



UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, November 27, 2023 at 9:00 AM

Power Plant - 300 East Main St

-
1. **CALL TO ORDER**
 2. **APPROVAL OF AGENDA**
 3. **APPROVAL OF MINUTES**
 - [a.](#) October 30, 2023, Utilities Meeting Minutes
 4. **UTILITY AND SMMPA BILLS**
 - [a.](#) Approval of accounts payable in the amount of **\$126,436.69** and the SMMPA billing of **\$428,039.47**.
 5. **FINANCIAL REPORTS**
 - [a.](#) Investment Report
 - [b.](#) Financial Report
 - [c.](#) Water and Kilowatt Hours Sales
 6. **PFAS LITIGATION RETAINER AGREEMENT**
 - [a.](#) Lockridge Grindal Nauen P.L.L.P.
 7. **APPROVE THE SALE OF SURPLUS PROPERTY**
 - [a.](#) 2000 Ford F-250 Truck
 8. **SMMPA BOARD OF DIRECTORS MEETING**
 - [a.](#) October 13, 2023
 9. **GENERAL MANAGER'S REPORT**
 10. **OTHER BUSINESS**
 11. **ADJOURNMENT**

NEXT COMMISSION MEETING – Wednesday, December 27, 2023



UTILITIES COMMISSION MEETING MINUTES

City of New Prague

Monday, October 30, 2023 at 3:30 PM

Power Plant - 300 East Main St

1. CALL TO ORDER

The meeting was called to order by Commission President Dan Bishop on Monday, October 30, 2023, at 3:30 p.m.

Commissioners present: Dan Bishop, Dick Jordan, and Bruce Wolf

Commissioners absent: Paul Busch and Tom Ewert

Staff present: GM Bruce Reimers, EOS Ken Zweber, and Finance Director Robin Pikal

2. APPROVAL OF AGENDA

Motion made by Commissioner Jordan and seconded by Commissioner Wolf to approve the agenda.

Motion carried (3-0).

3. APPROVAL OF MINUTES

a. September 25, 2023, Utilities Meeting Minutes

Motion made by Commissioner Wolf, seconded by Commissioner Jordan, to approve the September minutes. Motion carried (3-0).

4. UTILITY AND SMMPA BILLS

a. Approval of accounts payable in the amount of **\$584,724.92** and the SMMPA billing of **\$543,660.78**.

Motion made by Commissioner Jordan, seconded by Commissioner Wolf, to approve the SMMPA and utility bills. Motion carried (3-0).

5. FINANCIAL REPORTS

a. Investment Report

b. Financial Report

c. Water and Kilowatt Hours Sales

Commissioner Ewert joined the meeting at 3:37 p.m. A motion was made by Commissioner Ewert and seconded by Commissioner Bishop to approve the financial reports as presented. Motion carried (4-0).

6. REVIEW AND APPROVAL OF 2024 BUDGETS AND RATES

a. Electric

GM Reimers and Finance Director Robin Pikal presented the 2024 proposed electric budget and rates. After review and answering some questions on portions of the budget, a motion was made by Commissioner Jordan and seconded by Commissioner Wolf to approve the 2024 water budget rates as presented. Motion carried (4-0).

b. Water

GM Reimers and Finance Director Pikal presented the 2024 proposed water budget and rates. After review and answering some questions on portions of the budget, a motion was made by Commissioner

Jordan and seconded by Commissioner Wolf to approve the 2024 water budget and rates as presented. Motion carried (3-0).

7. APPROVAL OF LIABILITY COVERAGE WAIVER FORM

a. Liability Coverage Waiver Form

Motion made by Commissioner Bishop and seconded by Commissioner Wolf to approve the liability coverage waiver. Motion carried (3-0).

8. SMMPA BOARD OF DIRECTORS MEETING

a. September 13, 2023

Informational only; no action taken.

b. October 13, 2023

GM Reimers informed the commission on the following:

- SMMPA staff informed members that SMMPA will be looking to add more member generation in the next few years and that all members who are interested in adding generation to their fleet should let SMMPA know by the first of the year. GM Reimers advised SMMPA that New Prague would be interested in adding generation to the New Prague system.
- New Prague was voted in for another four-year term as a board member.

9. GENERAL MANAGER'S REPORT

GM Reimers informed the commission on the following:

- The 10th Avenue water main project has been completed and restoration of the area should be completed by the end of October.
- The electric department is working on several projects and trying to get them completed before winter.

10. OTHER BUSINESS

None.

11. ADJOURNMENT

A motion made by Commissioner Jordan, seconded by Commissioner Wolf, to adjourn the October 30, 2023, meeting at 5:14 p.m. Motion carried (3-0). Commissioner Ewert had to leave early at 4:30 p.m.

NEXT COMMISSION MEETING - Monday, November 27, 2023

Respectfully Submitted,

Bruce Reimers
General Manager

Vendor Name	Net Invoice Amount
ACE HARDWARE & PAINT	
SUPPLIES	\$15.98
AMAZON CAPITAL SERVICES	
AMAZON PRIME	\$39.78
OFFICE SUPPLIES	\$68.98
BEVCOMM	
TELEPHONE	\$156.48
BRYAN ROCK PRODUCTS INC.	
CLASS 5	\$519.12
CENTERPOINT ENERGY	
NATURAL GAS	\$17.84
GOPHER STATE ONE CALL	
LINE LOCATES	\$66.83
LAKERS NEW PRAGUE SANITARY	
TRASH - ELECTRIC	\$35.40
TRASH - POWER PLANT	\$174.75
TRASH - WATER	\$35.40
MED COMPASS	
HEARING & FIT TESTING	\$413.13
METRO SALES INC	
COPIER LEASE	\$166.08
NEON LINK	
ONLINE PAYMENT FEES	\$532.22
ONLINE PAYMENT FEES - LAKERS	\$7.49
NEW PRAGUE UTILITIES	
ELECTRIC UTILITIES	\$1,009.59
WATER UTILITIES	\$32.64
RIVER COUNTRY COOP	
DIESEL GEN #7	\$468.75
ROSS NESBIT AGENCIES INC.	
AGENCY FEE	\$745.20
SUEL PRINTING	
POWER PLANT OPERATOR	\$408.00
US BANK CREDIT CARD	
AWWA CONFERENCE	\$1,708.80
BOB - TRAINING	\$300.00-
BRUCE - CHAIR	\$499.99
BUSINESS CARDS	\$48.31
CURB STOP EXTENSION	\$177.75
FIBER CONNECTORS	\$85.90
MEETING SUPPLIES	\$24.07
MMUA SUMMER CONFERENCE	\$1,102.29
OIL SAMPLES	\$14.07
PLANT DRIVEWAY	\$1,199.61
RP3 APPLICATION	\$600.00
SALT	\$90.82
SALT, CONCRATE STAKES	\$304.43
STEEL	\$54.66
WATER SAMPLES	\$27.19
WIRING HARNESS	\$155.28
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$1,015.95
VERIZON WIRELESS	
IPADS	\$155.12
TELEPHONE	\$1,243.37
VETERAN SHREDDING	
CONTRACTED SERVICES	\$17.00

Section 4, Item a.

Vendor Name	Net Invoice Amount
VOYAGER FLEET SYSTEMS	
FUEL CREDIT	\$2.67-
MOTOR FUELS	\$2,195.46
WASHA TRUCKING SERVICES INC	
HAULING- CLASS 5	\$345.00
WM. MUELLER & SONS INC.	
ASPHALT WAREHOUSE	\$120.00
Grand Total	\$15,796.06

Vendor / Description	Invoice Amount
212 EQUIPMENT	
HD ROOT GRAPPLE	\$2,980.31
ACE HARDWARE	
SUPPLIES	\$110.36
AMAZON CAPITAL SERVICES	
COMPUTER CHARGER	\$12.99
ENCLOSURE	\$98.99
FLAP DISC	\$77.58
FOOT REST	\$22.88
MONITOR STAND	\$49.99
POWER PLANT DOOR PARTS	\$485.00
AMERICAN TEST CENTER	
BUCKET TRUCK TESTING	\$1,680.00
ARVIG ANSWERING SOLUTIONS	
ANSWERING SERVICE	\$211.92
BORDER STATES ELECTRIC SUPPLY	
ELBOW, 4" 90 DEG MED RADIUS	\$78.56
FUSE, 10AMP TIME DELAY FLM-10	\$114.10
CANNON TECHNOLOGIES INC	
16S CL200 RF ELA3T	\$4,800.64
ELECTRIC METER REPAIR	\$112.50
CENTERPOINT ENERGY	
NATURAL GAS	\$2,418.76
CENTRAL FIRE PROTECTION	
FIRE EXTINGUISHER INSPECTION	\$370.50
CORE & MAIN	
FULL CIRCLE REPAIR CLAMP 10 X 20	\$570.15
VALVE BOX TOP SECT 26T	\$309.51
DGR ENGINEERING	
EAST SUB RTU	\$8,084.50
EGAN COMPANY	
PLC REPLACEMENT	\$27,250.00
FASTENAL COMPANY	
RED MARKING PAINT	\$294.50
FERGUSON ENTERPRISES LLC #1657	
BUTTERFLY VALVES	\$1,318.40
GRAINGER	
FUEL TANK GAUGE	\$62.28
TIRE MOUNTING LUBRICANT	\$59.92
HAWKINS INC	
CHLORINE EJECTOR	\$450.00
LAKER'S NEW PRAGUE SANITARY	
OCTOBER REFUSE BILLING FEE	-\$532.20
OCTOBER REFUSE REIMBURSEMENT	\$15,239.02
MACH LUMBER COMPANY	
JOB #15 MVE	\$176.65
PLANT DRIVEWAY	\$314.45
MCMASTER-CARR SUPPLY CO	
BOLTS	\$24.59
PRESSURE GAUGE	\$37.13
MN DEPT OF LABOR AND INDUS	
PRESSURE VESSEL	\$50.00
MN MUNICIPAL UTILITIES ASSOC	
JT&S TRAINING	\$787.50
MN VALLEY ACTION COUNCIL	
LOW INCOME REBATE - ASHELY MEYER	\$999.35
LOW INCOME REBATE - ROBERT RYAN	\$75.00

Vendor / Description	Invoice Amount
POLLARDWATER	
LOCATOR	\$2,173.23
R & R METALWORKS INC	
METAL	\$125.00
RIVER COUNTRY CO-OP	
DIESEL FUEL	\$2,043.23
SAFETY SIGNS	
WATER MAIN BREAK - 7TH ST	\$139.40
SALTCO	
MONTHLY SALT FEE	\$35.00
Schweitzer Engineering Laboratories Inc.	
SEL-3530 RTAC - 3530#KJH2	\$7,146.26
SEH	
10TH AVE WATER MAIN	\$800.15
SOUTH SUBURBAN ASPHALT	
407 7TH ST NW - REPAIR	\$8,950.00
STAR GROUP LLC.	
10TH AVE WATER MAIN	\$11.18
SILICONE	\$40.64
SUEL PRINTING	
ENVELOPES	\$1,070.84
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$140.80
UTILITY CONSULTANTS	
SAMPLES	\$90.24
WATER CONSERVATION SERVICES INC.	
LEAK LOCATE - LEXINGTON	\$419.07
WESCO RECEIVABLES CORP.	
METER SOCKET HQ-13T	\$1,163.56
POLE, ALUM 24.8 FEET, VALMONT	\$15,900.00
VT PACK 2.5 1 W/HARNESS	\$1,196.20
Grand s	<u>\$110,640.63</u>



Southern Minnesota Municipal Power
Agency
500 First Ave SW
Rochester MN 55902-3303
United States

Power Sales Contract
#INV1148
10/31/2023

Bill To
New Prague Municipal Utilities
118 N Central Avenue
New Prague MN 56071
United States
Due Date: 11/27/2023

BILLING PERIOD	kWh	kW	DATE / TIME
Oct 2023	5,407,912	12,378	Oct 2, 2023 5:00:00 PM
SOLAR PRODUCTION	0	0	
TOTAL	5,407,912	12,378	
BASE RATE BILLING DEMAND CAP	N/A	0	
SUMMER SEASON BASE RATE DEMAND	N/A	15,667	Aug 23, 2023 5:00:00 PM
BASE RATE RATCHET DEMAND	N/A	11,594	Aug 23, 2023 5:00:00 PM

Description	Quantity	Rate	Amount	TOTAL
BASE RATE POWER SUPPLY				
Demand Charge (kW)	12,378	\$10.95	\$135,539.10	\$135,539.10
On Peak Energy Charge (kWh)	2,569,390	\$0.06431	\$165,237.47	\$165,237.47
Off Peak Energy Charge (kWh)	2,838,522	\$0.04808	\$136,476.14	\$136,476.14
Cost Adjustment (kWh)	6,153,035	\$-0.008474	\$-52,140.82	\$-52,140.82
BASE RATE SUBTOTAL				\$385,111.89
TRANSMISSION				
Transmission Demand Charge (kW)	15,667	\$2.74	\$42,927.58	\$42,927.58
OTHER CHARGES				
Total				\$428,039.47

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NEW PRAGUE UTILITIES COMMISSION			
INVESTMENT SUMMARY			
9/30/2023			
First Bank and Trust			
Checking - Cash Balance			
Electric		\$	1,547,822.73
Water		\$	1,930,492.25
Subtotal		\$	3,478,314.98
Money Market		\$	1,983,546.11
Wells Fargo			
F.I.S.T. (Market Value per Wells Select report)		\$	3,099,727.00
Electric (74% of account)	\$ 2,293,797.98		
Water (26% of account)	\$ 805,929.02		
Total		\$	8,561,588.09
Invested			
F.I.S.T. original investment - 6/21/2012	\$ 1,050,000		
F.I.S.T. Add'l investment - 7/19/2012	\$ 730,000		
F.I.S.T. Add'l investment - 8/22/2014	\$ 470,000		
F.I.S.T. Add'l Investment - 7/31/2015	\$ 500,000		
F.I.S.T. Add'l Investment - 11/16/2015	\$ 100,000		
	\$ 2,850,000		

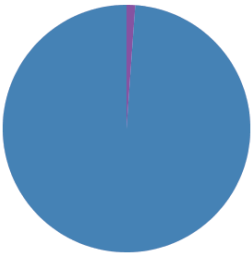


Managed Asset Allocation Summary

As of October 13, 2023

October 16, 2023
Trade Date Basis
NEW PRAGUE UTILITIES
COMMISSION- AGY
65866500
Investment Objective Is Fixed Income

	MARKET VALUE	TOTAL COST	UNREALIZED G/L	EST ANNUAL INCOME	EST ANNUAL YIELD	ALLOCATION
Cash Alternatives	34,778	34,778	0	1,813	5.21	1.1
Fixed Income	3,064,949	3,340,961	(276,011)	98,601	3.22	98.9
Total Portfolio	\$3,099,727	\$3,375,739	\$(276,011)	\$100,414	3.24%	100.0%



CITY OF NEW PRAGUE, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
ELECTRIC FUND (UNAUDITED)
September 30, 2023

Section 5, Item b.

ELECTRIC FUND

75.00% of year completed

	2022 Thru 9/30/2022	Current Month	Actual Thru 9/30/2023	2022/2023 Variance YTD	2023 Fiscal Budget	% Received or Expended Based on Actual Budget
REVENUES						
Unbilled Accounts Receivable	\$ (11,212.71)	\$ (81,196.40)	\$ (134,061.62)	\$ (122,848.91)	\$ -	0.00%
Residential Revenue	\$ 2,906,562.58	\$ 437,827.41	\$ 3,287,087.64	\$ 380,525.06	\$ 4,133,213.00	79.53%
Commercial	\$ 418,548.38	\$ 57,678.57	\$ 483,819.73	\$ 65,271.35	\$ 601,454.00	80.44%
Small Industrial	\$ 1,273,576.60	\$ 164,671.80	\$ 1,397,477.09	\$ 123,900.49	\$ 1,834,345.00	76.18%
Industrial	\$ 1,573,267.57	\$ 216,514.01	\$ 1,815,038.34	\$ 241,770.77	\$ 2,283,345.00	79.49%
Streetlights	\$ 42,918.50	\$ 4,513.84	\$ 46,290.94	\$ 3,372.44	\$ 65,000.00	71.22%
Other Departments	\$ 98,784.67	\$ 13,743.74	\$ 116,375.16	\$ 17,590.49	\$ 137,230.00	84.80%
SMMPA LOR Reimbursement	\$ 147,761.16	\$ 20,662.45	\$ 159,953.81	\$ 12,192.65	\$ 190,000.00	84.19%
SMMPA O&M Revenue	\$ 479,122.81	\$ 65,278.55	\$ 530,895.74	\$ 51,772.93	\$ 611,000.00	86.89%
Reimbursement - SMMPA Rebates	\$ 14,992.97	\$ 1,393.00	\$ 24,921.59	\$ 9,928.62	\$ -	0.00%
Interest Income	\$ 723.41	\$ 2,100.76	\$ 32,599.66	\$ 31,876.25	\$ 25,000.00	130.40%
Other Income	\$ 321,629.20	\$ 32,096.44	\$ 157,331.06	\$ (164,298.14)	\$ 118,700.00	132.55%
TOTAL REVENUES	\$ 7,266,675.14	\$ 935,284.17	\$ 7,917,729.14	\$ 651,054.00	\$ 9,999,287.00	79.18%
EXPENSES						
Production	\$ 10,186.34	\$ 1,154.00	\$ 7,836.33	\$ (2,350.01)	\$ 26,000.00	30.14%
Purchased Power	\$ 4,269,119.05	\$ 543,660.78	\$ 4,811,397.52	\$ 542,278.47	\$ 6,242,485.00	77.08%
SMMPA O&M Expenses	\$ 192,898.86	\$ 29,694.28	\$ 225,123.48	\$ 32,224.62	\$ 337,500.00	66.70%
Distribution/Transmission	\$ 59,423.55	\$ 7,041.67	\$ 50,026.87	\$ (9,396.68)	\$ 101,000.00	49.53%
Energy Conservation - Rebates	\$ 28,611.28	\$ 2,694.36	\$ 29,973.92	\$ 1,362.64	\$ 11,500.00	260.64%
Depreciation	\$ 461,646.33	\$ -	\$ 399,375.18	\$ (62,271.15)	\$ 606,941.00	65.80%
Salary & Benefits	\$ 871,679.26	\$ 147,772.50	\$ 934,248.06	\$ 62,568.80	\$ 1,499,862.00	62.29%
MVEC LOR Payment	\$ 295,522.27	\$ 41,324.89	\$ 319,907.60	\$ 24,385.33	\$ 379,465.00	84.30%
Admin & General	\$ 137,022.09	\$ 16,500.45	\$ 185,561.39	\$ 48,539.30	\$ 252,650.00	73.45%
Payment in Lieu of Taxes	\$ 30,000.01	\$ -	\$ 23,333.35	\$ (6,666.66)	\$ 40,000.00	58.33%
TOTAL EXPENSES	\$ 6,356,109.04	\$ 789,842.93	\$ 6,986,783.70	\$ 630,674.66	\$ 9,497,403.00	73.57%
EXCESS REVENUES OVER EXPENSES	<u>\$ 910,566.10</u>	<u>\$ 145,441.24</u>	<u>\$ 930,945.44</u>	<u>\$ 20,379.34</u>	<u>\$ 501,884.00</u>	

Note: "Other Income" includes metal recycling and SMMPA Credit Excess Capital Reserves of 152,210 received in February, 2022

New Prague Utilities Commission
Electric Balance Sheet
September 30, 2023

Section 5, Item b.

	Current Year	2022
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents	2,988,390.49	2,746,923.01
Money Market	151,092.08	150,564.21
Customer Accounts Receivable	917,644.92	656,935.98
Misc. Accounts Receivable	247,660.80	208,129.05
Due from Other Governments	1,714.79	1,847.84
Accrued Revenue	535,946.52	475,309.35
Inventory	1,085,655.24	970,010.01
Prepaid Expenses	1,374.09	3,621.33
TOTAL CURRENT ASSETS	5,929,478.93	5,213,340.78
NONCURRENT ASSETS:		
CAPITAL ASSETS		
Property Plant & Equipment	23,514,333.70	23,339,498.80
Less Depreciation	(15,570,262.70)	(15,277,087.46)
PROPERTY PLANT & EQUIPMENT - NET	7,944,071.00	8,062,411.34
Construction Work in Progress	2,316,755.57	2,132,731.76
TOTAL CAPITAL ASSETS	10,260,826.57	10,195,143.10
Investments		
F.I.S.T.	2,270,145.04	2,466,348.13
TOTAL ASSETS	18,460,450.54	17,874,832.01
DEFERRED OUTFLOWS:		
GERF Deferred Outflows	324,952.00	425,289.00
OPEB Deferred Outflows	8,496.00	12,821.00
TOTAL ASSETS & DEFERRED OUTFLOWS	18,793,898.54	18,312,942.01
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Account Payable	868,919.11	1,175,238.25
Accrued Wages-Vac & Comp	104,302.59	135,246.06
Deposits	139,212.28	141,067.79
TOTAL CURRENT LIABILITIES	1,112,433.98	1,451,552.10
LONG TERM LIABILITIES:		
GERF Pension Liability	1,003,541.00	539,629.00
OPEB Liability	32,013.00	39,677.00
TOTAL LONG TERM LIABILITIES	1,035,554.00	579,306.00
DEFERRED INFLOWS:		
GERF Pension Inflow	26,805.00	513,532.00
Designated Reserves	16,619,105.56	15,768,551.91
TOTAL DEFERRED INFLOWS	16,645,910.56	16,282,083.91
TOTAL LIABILITIES AND DEFERRED INFLOWS	18,793,898.54	18,312,942.01

NEW PRAGUE UTILITIES COMMISSION, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
WATER FUND (UNAUDITED)
September 30, 2023

WATER FUND						
<i>75.00% of year completed</i>						
	2022 Thru 9/30/2022	Current Month	Actual Thru 9/30/2023	2022/2023 Variance YTD	2023 Fiscal Budget	% Received or Expended Based on Actual Budget
REVENUES						
Unbilled Accounts Receivable	37,443.87	(24,524.69)	18,198.03	(19,245.84)	-	0.00%
Residential	\$ 858,408.88	\$ 130,322.93	\$ 968,234.59	\$ 109,825.71	\$ 1,136,392.00	85.20%
Commercial	401,657.67	78,049.51	482,110.32	80,452.65	534,347.00	90.22%
Water Hook-up Fees	\$ 26,030.20	\$ -	\$ 33,763.96	\$ 7,733.76	\$ 25,000.00	135.06%
Interest Income	151.58	559.79	8,755.68	8,604.10	15,000.00	58.37%
Other Income	\$ 27,894.23	\$ 2,075.68	\$ 32,185.08	\$ 4,290.85	\$ 66,865.00	48.13%
TOTAL REVENUES	\$ 1,351,586.43	\$ 186,483.22	\$ 1,543,247.66	\$ 191,661.23	\$ 1,777,604.00	86.82%
EXPENSES						
Power Used	90,831.88	13,252.29	105,601.29	14,769.41	117,000.00	90.26%
Purification	35,460.30	8,875.24	48,696.36	13,236.06	78,000.00	62.43%
Distribution	45,909.32	1,427.48	34,173.72	(11,735.60)	72,000.00	47.46%
Depreciation	321,885.48	-	252,986.12	(68,899.36)	426,677.00	59.29%
Debt & Other Interest	95,177.46	27.60	100,938.17	5,760.71	101,948.00	99.01%
Salary & Benefits	448,464.14	71,030.63	452,673.62	4,209.48	591,764.00	76.50%
Admin & General	\$ 87,484.01	\$ 5,369.17	\$ 105,745.71	\$ 18,261.70	\$ 157,410.00	67.18%
TOTAL EXPENSES	\$ 1,125,212.59	\$ 99,982.41	\$ 1,100,814.99	\$ (24,397.60)	\$ 1,544,799.00	71.26%
EXCESS REVENUES OVER EXPENSES	\$ 226,373.84	\$ 86,500.81	\$ 442,432.67	\$ 216,058.83	\$ 232,805.00	

New Prague Utilities Commission
Water Balance Sheet
September 30, 2023

Section 5, Item b.

	Current Year	2022
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents	2,322,378.52	1,917,677.71
First Bank & Trust - Escrow	-	-
Customer Accounts Receivable	209,206.87	136,020.61
Due from Other Governments	-	-
Misc. Accounts Receivable	415,613.26	403,126.23
Accrued Revenue	121,336.02	119,530.92
Inventory	110,799.90	55,585.07
Prepaid Expenses	-	1,054.32
TOTAL CURRENT ASSETS	3,179,334.57	2,632,994.86
NONCURRENT ASSETS:		
CAPITAL ASSETS		
Property Plant & Equipment	14,089,332.69	13,983,949.35
Less Depreciation	(8,667,700.16)	(8,306,311.94)
PROPERTY PLANT & EQUIPMENT - NET	5,421,632.53	5,677,637.41
Construction Work in Progress	3,087,826.16	2,540,208.60
TOTAL ASSETS	8,509,458.69	8,217,846.01
Investments		
F.I.S.T.	797,618.53	866,554.75
TOTAL ASSETS	12,486,411.79	11,717,395.62
DEFERRED OUTFLOWS:		
GERF Deferred Outflows	149,909.00	183,884.00
OPEB Deferred Outflows	5,741.00	6,225.00
TOTAL ASSETS & DEFERRED OUTFLOWS	12,642,061.79	11,907,504.62
LIABILITIES & EQUITY		
CURRENT LIABILITIES		
Account Payable	83,872.38	102,359.34
Accrued Wages - Vac & Comp.	44,234.95	59,389.53
Deposits	31,876.34	31,663.00
Interest Payable	40,992.84	34,976.75
Bond/ Note Principal Payable	34,999.97	34,999.97
Bond Premium	384,438.53	354,021.61
TOTAL CURRENT LIABILITIES	620,415.01	617,410.20
LONG TERM LIABILITIES:		
Long-Term Debt	3,292,638.02	3,080,065.16
GERF Pension Liability	465,050.00	233,322.00
OPEB Liability	21,632.00	19,264.00
TOTAL LONG TERM LIABILITIES	3,779,320.02	3,332,651.16
DEFERRED INFLOWS:		
GERF Pension Inflow	12,030.00	222,716.00
Designated Reserves	8,230,296.76	7,734,727.26
TOTAL DEFERRED INFLOWS	8,242,326.76	7,957,443.26
TOTAL LIABILITIES AND DEFERRED INFLOWS	12,642,061.79	11,907,504.62

AGENDA ITEM: 5C									
NEW PRAGUE UTILITIES COMMISSION									
WATER PUMPED-SOLD-USED									
2023									
YR/MO	2023		2022		YR/MO	2023		2022	
	2023	YTD	2022	YTD		2023	YTD	2022	YTD
JANUARY	12/8/22-1/10/2023		12/8/21-1/10/2022		JULY	6/9/2023-7/11/2023		6/9/2022-7/11/2022	
GAL PUMPED	17,529	17,529	18,195	18,195	GAL PUMPED	44,904	160,021	37,244	142,223
GAL SOLD	14,793	14,793	16,160	16,160	GAL SOLD	41,150	142,482	33,614	125,245
GAL USED	337	337	405	405	GAL USED	981	3,391	1,131	5,121
GAL(LOSS)/GAIN	(2,399)	(2,399)	(1,630)	(1,630)	GAL(LOSS)/GAIN	(2,773)	(14,148)	(2,499)	(11,857)
PERCENTAGE	13.7%	13.7%	9.0%	9.0%	PERCENTAGE	6.2%	8.8%	6.7%	8.3%
FEBRUARY	1/10/2023-2/8/2023		1/10/2022-2/8/2022		AUGUST	7/11/2023-8/9/2023		7/11/2022-8/9/2022	
GAL PUMPED	17,060	34,589	16,173	34,368	GAL PUMPED	38,624	198,645	35,368	177,591
GAL SOLD	15,323	30,116	14,286	30,446	GAL SOLD	35,725	178,207	32,641	157,886
GAL USED	325	662	625	1,030	GAL USED	579	3,970	609	5,730
GAL(LOSS)/GAIN	(1,412)	(3,811)	(1,262)	(2,892)	GAL(LOSS)/GAIN	(2,320)	(16,468)	(2,118)	(13,975)
PERCENTAGE	8.3%	11.0%	7.8%	8.4%	PERCENTAGE	6.0%	8.3%	6.0%	7.9%
MARCH	2/8/2023-3/9/2023		2/8/2022-3/9/2022		SEPTEMBER	8/9/2023-9/8/2023		8/9/2022-9/8/2022	
GAL PUMPED	15,950	50,539	16,111	50,479	GAL PUMPED	37,180	235,825	27,033	204,624
GAL SOLD	14,555	44,671	14,291	44,737	GAL SOLD	34,643	212,850	24,575	182,461
GAL USED	368	1,030	412	1,442	GAL USED	601	4,571	496	6,226
GAL(LOSS)/GAIN	(1,027)	(4,838)	(1,408)	(4,300)	GAL(LOSS)/GAIN	(1,936)	(18,404)	(1,962)	(15,937)
PERCENTAGE	6.4%	9.6%	8.7%	8.5%	PERCENTAGE	5.2%	7.8%	7.3%	7.8%
APRIL	3/9/2023-4/8/2023		3/9/2022-4/8/2022		OCTOBER	9/8/2023-10/10/2023		9/8/2022-10/10/2022	
GAL PUMPED	17,103	67,642	16,292	66,771	GAL PUMPED	30,086	265,911	29,291	233,915
GAL SOLD	15,509	60,180	14,374	59,111	GAL SOLD	27,240	240,090	26,668	209,129
GAL USED	311	1,341	328	1,770	GAL USED	452	5,023	1066	7,292
GAL(LOSS)/GAIN	(1,283)	(6,121)	(1,590)	(5,890)	GAL(LOSS)/GAIN	(2,394)	(20,798)	(1,557)	(17,494)
PERCENTAGE	7.5%	9.0%	9.8%	8.8%	PERCENTAGE	8.0%	7.8%	5.3%	7.5%
MAY	4/8/2023-5/10/2023		4/8/2022-5/10/2022		NOVEMBER	10/10/2023-11/8/2023		10/10/2022-11/8/2022	
GAL PUMPED	18,946	86,588	19,337	86,108	GAL PUMPED		265,911	19,688	253,603
GAL SOLD	14,860	75,040	15,438	74,549	GAL SOLD		240,090	17,167	226,296
GAL USED	373	1,714	1,815	3,585	GAL USED		5,023	329	7,621
GAL(LOSS)/GAIN	(3,713)	(9,834)	(2,084)	(7,974)	GAL(LOSS)/GAIN	0	(20,798)	(2,192)	(19,686)
PERCENTAGE	19.6%	11.4%	10.8%	9.3%	PERCENTAGE	#DIV/0!	7.8%	11.1%	7.8%
JUNE	5/10/2023-6/9/2023		5/10/2022-6/9/2022		DECEMBER	11/8/2023 - 12/8/2023		11/8/2022 - 12/8/2022	
GAL PUMPED	28,529	115,117	18,871	104,979	GAL PUMPED		265,911	16,950	270,553
GAL SOLD	26,292	101,332	17,082	91,631	GAL SOLD		240,090	15,664	241,960
GAL USED	696	2,410	405	3,990	GAL USED		5,023	346	7,967
GAL(LOSS)/GAIN	(1,541)	(11,375)	(1,384)	(9,358)	GAL(LOSS)/GAIN	0	(20,798)	(940)	(20,626)
PERCENTAGE	5.4%	9.9%	7.3%	8.9%	PERCENTAGE	#DIV/0!	7.8%	5.5%	7.6%

NEW PRAGUE UTILITIES COMMISSON					
ELECTRIC SALES KWH					
		ACCUM			ACCUM
MONTH	2023	2023	MONTH	2022	2022
JAN	7,167,597	7,167,597	JAN	6,306,063	6,306,063
FEB	5,749,576	12,917,173	FEB	5,734,640	12,040,703
MAR	5,309,337	18,226,510	MAR	5,471,112	17,511,815
APR	5,593,759	23,820,269	APR	5,217,929	22,729,744
MAY	4,902,810	28,723,079	MAY	5,250,578	27,980,322
JUNE	5,925,918	34,648,997	JUNE	5,289,709	33,270,031
JULY	6,929,204	41,578,201	JULY	7,393,362	40,663,393
AUG	6,782,693	48,360,894	AUG	6,831,846	47,495,239
SEPT	6,923,879	55,284,773	SEPT	6,484,978	53,980,217
OCT	5,971,226	61,255,999	OCT	5,768,957	59,749,174
NOV			NOV	4,781,950	64,531,124
DEC			DEC	4,373,483	68,904,607
TOTAL	61,255,999		TOTAL	68,904,607	

*Monthly Kwh totals are not final until year-end



118 Central Avenue North, New Prague, MN 56071
phone: 952-758-4401 fax: 952-758-1149

MEMORANDUM

TO: NEW PRAGUE UTILITIES COMMISSION
FROM: BRUCE REIMERS, GENERAL MANAGER
SUBJECT: LOCKRIDGE RETAINER AGREEMENT
DATE: NOVEMBER 27, 2023

In closed session in October, the Council discussed potential litigation that may take place regarding PFAS toxicity found increasingly in water sources. As directed by the Council, City Attorney Scott Riggs and City Administrator Josh Tetzlaff would recommend entering into the attached retainer Agreement with the Law Firms of Lockridge Grindal Nauen P.L.L.P. and Napoli Shkolnik, which is a legal firm who specializes in environmental concerns such as PFAS. As shown in the agreement, the City would not be liable to pay Lockridge unless there is a recovery in the suit.

After discussions, Mr. Riggs, City Administrator Tetzlaff, and I would recommend entering into the attached retainer Agreement with the Law Firms of Lockridge Grindal Nauen P.L.L.P. and Napoli Shkolnik. The three other cities represented by Mr. Riggs are also entering into this retainer agreement.

Recommendation

Mr. Riggs, City Administrator Tetzlaff, and I would recommend entering into the attached retainer Agreement with the Law Firms of Lockridge Grindal Nauen P.L.L.P. and Napoli Shkolnik.

RETAINER AGREEMENT

The City of New Prague, Minnesota and the New Prague Utilities Commission (collectively the “Clients”) retain the Law Firms of Lockridge Grindal Nauen P.L.L.P. and Napoli Shkolnik (collectively “Law Firms”), as our attorneys to prosecute any legal claim for negligence (or other viable causes of action) against any and all parties individuals and/or corporations that may be liable under the law for injuries and/or property damages suffered by us and/or our members arising out of the contamination of water supplies, including, but not limited to, drinking water facilities, sanitary sewer facilities, storm sewer facilities, water treatment facilities and landfills by per- and polyfluoroalkyl substances (PFAS) and other hazardous water contaminants. We specifically agree as follows:

1. FEE PERCENTAGE: Clients and Law Firms agree that the Law Firms shall be paid Twenty-Five Percent (25%) of the sum recovered, whether by suit, settlement or otherwise. *Clients will not be liable to pay the Law Firms if there is not any form of recovery.*

2. DISBURSEMENTS: In the event there is no recovery, the Clients shall not be obligated to pay the Law Firms a legal fee for services rendered. Disbursements may include some of the following expenses: court filing fees, sheriff fees, medical and hospital report/record fees, doctor’s report, court stenographer fees, deposition costs, expert fees for expert depositions and court appearances, trial exhibits, computer on-line search fees, express mail, postage, photocopy charges, document management charges, long distance telephone charges among other charges. Document management charges are the fees charged by the law firm for processing documents during litigation, such as medical records, documents produced by defendant(s) and/or other parties, etc. Processing of the documents may include but is not limited to the following: (1) scanning; (2) conversion of native files to PDF documents; (3) OCR (optical code recognition); and/or (4) indexing. Prior to settlement, an itemization of these expenses shall be disclosed to the Client. At the time of settlement and distribution of proceeds, these expenses shall be deducted from the Clients’ share after computation of the Attorney’s Fee.

3. COMPUTATION OF FEES. The contingency fee shall be computed on the gross recovery, resulting in a net settlement (or judgment), from which all appropriate disbursements in connection with the institution and prosecution of this claim is deducted, as set forth in paragraph 2 above. Examples of how a contingency fee is computed are as follows:

Gross settlement	\$100.00
25% Attorney's Fee	<u>\$ 25.00</u>
Net settlement	\$ 75.00
Disbursements	- <u>\$ 10.00</u>
Net to Client	\$ 65.00

4. **WITHDRAWAL:** The Law Firms expressly reserve the right to withdraw their representation at any time upon reasonable notification to the Clients. In the event that the Clients advise the Law Firms to discontinue the handling of this claim, or if the Clients fail to cooperate with the Law Firms in the handling of this claim, Clients agree to compensate the Law Firms a reasonable amount for their services, and for the time spent on this claim on an hourly basis or under such other arrangement that may be agreed upon by the parties. The Clients understand that the Law Firms have conditionally accepted this case based upon independent confirmation of all facts and injuries claimed to have been sustained by Clients. In the event that the Clients desire to transfer the file from this office, the Clients shall be responsible to compensate the Law Firms for the reasonable value of their services. Such transfer shall include documents or attorney work product regarding the general liability of the defendants, but it is understood that those documents are not exclusive to the Client and will also be retained by the Law Firms.

5. **APPEALS:** The above contingency fee does not contemplate any appeal. The Law Firms are under no duty to perfect or prosecute such appeal until a satisfactory fee arrangement is made in writing regarding costs and counsel fees.

6. **STATUTE OF LIMITATIONS:** We understand that any lawsuit must be commenced within a certain limited time period, (that may vary, depending upon the defendant) starting from the "discovery of the injury" or of "the date when through the exercise of reasonable diligence such injury should have been discovered... whichever is earlier". We further understand that the Statute of Limitations period for any case must be investigated, and that this Agreement is made subject to that investigation as well as an investigation of the entire case.

7. **RESULTS NOT GUARANTEED:** No attorney can accurately predict the outcome of any legal matter, accordingly, no representations are made, either expressly or impliedly, as to the final outcome of this matter. We further understand that we must immediately report any changes in address and telephone number to the Law Firms.

8. **APPROVAL NECESSARY FOR SETTLEMENT:** Attorneys have full authority to prepare, sign and file all pleadings, drafts, authorizations, and papers as shall be reasonably necessary to pursue this representation. Attorneys are also authorized and empowered to act as Clients' negotiator in any and all negotiations concerning the subject

of this Agreement, subject to approval of any settlement by the governing body of the Client.

9. ASSOCIATION OF OTHER ATTORNEYS: The Law Firms may, at their own expense, use or associate other attorneys in the representation of the aforesaid claims of the Clients. Clients understands that Law Firms employ numerous attorneys that may work on Clients' case.

10. ASSOCIATE COUNSEL: The Law Firms may participate in the division of fees in this case and assume joint responsibility for the representation of the Clients either in the event that the Attorney retains associate counsel or that the Clients later choose new counsel, provided that the total fee to the Clients does not increase as a result of the division of fees and that the attorneys involved have agreed to the division of fees and assumption of joint responsibility. The Clients will be advised of such joint responsibility and full disclosure will be made to Clients regarding the division of fees so that the consent of the Clients can be obtained.

11. MINNESOTA LAW TO APPLY: This Agreement shall be considered construed under and in accordance with the laws of the State of Minnesota and the rights, duties, and obligations of Client and of Attorneys regarding Attorney's representation of Client and regarding anything covered by this Agreement shall be governed by the laws of the State of Minnesota.

12. MEDIATION: In the event the Law Firms and the Client are unable to resolve any and all disputes, controversies, claims or demands arising out of or relating to (1) this Agreement or (2) any provision hereof or (3) the providing of services by the Law Firms to Clients or (4) the relationship between the Law Firms and Clients, whether either party may make a written request to the other party to mediate the dispute. Upon such notice, the parties shall jointly select a mediator to assist in resolving the dispute. The parties shall share equally in the costs of the mediator, but shall otherwise pay their own costs related to the mediation. If either party determines they are not able to agree on a single mediator, they shall notify the other party in writing. Upon such notice, each party shall be responsible for selecting their own mediator. The two mediators shall then select a third. The mediation shall then be conducted by the three mediator panel. Each party shall be responsible for the costs of the mediator it selected and shall share equally in the costs of the third mediator. In the event mediation is unsuccessful, either party may exercise its legal or equitable rights.

13. PARTIES BOUND: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representative, successors, and assigns. Clients or the Law Firms can execute this document electronically, by indicating "I agree" (or similar language) via electronic mail after receiving the Agreement via electronic mail. By indicating "I agree" (or similar language) Clients will be bound by the terms of the Agreement and is executing the

document electronically via Clients' electronic signature, indicated as "/s/" in the signature field and elects the Law Firms advance disbursements.

14. LEGAL CONSTRUCTION: In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

15. PRIOR AGREEMENTS SUPERSEDED: This Agreement constitutes the sole and only Agreement of the parties hereto and supersedes any prior understandings or written or oral agreement between the parties respecting the within subject matter.

We certify and acknowledge that we have had the opportunity to read this Agreement and have answered any questions pertaining thereto. We further state that we have voluntarily entered into this Agreement fully aware of the terms and conditions.

SIGNED AND ACCEPTED ON THIS ____ day of _____, 2023.

CITY OF NEW PRAGUE, MINNESOTA

**LOCKRIDGE GRINDAL NAUEN
P.L.L.P.**

By: _____
Duane J. Jirik, Mayor

Robert K. Shelquist

Email Address: djirik@ci.new-prague.mn.us
Address: 118 Central Avenue North
New Prague, MN 56071
Phone: (952) 758-4401

NAPOLI SHKOLNIK

By: _____
Joshua M. Tetzlaff, City Administrator

Printed Name of Attorney

Email Address: jtetzlaff@ci.new-prague.mn.us
Address: 118 Central Avenue North
New Prague, MN 56071
Phone: (952) 758-4401

NEW PRAGUE UTILITIES COMMISSION

By: _____
Dan Bishop, President

Email address: daniel.r.bishop@wellsfargo.com
Address: 118 Central Avenue North
New Prague, MN 56071
Phone: (651) 442-7112

By: _____
Bruce Reimers, General Manager

Email address: breimers@ci.new-prague.mn.us
Address: 118 Central Avenue North
New Prague, MN 56071
Phone: (952)758-1142



MEMORANDUM

To: New Prague Utilities Commission

From: Bruce Reimers, Utilities General Manager

Date: November 27, 2023

Subject: **Approve the Sale of Surplus Property**

The New Prague Utilities currently owns equipment that is has been replaced in the Capital Budget. Staff has determined that the equipment listed below has more value than what is currently being offered by equipment dealers and that the item should be listed for sale by the Utility.

Equipment:

- 2000 Ford F-250 Truck

Following review, Staff would recommend that the Utilities Commission approve the property listed above as surplus and authorize the sale of the property

RECOMMENDATION:

New Prague Utilities Commission Review and Approval the Sale of Surplus Property.

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
October 13, 2023

President Reimers called the meeting to order at 8:00 a.m. at the Sheraton Hotel in Bloomington, Minnesota.

President Reimers welcomed the members, guests, and SMMPA staff.

Board Members Present:

President Bruce A. Reimers, New Prague; Vice President Peter T. Moulton, Saint Peter; Secretary Roger E. Warehime, Owatonna; Treasurer James R. Bakken, Preston; Mark E. Nibaur, Austin; T. Scott Jensen, Lake City; and Timothy M. McCollough, Rochester.

Others Present:

David P. Geschwind, Executive Director & CEO; Dan Ulland, Austin; Jerry M. Mausbach, Curt Espland, Melanie Aeschliman, Dennis Heimerman, Blooming Prairie; Miles Heide, Julie Zarling, Fairmont; Mike Roth, Shane Steele, Grand Marais; Michael B. Geers, George Baldwin, Litchfield; Glenn Anderson, Joe Kohlgraf, Mora; Christian Fenstermacher, Doug Zirngible, Owatonna; Keith R. Butcher, Jeremy Linden, Princeton; Jason Halvorson, Redwood Falls; Peter Hogan, Rochester; Sally Vogel, Saint Peter; Chris Rolli, Doug Plaehn, Michelle Plaehn, Spring Valley; Jeffery D. Amy, Wells; Lou Rosatone, The Energy Authority; Julie A. Beth, Beth A. Fondell, Adam T. Gerhart, Naomi A. Goll, Todd W. Heins, Joseph A. Hoffman, Carrie L. Jensen, Jodie K. Long, Sam S. Mack, Robin E. Mechura, Mark S. Mitchell, John P. O'Neil, Scott T. Passentino, Heather B. Schmitz, Rebecca J. Schmitz, and Clint D. Schumacher, of the Agency staff.

#1 Agenda Approval:

Mr. Moulton moved to approve the agenda, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

#2 Consent Agenda:

Mr. Bakken moved to approve the consent agenda, seconded by Mr. Jensen, passed upon a unanimous vote of the board members present.

APPROVED the September 13, 2023 board meeting minutes.

APPROVED the Mora Landfill Gas Unit Overhaul. (Attachment A.)

#3 2024 Proposed Budget and Rates-Fondell:

Ms. Fondell presented the 2024 proposed budget and rates.

The details of the draft 2024 budget were reviewed during the SMMPA Budget & Rates

Workshop held on September 26, 2023. Minor adjustments were made to the draft budget version presented at the workshop. The proposed 2024 budget and key budget assumptions were distributed electronically prior to the board meeting.

Member Rates

Effective February 1, 2024, the transmission rates begin transitioning from 100% ratchet to monthly coincident peak (approved by the board on May 10, 2023). No other changes to base rates are proposed.

Discussion.

Energy Cost Adjustment base cost calculated for the 2024 calendar year at \$31.31/MWh, to be used for charge/credit determination from January through December 2024.

Recommendation

- Seek board approval of the 2024 budget and rates as presented.

Mr. Warehime moved to approve the 2024 budget and rates, seconded by Mr. Moulton, passed upon a unanimous vote of the board members present.

President Reimers thanked Ms. Fondell and staff for their efforts.

#4 Value of Public Power-Hoffman:

Mr. Hoffman reported on the value of public power.

Promoting the value of public power builds a sense of local ownership and fosters community engagement with the local utility. Various key areas were highlighted.

Discussion.

SMMPA would be happy to assist interested members in promoting the value of public power in their communities. Communication materials could include brochures, social media posts, posting a summary of benefits on members' websites, orientation sessions, and visits by the SMMPA team to member communities.

#5 Regional Transmission Expansion-Mitchell:

Mr. Mitchell reported on the regional transmission expansion project.

In 2022, MISO identified Tranche 1 transmission projects from Wilmarth to North Rochester to the Mississippi River (LRTP4) and Tremval to Rocky Run in Wisconsin (LRTP6), among many other projects, totaling more than \$10 billion. SMMPA's load ratio share of that total is approximately \$35 million. The Agency may have the opportunity to invest up to that level in projects in Minnesota and Wisconsin.

LRTP4, also called Mankato to Mississippi River transmission project, or MMRT, is divided into four segments. Mr. Mitchell presented information on the four segments, indicating the Agency

has rights to invest in segments 3 and 4, which are additions and modifications to existing CapX2020 facilities in which the Agency previously invested. He also provided a general scope and schedule of activities related to MMRT, including public open houses Xcel Energy held in multiple locations in May and September 2023 to discuss the need and purpose for the project and to receive input on route alternatives. The MMRT project is anticipated to be in service in 2028.

Mr. Mitchell further reported that a term sheet is being developed among the potential participants in MMRT and LRTP6 that will guide the contract development. Potential project participants include Dairyland Power Cooperative, Rochester Public Utilities, WPPI Energy, Xcel Energy, and SMMPA.

He also reported that the Agency engaged MCR Performance Solutions (MCR) to evaluate the economic benefits of investing in these projects. MCR provided a similar analysis of the Agency's participation in the Badger Coulee transmission project. MCR will present their findings at the November board meeting.

Discussion.

Next Steps

- Review economics of investment at the November board meeting.
- Finalize term sheet with investment opportunities and cost obligations.
- Determine deadline for commitment with other parties.
- Develop internal timeline for committing to project and funding share of development costs.
- Develop funding strategy. Traditionally fund development costs with Revolving Credit Agreement and convert to long-term debt upon completion. Other potential strategies?
- Engage legal counsel to support development of project agreements.

Government Affairs/Member Services Report-Hoffman:

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

APPA Legislative Rally

The APPA Legislative Rally will be held February 26-28, 2024 in Washington, D.C. Minnesota Municipal Utilities Association may discontinue the hotel room reservation block and members were asked to contact SMMPA if they need assistance with hotel accommodations.

2023 Be Bright Campaign

The annual fall program offering discounted ENERGY STAR® LED bulbs at retailers in member communities runs October 1 through December 31, 2023. This is the final year of the Be Bright ENERGY STAR LED campaign.

After a short break, the board reconvened at 9:17 a.m.

#5 Regional Transmission Expansion-MISO Tranche 2 (continued)-Mitchell:

Mr. Mitchell reported that MISO Tranche 2 is underway and final approval from MISO's Board of Directors is anticipated in 2024. The Agency may have additional opportunities for future transmission investment in Tranche 2 projects. More information will be provided.

Operations Report-Mitchell:

Mr. Mitchell reported:

Sherco 3 Status Report

Sherco 3 is running well. An outage is being planned the week of November 11, 2023 to replace springs on pressure relief valves that were not replaced during the spring maintenance outage.

LPI Steam Sale Discussion

Steam is currently supplied by Xcel Energy from Sherco Units 1 and 2 to Liberty Paper, Inc. Since Sherco 2 is retiring in December 2023, Xcel Energy is evaluating the possibility of steam supply from Sherco 3. SMMPA and Xcel Energy are continuing to discuss the feasibility and economics of a Sherco 3 steam supply. At a minimum, the Agency will need to be kept whole and may have the opportunity to benefit from steam sales.

MISO EEA Event Correction

Mr. Mitchell corrected an error he presented last month regarding a MISO-declared step 2A emergency on August 24, 2023.

Market Price Update

A graph of recent natural gas and on-peak electricity prices was discussed.

Financial Report August 2023-Fondell:

Ms. Fondell summarized Agency financial results through August as provided in the board book materials.

Sherco 3 Outage Insurance Claims

The second Sherco 3 outage insurance claim of \$62,000 was filed on September 29, 2023. Total claims filed so far for 2024 were \$498,000.

SMMPA Finance & Audit Committee Meeting

The SMMPA Finance & Audit Committee meeting will be scheduled in December 2023.

Taxable RCA

A temporary taxable Revolving Credit Agreement (RCA) draw was avoided in October 2023 due to available liquid capital reserve dollars.

SMMPA Credit Rating

Standard & Poor's conducted the annual SMMPA financial review. Although the press release hasn't been issued, it appears SMMPA will maintain its current rating and stable outlook.

President's Report:

Mr. Reimers reported:

- SMMPA Alternate Representative: The change of SMMPA alternate representative for the City of Preston from Robert Hanson to Ryan Throckmorton was effective October 1, 2023. (Attachment B.)

Executive Director & CEO's Report:

Mr. Geschwind reported:

- SMMPA Member Representatives Meeting: The SMMPA Member Representatives meeting will be held today immediately following the SMMPA Board of Directors meeting.
- SMMPA Annual Meeting: Appreciation was expressed toward Ms. Jensen, Ms. Long, Mr. Passentino, Mr. O'Neil, and Mr. Hoffman for planning the SMMPA Annual Meeting.
- 2024 SMMPA Board Meetings: Proposed moving the January 2024 board meeting one day later to Thursday, January 11, 2024 to avoid conflict with the APPA Joint Action Conference and moving the June 2024 board meeting to Thursday, June 20, 2024 to avoid conflict with the APPA National Conference. An email will be sent to the members with a tentative 2024 SMMPA Board meeting schedule, and the schedule will be finalized at the November board meeting.
- SMMPA Annual Meeting: Discussed whether the members have an opinion on changing the October 2024 SMMPA Annual Meeting dates one week later to avoid meeting conflicts.

Member Forum:

None.

Other Business:

There was no other business.

Adjourn:

A motion to adjourn the meeting was made by Mr. Nibaur, seconded by Mr. Jensen, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 9:50 a.m.

Secretary