Mindi Siercks

CC: PUC General Manager