



UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, November 25, 2024 at 3:30 PM

Power Plant - 300 East Main St

1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **APPROVAL OF MINUTES**
 - a. [October 28, 2024, Utilities Meeting Minutes](#)
4. **UTILITY AND SMMPA BILLS**
 - a. [Approval of accounts payable in the amount of \\$176,916.17 and the SMMPA billing of \\$486,387.81.](#)
5. **FINANCIAL REPORTS**
 - a. [Investment Report](#)
 - b. [Financial Report](#)
 - c. [Water and Kilowatt Hours Sales](#)
6. **REVIEW OF WATER SYSTEM MODELING STUDY**
 - a. [Study Summary](#)
7. **APPROVAL OF BID TO PROVIDE GENERATING EQUIPMENT**
 - a. [Approval Documents](#)
8. **ENGINEERING SERVICES AMENDMENT #2 FOR WEST SIDE ENERGY STATION**
 - a. [Approval Documents](#)
9. **RESOLUTIONS**
 - a. [#24-11-25-01 Declaring Official Intent of City of NP to Reimburse Certain Expenditures](#)
10. **SMMPA BOARD OF DIRECTORS MEETING**
 - a. [October 17, 2024](#)
11. **GENERAL MANAGER'S REPORT**
12. **OTHER BUSINESS**
13. **ADJOURNMENT**

NEXT COMMISSION MEETING – Monday, December 30, 2024



UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, October 28, 2024 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 28, 2024, at 3:31 p.m.

Commissioners present: Dan Bishop, Paul Busch and Chuck Nickolay

Commissioners absent: Bruce Wolf and Tom Ewert

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

2. APPROVAL OF AGENDA

Motion made by Commissioner Busch, seconded by Commissioner Nickolay, to approve the agenda as presented.

Motion carried (3-0)

3. APPROVAL OF MINUTES

a. September 30, 2024, Utilities Meeting Minutes

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to approve September minutes.

Motion carried (3-0)

4. UTILITY AND SMMPA BILLS

a. Approval of accounts payable in the amount of **\$121,171.61** and the SMMPA billing of **\$546,056.39**.

Motion made by Commissioner Nickolay, seconded by Commissioner Bishop, to approve the SMMPA and Utility bills as presented.

Motion carried (3-0)

5. FINANCIAL REPORTS

a. Investment Report

b. Financial Report

c. Water and Kilowatt Hours Sales

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to approve the financial reports as presented.

Motion carried (3-0)

6. APPROVAL OF SALE OF SURPLUS INVENTORY

a. Memo to Approve Sale of Surplus Property

Motion by Commissioner Busch, seconded by Commissioner Nickolay, approving sale of listed surplus inventory and equipment.

Motion carried (3-0)

7. APPROVAL OF UTILITY BILLING CLERK POSITION

a. Approval to Advertise and Hire for Utility Billing Clerk Position
GM Reimers and Finance Director Pikal informed the Commission that due to a resignation, the Utility Billing Clerk position was vacant. Staff also requested that the Commission approve the hiring of a replacement Utility Billing Clerk should management find a suitable candidate.
Motion by Commissioner Nickolay, seconded by Commissioner Busch, approving the hire of a Utility Billing Clerk should the right candidate be found.
Motion carried (3-0)

8. 2025 WATER & ELECTRIC BUDGET

a. Water
b. Electric
GM Reimers and Finance Director Pikal reviewed the proposed 2025 Water and Electric budgets with the Commission.
Motion made by Commissioner Bishop, seconded by Commissioner Busch, to approve the 2025 water and electric budgets along with the 2025 rates schedules as presented.
Motion carried (3-0)

9. REVIEW OF BID TO PROVIDE GENERATING EQUIPMENT

GM Reimers went over the only bid that was received from Ziegler Cat to provide diesel generating equipment in the amount of \$9,651,043. GM Reimers stated that if the Commission decides to move forward with the project, he will have SMMPA review the cost of the project and update the proposed contract for capacity payments, update the bonding and payment schedules to reflect the projected total project cost, and have the city attorney review the contract language so that the contract can be awarded at the November Commission meeting.
Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to approve moving forward with the proposed generation project.
Motion carried (3-0)

10. SMMPA BOARD OF DIRECTORS MEETING

a. September 11, 2024
Information only no action needed.
b. October 9, 2024 (Bruce)
General Manager Reimers informed the Commission on the following:
The SMMPA board approved the 2025 budget and all rates will remain the same as they were in 2024
The SMMPA board retreat will be held in the first week of November

11. GENERAL MANAGER'S REPORT

GM Reimers informed the Commission on the following:
Staff have been working on finishing projects before the weather
Staff have been working on finishing up service details for two new commercial services, Mayo and Two if by Sea.
The Boy scouts are still wanting to talk to the Commission about not wanting to remove their equipment that is stored in the Utility warehouse located North of the power plant. Staff informed the Commission that Utilities needs the space due to having to store more inventory caused by long lead times for critical equipment. The Commission asked if staff could check if there are any other spaces available around the city. Staff said they did not think the city would be able to provide space, but they would check with other departments.

12. OTHER BUSINESS

None

13. ADJOURNMENT

Motion made by Commissioner Nickolay, seconded by Commissioner Busch, to adjourn the meeting at 5:18pm
Motion carried (3-0)

NEXT COMMISSION MEETING – Monday, November 25, 2024

Respectfully Submitted,

Bruce Reimers
General Manager

Vendor Name	Net Invoice Amount
ACE HARDWARE & PAINT	
SUPPLIES	\$24.57
AMAZON CAPITAL SERVICES	
AMAZON PRIME MEMBERSHIP	\$39.78
LAPTOP CASE - ALYSSA	\$4.00
BAKER TILLY MUNICIPAL ADVISORS	
2024A BOND	\$5,700.00
BEVCOMM	
TELEPHONE	\$162.77
TELEPHONE/COMMUNICATIONS	\$59.95
CENTERPOINT ENERGY	
NATURAL GAS	\$9.46
COMPUTER TECHNOLOGY SOLUTIONS	
COMPUTER SUPPORT	\$1,912.40
OFFICE 365 / FIREWALL	\$441.78
GOPHER STATE ONE CALL	
LINE LOCATES	\$51.30
GRAINGER	
AA BATTERIES	\$9.13
GREATAMERICA FINANCIAL SERVICES	
POSTAGE MACHINE LEASE	\$70.25
KENNEDY & GRAVEN CHARTERED	
NEW PRAGUE UTILITIES COMMISSION	\$117.60
LAKERS NEW PRAGUE SANITARY	
TRASH - ELECTRIC	\$17.17
TRASH - POWER PLANT	\$86.91
TRASH - WATER	\$17.17
MACH LUMBER INC	
PO 781 - COOLING TOWER	\$655.00
MED COMPASS	
HEARING & FIT TESTING	\$449.09
METRO SALES INC	
COPIER LEASE	\$143.45
NEON LINK	
ONLINE PAYMENT FEES	\$555.55
NEW PRAGUE UTILITIES	
ELECTRIC UTILITIES	\$929.50
WATER UTILITIES	\$37.69
O'REILLY AUTOMOTIVE INC	
GENERATOR #8 - AIR FILTER	\$85.73
RIVER COUNTRY COOP	
MOTOR FUEL	\$840.00
ROBERT HALF	
TEMP UTILITY BILLING EMPLOYEE	\$36.75
SUEL PRINTING	
FUTURE GEN BIDS	\$224.00
US BANK CREDIT CARD	
AED BATTERIES	\$567.00
BORING MACHINE PARTS	\$10.83
FIBER PARTS	\$18.79
MRWA WATER EXPO	\$300.00
SMMPA PO 781- COOLING TOWER	\$14.54
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$640.09
VERIZON WIRELESS	
IPADS	\$55.10
TELEPHONE	\$1,013.34

Vendor Name	Net Invoice Amount
VETERAN SHREDDING	
CONTRACTED SERVICES	\$17.00
ZIEGLER INC.	
GENERATOR OIL SAMPLES	\$94.58
Grand s	<u>\$15,412.27</u>

Vendor / Description	Invoice Amount
ACE HARDWARE	
ENGINE MAINTENANCE	\$63.17
FILTER PLANT MAINTENANCE	\$34.63
SUPPLIES	\$47.65
WATER TOWER SUPPLIES	\$24.75
AMAZON CAPITAL SERVICES	
CHARGING CABLE	\$9.99
OFFICE SUPPLIES	\$12.49
SURGE PROTECTOR	\$21.77
WORK LIGHT & MOVER	\$365.53
AMERICAN TEST CENTER INC	
BUCKET TRUCK TESTING	\$1,680.00
ARVIG ANSWERING SOLUTIONS	
ANSWERING SERVICE	\$78.40
BORDER STATES ELECTRIC SUPPLY	
CONDUIT, 1" PVC	\$153.42
CONDUIT, 1-1/2" PVC SCH 80	\$212.60
COUPLING, 1" PVC	\$3.11
ELBOW, 1" 90DEG PVC	\$6.89
FUSE, 5AMP TIME DELAY FLM-5	\$541.22
GROUND ROD, 5/8 X 8' COPPER	\$494.40
STRAP, 1" 2-HOLE METAL	\$20.91
TAPE, DUCT 3M 3939	\$216.00
WIRE, 4/0-2/0-4/0 AL URD 600V (SWEE	\$12,146.34
CANNON TECHNOLOGIES INC	
GATEWAY 800	\$7,332.00
CENTERPOINT ENERGY	
NATURAL GAS	\$8,427.80
CORE & MAIN	
ACCESS POINTS	\$278.47
WATEROUS COUPLING, OPERATING ROD #67	\$237.70
DENNY / DOTTY VONBANK	
WIPING RAGS	\$80.00
DGR ENGINEERING	
JOB #9 -FUTURE GENERATION	\$39,887.00
GALLAGHERS' INC	
BLACK DIRT	\$515.87
GRAINGER	
BALL VALVES & FITTINGS	\$168.74
EYEWASH PARTS	\$59.20
FITTINGS	\$172.30
L&S ELECTRIC	
BOOSTER 1 VFD	\$202.00
LUBE-TECH & PARTNERS LLC	
DELVAC 1640 ENGINE OIL	\$3,595.89
MACH LUMBER COMPANY	
TIN - GARAGE	\$4,062.84
MN DEPT OF LABOR AND INDUS	
PRESSURE VESSEL	\$50.00
PETTY CASH	
VEHICLE REGISTRATION	\$13.25
POSTMASTER OF NEW PRAGUE	
UTILITY BILL POSTAGE	\$1,184.99
RESCO	
FIXTURE, EVLUMA ROADMAX, RX1	\$7,323.10
RIVER COUNTRY CO-OP	
FORKLIFT PROPANE	\$71.50

Vendor / Description	Invoice Amount
SALTCO	
MONTHLY SALT FEE	\$35.00
SIGNATURE GRAPHICS	
VEHICLE DECALS	\$816.58
SILHOUETTES	
HATS	\$300.00
STAR GROUP LLC.	
GEN # 10 BATTERY	\$257.27
GEN 8 & 9 FILTERS	\$139.38
SWITCH - RED BUCKET TRUCK	\$15.75
STUART C. IRBY CO.	
CONN, WIDE RANGE COMP	\$76.13
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$165.27
UTILITY CONSULTANTS	
WATER SAMPLES	\$190.74
VOYAGER FLEET	
FUEL	\$51.28
WATER HEATERS ONLY	
100-GAL ELECTRIC WATER HEATER	\$1,834.00
WESCO RECEIVABLES CORP.	
225 KVA 480Y/277 #	\$28,296.00
750KVA 480Y/277	\$30,376.00
METER SOCKET U7040XL	\$1,836.93
SNOWFLAKE BRACKETS	\$6,614.30
ZORO TOOLS	
CRANE PARTS - LINE GARAGE	\$568.19
FOAM	\$135.16
Grand s	<u>\$161,503.90</u>



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

Power Sales

Section 4, Item a.

#INV1526
 10/31/2024

Bill To

New Prague Municipal Utilities
 118 N Central Avenue
 New Prague MN 56071
 United States

Due Date: 11/25/2024

BILLING PERIOD	kWh	kW	DATE / TIME
Oct 2024	5,359,459	11,115	Oct 21, 2024 4:00:00 PM
SOLAR PRODUCTION	0	0	
TOTAL	5,359,459	11,115	
BASE RATE BILLING DEMAND CAP	N/A	0	
SUMMER SEASON BASE RATE DEMAND	N/A	15,725	Aug 26, 2024 4:00:00 PM
BASE RATE RATCHET DEMAND	N/A	11,637	Aug 26, 2024 4:00:00 PM

Description	Quantity	Rate	Amount	TOTAL
BASE RATE POWER SUPPLY				
Demand Charge (kW)	11,637	\$10.95	\$127,425.15	\$127,425.15
On Peak Energy Charge (kWh)	2,681,229	\$0.06431	\$172,429.84	\$172,429.84
Off Peak Energy Charge (kWh)	2,678,230	\$0.04808	\$128,769.30	\$128,769.30
Cost Adjustment (kWh)	6,407,296	\$0.002452	\$15,710.69	\$15,710.69
BASE RATE SUBTOTAL				\$444,334.98
TRANSMISSION				
Transmission Charge - CP (kW)	11,637	\$1.00	\$11,637.00	\$11,637.00
Transmission Charge - Ratchet (kW)	15,725	\$1.934234	\$30,415.83	\$30,415.83
OTHER CHARGES				

Total	\$486,387.81
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**NEW PRAGUE UTILITIES COMMISSION
SMMPA
10/31/2024**

MONTH	KWH	PURCHASED	ENERGY	2024	MONTH	KWH	PURCHASED	ENERGY	2023
		POWER	COST ADJ	Price/KWH			POWER	COST ADJ	Price/KWH
January	6,076,702	\$ 492,817.06	\$ (14,666.30)	\$ 0.08351	January	6,074,429	\$ 500,013.36		\$ 0.08231
February	5,236,987	\$ 458,820.82	\$ (1,385.49)	\$ 0.08788	February	5,418,152	\$ 470,218.94		\$ 0.08679
March	5,317,688	\$ 484,044.84	\$ 21,047.45	\$ 0.08707	March	5,727,100	\$ 501,121.24	\$ 12,245.02	\$ 0.08536
April	5,056,695	\$ 479,805.51	\$ 27,912.54	\$ 0.08937	April	5,245,499	\$ 477,287.37	\$ 18,251.67	\$ 0.08751
May	5,482,934	\$ 533,610.64	\$ 57,883.99	\$ 0.08676	May	5,710,038	\$ 496,161.90	\$ (7,480.08)	\$ 0.08820
June	6,281,542	\$ 528,546.50	\$ 8,257.30	\$ 0.08283	June	6,997,617	\$ 574,273.89	\$ (10,614.96)	\$ 0.08358
July	7,292,531	\$ 593,245.07	\$ (6,319.23)	\$ 0.08222	July	7,101,113	\$ 608,890.20	\$ 14,338.12	\$ 0.08373
August	6,961,253	\$ 639,976.21	\$ 31,831.90	\$ 0.08736	August	7,423,203	\$ 639,769.84	\$ 5,368.44	\$ 0.08546
September	6,407,296	\$ 546,056.39	\$ (4,141.95)	\$ 0.08587	September	6,153,035	\$ 543,660.78	\$ 20,673.62	\$ 0.08500
October	5,359,459	\$ 486,387.81	\$ 15,710.69	\$ 0.08782	October	5,407,912	\$ 428,039.47	\$ (52,140.82)	\$ 0.08879
November					November	5,340,198	\$ 458,752.64	\$ (7,798.21)	\$ 0.08737
December					December	5,662,663	\$ 523,375.89	\$ 42,107.46	\$ 0.08499
Total	59,473,087	\$ 5,243,310.85	\$ 136,130.90	\$ 0.08587	Total	72,260,959	\$ 6,221,565.52	\$ 34,950.26	\$ 0.08561

NEW PRAGUE UTILITIES COMMISSION			
INVESTMENT SUMMARY			
9/30/2024			
First Bank and Trust			
Checking - Cash Balance			
Electric		\$	2,860,203.56
Water		\$	1,426,861.71
Subtotal		\$	4,287,065.27
Money Market		\$	2,071,048.66
Wells Fargo			
F.I.S.T. (Market Value per Wells Select report)		\$	3,341,077.00
Electric <i>(74% of account)</i>	\$	2,472,396.98	
Water <i>(26% of account)</i>	\$	868,680.02	
Total		\$	9,699,190.93
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 15, 2024

October 16, 2024

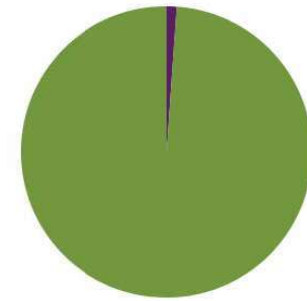
Trade Date Basis

NEW PRAGUE UTILITIES
COMMISSION

221880

Investment Objective Is Fixed Income

	MARKET VALUE	TOTAL COST	UNREALIZED G/L	EST ANNUAL INCOME	EST ANNUAL YIELD	ALLOCATION
Cash Alternatives	37,532	37,532	0	1,799	4.79	1.1
Fixed Income	3,303,546	3,418,885	(115,339)	101,162	3.06	98.9
Total Portfolio	\$3,341,077	\$3,456,416	\$(115,339)	\$102,961	3.08%	100.0%



NEW PRAGUE UTILITIES COMMISSION, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
WATER FUND (UNAUDITED)
September 30, 2024

WATER FUND						
						<i>75.00% of year completed</i>
REVENUES	2023 Thru 9/30/2023	Current Month	Actual Thru 9/30/2024	2023/2024 Variance YTD	2024 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	18,198.03	27,169.43	70,072.45	51,874.42	-	0.00%
Residential	\$ 968,234.59	\$ 124,151.40	\$ 934,274.08	\$ (33,960.51)	\$ 1,167,088.00	80.05%
Commercial	482,110.32	57,626.93	310,217.89	(171,892.43)	619,473.00	50.08%
Water Hook-up Fees	\$ 33,763.96	\$ 4,230.00	\$ 37,941.00	\$ 4,177.04	\$ 20,000.00	189.71%
Interest Income	8,755.68	7,754.73	28,271.13	19,515.45	15,000.00	188.47%
Other Income	\$ 32,185.08	\$ 3,139.95	\$ 26,296.93	\$ (5,888.15)	\$ 56,400.00	46.63%
TOTAL REVENUES	\$ 1,543,247.66	\$ 224,072.44	\$ 1,407,073.48	\$ (136,174.18)	\$ 1,877,961.00	74.93%
EXPENSES						
Power Used	105,601.29	12,177.62	82,055.31	(23,545.98)	117,500.00	69.83%
Purification	48,696.36	11,907.17	45,357.09	(3,339.27)	58,000.00	78.20%
Distribution	34,607.19	6,991.64	14,184.28	(20,422.91)	70,500.00	20.12%
Depreciation	323,221.16	42,921.66	388,714.47	65,493.31	431,460.00	90.09%
Debt & Other Interest	100,938.17	855.43	108,746.10	7,807.93	101,948.00	106.67%
Salary & Benefits	452,673.62	37,431.02	436,833.37	(15,840.25)	647,468.00	67.47%
Admin & General	\$ 106,034.11	\$ 18,819.00	\$ 161,217.62	\$ 55,183.51	\$ 163,028.00	98.89%
TOTAL EXPENSES	\$ 1,171,771.90	\$ 131,103.54	\$ 1,237,108.24	\$ 65,336.34	\$ 1,589,904.00	77.81%
EXCESS REVENUES OVER EXPENSES	\$ 371,475.76	\$ 92,968.90	\$ 169,965.24	\$ (201,510.52)	\$ 288,057.00	

CITY OF NEW PRAGUE
BALANCE SHEET
SEPTEMBER 30, 2024

WATER

<u>ASSETS</u>		
604-10101	CLAIM ON CASH	1,426,861.71
604-10125	MONEY MARKET-4M	410,468.47
604-10126	MONEY MARKET-4M 2024 BOND	896,899.93
604-10406	F.I.S.T. INVESTMENTS	881,850.46
604-10407	INVEST ALLOW-UNREALIZED LOS	(44,321.78)
604-11500	ACCOUNTS RECEIVABLE	85.18
604-11502	ACCOUNTS RECEIVABLE - NSF	660.06
604-11525	ACCRUED REVENUE	163,001.90
604-11600	ALLOWANCE DOUBTFUL ACC'T	(4,000.00)
604-11710	CUSTOMER ACCOUNTS RECEIVABL	182,981.16
604-12100	SPECIAL ASSESS. REC.-CURRENT	183.38
604-12300	SPECIAL ASSESS. REC.-DEFFERED	478,878.00
604-14100	MATERIAL INVENTORY	75,454.02
604-15696	DEFERRED OUTFLOW - OPEB	3,872.00
604-15699	GERF DEFERRED OUTFLOWS	75,379.00
604-16100	LAND	79,519.50
604-16200	BUILDINGS	2,454,932.92
604-16201	WELLS, PUMPS & PUMP HOUSE	2,197,186.11
604-16202	WATER TREATMENT	68,116.88
604-16203	WATER TREATMENT EQUIPMENT	1,253,269.45
604-16211	ACCUM DEPR-PRODUCTION PLANT	(4,357,715.78)
604-16301	ELEVATED TOWER	1,988,569.68
604-16303	RESERVOIR	732,530.15
604-16304	DISTRIBUTION TO SYSTEM	7,212,617.25
604-16305	PRU VALVES	902.95
604-16306	MAIN STREET TREATMENT UPGRADE	215,848.13
604-16308	WATER METERS	1,127,825.19
604-16311	ACCUM DEPR.-TRANS-DISTRIBUTI	(4,588,814.78)
604-16312	ACCUM. DEPR-GENERAL PLANT	(290,302.34)
604-16314	SCADA	218,511.67
604-16401	BLDG IMPROVEMENT OFFICE	5,533.95
604-16402	DEFERRED MAINTENANCE CHARGE	24,794.02
604-16403	OFFICE FUNITURE & FIXTURES	29,980.37
604-16404	TRANSPORTATION/EQUIPMENT	317,010.20
604-16405	MISCELLANEOUS EQUIPMENT	39,308.45
604-16406	SHOP EQUIPMENT	1,417.62
604-16507	SCADA UPGRADE	133,434.07
604-16508	10TH AVE WATER MAIN	81,956.30
		13,494,685.45
	TOTAL ASSETS	13,494,685.45

LIABILITIES AND EQUITY

CITY OF NEW PRAGUE
BALANCE SHEET
SEPTEMBER 30, 2024

WATER

<u>LIABILITIES</u>			
604-20210	ACCOUNTS PAYABLE	58,090.51	
604-20801	STATE SALES TAX	31.85	
604-20802	SC TRANSIT TAX	(1.16)	
604-20803	LS TRANSIT TAX	2.70	
604-21503	ACCRUED INTEREST	45,129.04	
604-21650	ACCRUED WAGES-VAC & COMP	53,414.10	
604-21712	DUE WATER TESTING PROGRAM	6.23	
604-21717	OPEB LIABILITY	19,420.00	
604-22000	DEPOSITS	34,245.96	
604-22296	OPEB DEFERRED INFLOW	7,329.00	
604-22299	DEFERRED (GERF) INFLOW	95,644.00	
604-22500	BOND PAYABLE - CUR PORT	34,999.97	
604-23400	BOND PREMIUM	421,725.55	
604-23511	2011 CIP	44,455.00	
604-23516	2013B-REFUNDING 2005-2007	80,000.00	
604-23517	CIP 2014	60,000.00	
604-23518	2020A - REFUNDING	319,923.58	
604-23519	CIP 2020-2021	2,180,000.00	
604-23520	2021 UTILITY BUILDING	415,000.00	
604-23521	CIP 2022	275,000.00	
604-23522	CIP 2023	460,000.00	
604-23523	CIP 2024	(150.00)	
604-23999	GERF PENSION LIABILITY	293,737.00	
	TOTAL LIABILITIES		4,898,003.33
<u>FUND EQUITY</u>			
604-25999	PRIOR PERIOD ADJUSTMENT	(274,691.48)	
604-26730	RESERVED FOR INVESTMENT AL	(.40)	
604-27200	FUND BALANCE-UNDESIGNATED	7,413,719.83	
604-28000	INVESTED IN UTILITY PLANT	1,287,688.93	
	UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	169,965.24	
	BALANCE - CURRENT DATE	169,965.24	
	TOTAL FUND EQUITY		8,596,682.12
	TOTAL LIABILITIES AND EQUITY		13,494,685.45

CITY OF NEW PRAGUE, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
ELECTRIC FUND (UNAUDITED)
September 30, 2024

Section 5, Item b.

ELECTRIC FUND						
75.00% of year completed						
<u>REVENUES</u>	2023 Thru 9/30/2023	Current Month	Actual Thru 9/30/2024	2023/2024 Variance YTD	2024 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	\$ (134,061.62)	\$ (58,790.53)	\$ 29,274.78	\$ 163,336.40	\$ -	0.00%
Residential Revenue	\$ 3,287,087.64	\$ 407,537.71	\$ 3,198,547.49	\$ (88,540.15)	\$ 4,230,849.00	75.60%
Commercial	\$ 483,819.73	\$ 55,951.72	\$ 500,100.12	\$ 16,280.39	\$ 606,240.00	82.49%
Small Industrial	\$ 1,397,477.09	\$ 172,282.52	\$ 1,427,988.84	\$ 30,511.75	\$ 1,837,352.00	77.72%
Industrial	\$ 1,815,038.34	\$ 238,303.61	\$ 1,853,119.49	\$ 38,081.15	\$ 2,374,761.00	78.03%
Streetlights	\$ 46,290.94	\$ 4,039.21	\$ 40,587.54	\$ (5,703.40)	\$ 58,529.00	69.35%
Other Departments	\$ 116,375.16	\$ 13,345.47	\$ 96,709.42	\$ (19,665.74)	\$ 162,901.00	59.37%
SMMPA LOR Reimbursement	\$ 159,953.81	\$ 19,458.54	\$ 155,279.96	\$ (4,673.85)	\$ 180,000.00	86.27%
SMMPA O&M Revenue	\$ 529,906.48	\$ 96,768.80	\$ 729,513.23	\$ 199,606.75	\$ 654,740.00	111.42%
Reimbursement - SMMPA Rebates	\$ 24,921.59	\$ 1,426.00	\$ 7,649.41	\$ (17,272.18)	\$ -	0.00%
Interest Income	\$ 32,599.66	\$ 14,921.12	\$ 49,560.40	\$ 16,960.74	\$ 25,000.00	198.24%
Other Income	\$ 157,331.06	\$ 43,087.95	\$ 273,991.72	\$ 116,660.66	\$ 343,700.00	79.72%
TOTAL REVENUES	\$ 7,916,739.88	\$ 1,008,332.12	\$ 8,362,322.40	\$ 445,582.52	\$ 10,474,072.00	79.84%
EXPENSES						
Production	\$ 7,836.33	\$ 6,444.48	\$ 11,552.57	\$ 3,716.24	\$ 26,000.00	44.43%
Purchased Power	\$ 4,811,397.52	\$ 546,056.39	\$ 4,756,923.04	\$ (54,474.48)	\$ 6,401,508.00	74.31%
SMMPA O&M Expenses	\$ 226,314.72	\$ 45,446.56	\$ 390,453.34	\$ 164,138.62	\$ 486,740.00	80.22%
Distribution/Transmission	\$ 55,848.90	\$ 2,585.07	\$ 23,034.97	\$ (32,813.93)	\$ 114,000.00	20.21%
Energy Conservation - Rebates	\$ 29,973.92	\$ 2,524.54	\$ 12,256.69	\$ (17,717.23)	\$ 12,500.00	98.05%
Depreciation	\$ 517,175.62	\$ 62,049.67	\$ 564,664.05	\$ 47,488.43	\$ 680,160.00	83.02%
Salary & Benefits	\$ 934,248.06	\$ 99,862.07	\$ 1,008,153.08	\$ 73,905.02	\$ 1,697,681.00	59.38%
MVEC LOR Payment	\$ 319,907.60	\$ 38,917.07	\$ 310,559.89	\$ (9,347.71)	\$ 357,793.00	86.80%
Admin & General	\$ 185,667.13	\$ 19,350.74	\$ 246,098.63	\$ 60,431.50	\$ 260,278.00	94.55%
Payment in Lieu of Taxes	\$ 30,000.01	\$ 3,333.33	\$ 29,999.97	\$ (0.04)	\$ 40,000.00	75.00%
TOTAL EXPENSES	\$ 7,118,369.81	\$ 826,569.92	\$ 7,353,696.23	\$ 235,326.42	\$ 10,076,660.00	72.98%
EXCESS REVENUES OVER EXPENSES	\$ 798,370.07	\$ 181,762.20	\$ 1,008,626.17	\$ 210,256.10	\$ 397,412.00	

Note: "Other Income" includes metal recycling

CITY OF NEW PRAGUE
BALANCE SHEET
SEPTEMBER 30, 2024

ELECTRIC

<u>ASSETS</u>		
605-10101	CLAIM ON CASH	2,859,903.56
605-10125	MONEY MARKET-4M	1,509,033.26
605-10200	PETTY CASH	300.00
605-10405	MONEY MARKET-FIRST BK & TRUST	151,546.93
605-10406	F.I.S.T. INVESTMENT	2,509,882.07
605-10407	INVEST ALLOW-UNREALIZED LOS	(126,146.61)
605-11500	ACCOUNTS RECEIVABLE	34,745.00
605-11502	ACCOUNTS RECEIVABLE - NSF	5,478.06
605-11510	ACOUNTS RECEIVABLE - SMMPA	236,162.74
605-11525	ACCRUED REVENUE	597,617.09
605-11530	CLEARING ACCOUNT	487.21
605-11600	ALLOWANCE DOUBTFUL ACC'T	(10,000.05)
605-11710	CUSTOMER ACCOUNTS RECEIVABL	945,094.61
605-11720	BUDGET A/R	223.58
605-12100	SPECIAL ASSESS. REC.-CURRENT	454.89
605-14100	MATERIAL INVENTORY	1,291,986.25
605-15501	PREPAID OTHER	647.44
605-15696	DEFERRED OUTFLOW - OPEB	5,538.00
605-15699	GERF DEFERRED OUTFLOWS	185,794.00
605-16100	LAND	41,647.88
605-16205	STRUCTURE & IMPROV. BLDGS	3,792,791.38
605-16206	GENERATORS	5,527,533.57
605-16211	ACCUM DEPR-PRODUCTION PLANT	(6,791,492.27)
605-16301	TRANSMISSION STATION EQUIPMENT	601,832.72
605-16302	TRANSMISSION POLES & CONDUCTOR	87,734.24
605-16303	DISTRIBUTION STATION EQUIPMENT	832,233.96
605-16304	POLES-TOWERS-FIXTURES	204,140.34
605-16305	OVERHEAD CONDUCTORS-DEVICES	678,998.06
605-16306	UNDERGROUND CONDUCTORS-DEVICE	6,038,780.12
605-16307	LINE TRANSFORMERS	2,057,276.01
605-16308	SERVICES	379,201.70
605-16309	ELECTRIC METERS	1,073,652.50
605-16310	FIBER OPTIC	89,759.87
605-16311	ACCUM DEPR.-TRANS-DISTRIBUTI	(7,973,914.59)
605-16312	ACCUM DEPR - GEN PLANT	(1,637,028.71)
605-16313	LOAD MANAGEMENT	97,714.51
605-16314	SCADA	123,864.82
605-16315	STREET LIGHTS	1,717,237.14
605-16316	STRUCTURE & IMPROVEMENTS E	224,058.67
605-16403	TOOLS & WORK EQUIPMENT	237,583.03
605-16404	TRANSPORTATION/EQUIPMENT	1,865,610.77
605-16405	MISCELLANEOUS EQUIPMENT	97,109.01
605-16406	SHOP EQUIPMENT	56,994.23
605-16420	OFFICE EQUIPMENT	89,730.18
605-16510	JOB #2 (URD) GIS MAPPING	15,837.34
605-16511	JOB #2 (TRAN) GIS MAPPING	106.23
605-16512	JOB #2 (SERV) GIS MAPPING	2,755.16
605-16517	JOB #3 (OH) NE STREET RECONS	99.92
605-16518	JOB #3 (URD) NE STREET RECONS	760.97
605-16519	JOB #3 (TRANS) NE STREET RECON	268.32
605-16522	JOB #3 (S.L.) NE STREET RECONS	2,169.84
605-16525	JOB #4 (OH) FEEDER #1	11,221.35
605-16526	JOB #4 (URD) FEEDER #1	215,030.22
605-16527	JOB #4 (TRANS) FEEDER #1	11,342.12
605-16528	JOB #4 (SERV) FEEDER #1	78,477.42
605-16529	JOB #4 (METER) FEEDER #1	230.33
605-16530	JOB #4 (S.L.) FEEDER #1	10,219.54
605-16531	JOB #4 (FIBER) FEEDER #1	571.96

CITY OF NEW PRAGUE
BALANCE SHEET
SEPTEMBER 30, 2024

ELECTRIC

605-16542	JOB #6 (URD) FEEDER #4 & #6	370.64	
605-16550	JOB #7 (URD) FEEDER #8	3,731.75	
605-16568	JOB #9 (SERV) FUTURE GENERATIO	11,183.00	
605-16578	JOB #10 (S.L.) CHART	173.12	
605-16582	JOB #11 (URD) SCOTT EQUIP	3,150.42	
605-16583	JOB #11 (TRANS) SCOTT EQUIP	635.64	
605-16590	JOB #12 (URD) DOG PARK	8,608.79	
605-16592	JOB #12 (SERV) DOG PARK	5.40	
605-16595	JOB #12 (FIBER) DOG PARK	352.68	
605-16598	JOB #13 (URD) PARKS BUILDING	367.87	
605-16600	JOB #13 (SERV) PARKS BUILDING	96.40	
605-16603	JOB #13 (FIBER) PARKS BUILDING	2,831.28	
605-16606	JOB #14 (URD) SCOOTERS COFFEE	4,799.09	
605-16607	JOB #14 (TRANS) SCOOTERS COFFE	1,350.82	
605-16608	JOB #14 (SERV) SCOOTERS COFFEE	384.03	
605-16616	JOB #15 (SERV)	1,509.00	
605-16638	JOB #18 (URD) BELZER EV CHARGE	29,520.46	
605-16646	JOB #19 (URD) WEST SUB PLC	10,139.21	
605-16648	JOB #19 (SERV) WEST SUB PLC	48,960.80	
	TOTAL ASSETS		20,189,058.29
	 <u>LIABILITIES AND EQUITY</u>		
	 <u>LIABILITIES</u>		
605-20200	ACCOUNTS PAYABLE-SMMPA	546,056.39	
605-20204	AP OTHER	276,745.29	
605-20210	ACCOUNTS PAYABLE	245,890.83	
605-20801	STATE SALES TAX	229.04	
605-20802	SC TRANSIT TAX	10.98	
605-20803	LS TRANSIT TAX	12.99	
605-21650	ACCRUED WAGES-VAC & COMP	122,384.98	
605-21717	OPEB LIABILITY	27,780.00	
605-22000	DEPOSITS	139,485.90	
605-22001	ENERGY ASSISTANCE CONTRACTS	24.69	
605-22022	HOLDING FUNDS-DEPOSITS	950.00	
605-22296	OPEB DEFERRED INFLOW	10,484.00	
605-22299	DEFERRED (GERF) INFLOW	235,737.00	
605-23999	GERF PENSION LIABILITY	723,987.00	
	TOTAL LIABILITIES		2,329,779.09
	 <u>FUND EQUITY</u>		
605-25999	PRIOR PERIOD ADJUSTMENT	(890,763.35)	
605-26300	CONTRIBUTED CAPITAL	(.19)	
605-26720	RESERVED FOR BONDS	321,700.00	
605-27200	FUND BALANCE-UNDESIGNATED	12,995,882.31	
605-28000	INVESTED IN UTILITY PLANT	4,423,834.26	
	UNAPPROPRIATED FUND BALANCE: REVENUE OVER EXPENDITURES - YTD	1,008,626.17	
	BALANCE - CURRENT DATE	1,008,626.17	
	TOTAL FUND EQUITY		17,859,279.20

CITY OF NEW PRAGUE
BALANCE SHEET
SEPTEMBER 30, 2024

Section 5, Item b.

ELECTRIC

TOTAL LIABILITIES AND EQUITY

20,189,058.29

NEW PRAGUE UTILITIES COMMISSON					
ELECTRIC SALES KWH					
		ACCUM			ACCUM
MONTH	2024	2024	MONTH	2023	2023
JAN	5,508,723	5,508,723	JAN	7,167,597	7,167,597
FEB	5,637,288	11,146,011	FEB	5,749,576	12,917,173
MAR	5,184,765	16,330,776	MAR	5,309,337	18,226,510
APR	5,128,582	21,459,358	APR	5,593,759	23,820,269
MAY	4,697,436	26,156,794	MAY	4,902,810	28,723,079
JUNE	5,321,360	31,478,154	JUNE	5,925,918	34,648,997
JULY	6,088,366	37,566,520	JULY	6,929,204	41,578,201
AUG	7,394,647	44,961,167	AUG	6,782,693	48,360,894
SEPT	6,608,966	51,570,133	SEPT	6,923,879	55,284,773
OCT	6,050,221	57,620,354	OCT	5,971,226	61,255,999
NOV			NOV	4,829,240	66,085,239
DEC			DEC	5,387,440	71,472,679
TOTAL	57,620,354		TOTAL	71,472,679	

***Monthly Kwh totals are not final until year-end**

AGENDA ITEM: 5C									
NEW PRAGUE UTILITIES COMMISSION									
WATER PUMPED-SOLD-USED									
2024									
YR/MO	2024		2023		YR/MO	2024		2023	
	2024	YTD	2023	YTD		2024	YTD	2023	YTD
JANUARY	12/8/23-1/8/2024		12/2/22-1/10/2023		JULY	6/7/2024-7/8/2024		6/9/2023-7/11/2023	
GAL PUMPED	18,004	18,004	17,529	17,529	GAL PUMPED	19,050	129,082	44,904	160,021
GAL SOLD	15,411	15,411	14,793	14,793	GAL SOLD	16,581	108,730	41,150	142,482
GAL USED	280	280	337	337	GAL USED	456	2,490	981	3,391
GAL(LOSS)/GAIN	(2,313)	(2,313)	(2,399)	(2,399)	GAL(LOSS)/GAIN	(2,013)	(17,862)	(2,773)	(14,148)
PERCENTAGE	12.8%	12.8%	13.7%	13.7%	PERCENTAGE	10.6%	13.8%	6.2%	8.8%
FEBRUARY	1/8/2024-2/7/2024		1/10/2023-2/8/2023		AUGUST	7/8/2024-8/7/2024		7/11/2023-8/9/2023	
GAL PUMPED	17,511	35,515	17,060	34,589	GAL PUMPED	25,675	154,757	38,624	198,645
GAL SOLD	14,979	30,390	15,323	30,116	GAL SOLD	22,609	131,339	35,725	178,207
GAL USED	343	623	325	662	GAL USED	757	3,247	579	3,970
GAL(LOSS)/GAIN	(2,189)	(4,502)	(1,412)	(3,811)	GAL(LOSS)/GAIN	(2,309)	(20,171)	(2,320)	(16,468)
PERCENTAGE	12.5%	12.7%	8.3%	11.0%	PERCENTAGE	9.0%	13.0%	6.0%	8.3%
MARCH	2/7/2024-3/8/2024		2/8/2023-3/9/2023		SEPTEMBER	8/7/2024-9/9/2024		8/9/2023-9/8/2023	
GAL PUMPED	16,824	52,339	15,950	50,539	GAL PUMPED	27,535	182,292	37,180	235,825
GAL SOLD	14,823	45,213	14,555	44,671	GAL SOLD	23,306	154,645	34,643	212,850
GAL USED	330	953	368	1,030	GAL USED	785	4,032	601	4,571
GAL(LOSS)/GAIN	(1,671)	(6,173)	(1,027)	(4,838)	GAL(LOSS)/GAIN	(3,444)	(23,615)	(1,936)	(18,404)
PERCENTAGE	9.9%	11.8%	6.4%	9.6%	PERCENTAGE	12.5%	13.0%	5.2%	7.8%
APRIL	3/8/2024-4/8/2024		3/9/2023-4/8/2023		OCTOBER	9/9/2024-10/8/2024		9/8/2023-10/10/2023	
GAL PUMPED	17,280	69,619	17,103	67,642	GAL PUMPED	31,996	214,288	30,086	265,911
GAL SOLD	15,301	60,514	15,509	60,180	GAL SOLD	30,099	184,744	27,240	240,090
GAL USED	311	1,264	311	1,341	GAL USED	1308	5,340	452	5,023
GAL(LOSS)/GAIN	(1,668)	(7,841)	(1,283)	(6,121)	GAL(LOSS)/GAIN	(589)	(24,204)	(2,394)	(20,798)
PERCENTAGE	9.7%	11.3%	7.5%	9.0%	PERCENTAGE	1.8%	11.3%	8.0%	7.8%
MAY	4/8/2024-5/8/2024		4/8/2023-5/10/2023		NOVEMBER	10/8/2024-11/7/2024		10/10/2023-11/8/2023	
GAL PUMPED	19,862	89,481	18,946	86,588	GAL PUMPED		214,288	17,838	283,749
GAL SOLD	14,611	75,125	14,860	75,040	GAL SOLD		184,744	14,855	254,945
GAL USED	318	1,582	373	1,714	GAL USED		5,340	330	5,353
GAL(LOSS)/GAIN	(4,933)	(12,774)	(3,713)	(9,834)	GAL(LOSS)/GAIN	0	(24,204)	(2,653)	(23,451)
PERCENTAGE	24.8%	14.3%	19.6%	11.4%	PERCENTAGE	#DIV/0!	11.3%	14.9%	8.3%
JUNE	5/8/2024-6/7/2024		5/10/2023-6/9/2023		DECEMBER	11/7/2024 - 12/8/2024		11/8/2023 - 12/8/2023	
GAL PUMPED	20,551	110,032	28,529	115,117	GAL PUMPED		214,288	17,948	301,697
GAL SOLD	17,024	92,149	26,292	101,332	GAL SOLD		184,744	15,465	270,410
GAL USED	452	2,034	696	2,410	GAL USED		5,340	331	5,684
GAL(LOSS)/GAIN	(3,075)	(15,849)	(1,541)	(11,375)	GAL(LOSS)/GAIN	0	(24,204)	(2,152)	(25,603)
PERCENTAGE	15.0%	14.4%	5.4%	9.9%	PERCENTAGE	#DIV/0!	11.3%	12.0%	8.5%

MEMORANDUM

Date: October 22, 2024
 To: Bruce Reimers – New Prague Municipal Utilities
 From: Mitchell Swanson, P.E.
 Subject: Water System Modeling and Study - Summary
 New Prague Municipal Utilities – New Prague, Minnesota
 Project No.: 0M1.133584

The purpose of this memo is to summarize key points of the Water System Model and Study report which provides New Prague Municipal Utilities with relevant information regarding its water distribution system and recommendations for future improvements associated with the growing community. The report examined the existing 2024 water distribution system and the future 2044 water distribution system. Planned growth areas are based on the city’s Comprehensive Plan. Population projections resulted in the following water demand projections.

Table 2.1 – Water Demands			
Year	Population Projection	Projected Average Daily Demand (MGD)	Projected Maximum Daily Demand (MGD)
2024	8,768	0.833 (579 gpm)	1.749 (1,215 gpm)
2044	14,125	1.342 (932 gpm)	2.818 (1,957 gpm)

I. Design Criteria

Design requirements include the water supply wells’ firm pumping capacity being equal to the maximum daily demand of the city. Firm pumping capacity is the total pumping capacity with the largest well out of service. Storage capacity requirements involve equalization storage for average daily demand and additional storage for fire protection. Pressure throughout the distribution system should stay above 35 psi during average daily demands and above 20 psi during maximum daily demands. Fire flow capacities should be 1,000 gpm for residential areas and 3,500 gpm is considered adequate for commercial and industrial areas; however, the fire marshal and ISO should be consulted to verify required capacities for insurance purposes. A water model of the existing and future system was developed to evaluate pressure and fire flow throughout the system.

II. Existing System Evaluation

The Public Utility operates the supply wells seen below in Table 3.1. The firm capacity of the wells is 2,410 gpm or 3.47 MGD. The existing distribution system’s storage capacity was reviewed and determined to be deficient by 0.25 MG. Model results of the existing system show that pressures are within the recommended range and fire flows were above 1,000 gpm, except for the southwest pressure zone. Recommendations for the existing system are to add additional storage for fire flow capacity and improve fire flows to the southwest zone with larger pumps, a fire pump, or looping the southwest and southeast zones together. Looping is not anticipated to occur until the city has growth on the south side.

Table 3.1 – Supply Well Summary				
Well No.	Feeds	Aquifer	Year Constructed	Capacity (gpm)
1	WTP No. 1	Tunnel City	1925	510
2	WTP No. 1	Tunnel City	1938	400
3	WTP No. 1	Tunnel City	1948	500
4	WTP No. 2	Mt. Simon	1988	500
5	WTP No. 3	Tunnel City	2002	500
6	WTP No. 3	Mt. Simon	2007	1,000
Total Capacity:				3,410 gpm (4.91 MGD)
Firm Capacity:				2,410 gpm (3.47 MGD)

III. Future System Evaluation

The future system assumes that Water Treatment Plant No. 2 is decommissioned. Well No. 4 is a Mt. Simon well, in 2021, the DNR limited the construction of new Mt. Simon wells; therefore it is recommended this well be maintained. It was not, however, used in the following evaluation. Topographic maps were used to delineate pressure zone boundaries.

Evaluating the storage capacity showed that the future system requires 1.0 MG of additional storage capacity. Based on the maximum daily demands shown above, the recommended firm pumping capacity is 1,957 gpm.

Treatment Plants No. 1 and No. 3 meet the capacity of future maximum daily demand; however, if the largest well is out of service, the capacity of Treatment Plant No. 3 drops to 500 gpm. This results in the treatment plants pumping 1,500 gpm, which is less than the maximum daily demand. It is therefore recommended that an additional well be installed near Water Treatment Plant No. 3 with a minimum capacity of at least 500 gpm.

While Water Treatment Plant No. 1 may be maintained, it is prudent to keep land north of Water Treatment Plant No. 3 for expansion purposes when Treatment Plant No. 1 is eventually decommissioned. When Treatment Plant No. 1 is decommissioned, additional wells need to be added to Treatment Plant No. 3 with a minimum combined capacity of 1,500 gpm to meet future maximum daily demands and replace the wells supplying Treatment Plant No. 1. The capacity of Treatment Plant No. 3 would also need to be expanded by an additional 1,000 gpm for a total capacity of 2,000 gpm.

The model of the future system showed pressures were in the desired range and all fire flow capacities were above 1,000 gpm.

IV. Opinion of Probable Cost

The cost estimates provided in this section are preliminary cost estimates using 2024 costs. Water supply, storage, and treatment improvement costs should be evaluated during the preliminary engineering of each item.

Table 5.1 shows probable costs for water supply and storage improvements. While maintaining Treatment Plant No. 1 would save capital costs compared to expanding Treatment Plant No. 3, there is additional risk when using a facility that is over 84 years old and supply wells that are over 76 to 99 years old. As improvements are made, the condition and capacity of Treatment Plant No. 1 and the associated wells should be evaluated to determine the long-term viability of the supply and treatment. The land north of Water Treatment Plant No. 3 should be kept for expansion purposes when Treatment Plant No. 1 is eventually decommissioned.

While constructing a ground storage tank in the form of a clearwell would save capital costs, there are additional operation and maintenance costs associated with pumps required to pump the water into the distribution system and associated power consumption. The clearwell could be the site of the future Treatment Plant No. 3 expansion when Treatment Plant No. 1 is decommissioned. The storage tank costs utilized for this report should be re-evaluated at the time of design to ensure it is sized correctly and that the proper reservoir is constructed.

Table 5.1 – Opinion of Probable Cost – Water Supply and Storage		
Item	Cost Estimate – Clearwell	Cost Estimate – Water Tower
Construct 1,000 gpm Well	\$1,200,000	\$1,200,000
0.5 MG Tower – South Zone	\$3,750,000	\$3,750,000
Alternative: 0.5 MG Clearwell ⁽¹⁾ – Water Treatment Plant No. 3	\$2,000,000	-
Alternative: 0.5 MG Tower – Water Treatment Plant No. 3	-	\$4,250,000
Subtotal	\$6,950,000	\$9,200,000
25% Contingency	\$1,750,000	\$2,300,000
20% Admin/Engineering/Legal	\$1,750,000	\$2,300,000
TOTAL	\$9.5M – \$11.5M	\$12.5M – \$15M
⁽¹⁾ Ground storage tanks and clearwells have additional O&M costs associated with pump maintenance and power consumption compared to elevated storage tanks.		

Table 5.2 provides probable cost opinions to install the future watermains and includes mobilization, street restoration, and other associated costs; however, they do not account for smaller diameter lateral watermains and service lines to homes and businesses associated with future developments.

Table 5.2 – Opinion of Probable Cost - Watermain		
Watermain Size	Linear Feet	Cost Estimate
6-inch	1,480	\$140,000
8-inch	309,220	\$29,380,000
10-inch	116,660	\$11,670,000
12-inch	23,720	\$2,500,000
16-inch	160	\$30,000
Subtotal		\$43,720,000
25% Contingency		\$10,000,000
20% Admin/Engineering/Legal		\$10,000,000
TOTAL		\$60M – \$65M

Table 5.3 provides cost opinions for the expansion of the 10th Ave. booster station improvements and additional PRV stations. The 10th Ave. booster station improvements involve replacing the existing pumps with slightly larger pumps, removing the pressure tank, adding fire pumps, replacing pipe and valves, and electrical improvements. The PRV station costs include the structure, pressure reducing valve, piping, and isolation valves.

Table 5.3 – Opinion of Probable Cost –Booster Station, and PRV	
Item	Cost Estimate
10 th Ave. Booster Station Improvements	\$500,000
PRV Structure and Valve (approx. \$60,000 each)	\$250,000
Subtotal	\$750,000
25% Contingency	\$200,000
20% Admin/Engineering/Legal	\$200,000
TOTAL	\$1M – \$1.5M

If Water Treatment Plant No. 1 is decommissioned, then Treatment Plant No. 3 should be expanded to increase its capacity by 1,000 gpm. Table 5.4 provides cost opinions for the expansion of Water Treatment Plant No. 3. This includes additional building space, filter equipment, and electrical equipment.

Table 5.4 – Opinion of Probable Cost – Water Treatment Expansion	
Item	Cost Estimate
Water Treatment Plant No. 3 Expansion	\$10,000,000
Subtotal	\$10,000,000
25% Contingency	\$2,500,000
20% Admin/Engineering/Legal	\$2,500,000
TOTAL	\$13.5M – \$16.5M

V. Phase Implementation

Planning for significant infrastructure requires a robust capital improvements plan (CIP) to couple proper timing of new and replacement system components with the ability to absorb associated costs. A three-phase approach is recommended to balance financial preparedness with the needs described in this report. Note an updated rate study is often necessary to align income with proposed system improvement expenditures.

Phase I includes the construction of a supply well and clearwell at Water Treatment Plant No. 3 and the expansion of the water distribution system in the immediate five-year horizon. In the following 10 years, the city should plan to address Phase II, which includes additional storage needs and further expansion of the distribution system. This sequencing allows the funding source time to build adequate funds. Phase III includes any improvements to the distribution system that remain after 15 years. This phasing assumes Treatment Plant No. 1 is maintained and an expansion of Treatment Plant No. 3 is not required until after this phasing sequence.

Note that increasing pipe size in the network is a substantial part of the future need. It is typically most efficiently accomplished by incorporating it into future street reconstruction projects to the extent possible. Pipe sizing in growth areas can simply incorporate recommended diameters as part of the initial street and municipal infrastructure construction. Storage and pressure boost components may need to be accelerated to permit growth in certain areas.

Table 6.1 – Recommended Phasing of Water System Improvements	
Phase I - Supply Well, Clearwell, and Water Distribution Expansion	\$25M
Phase II - Additional Tower and Further Distribution Expansion	\$25M
Phase III - Remaining Improvements to Distribution System	\$25M
Total Anticipated Probable Costs Over Next 20+/- Years	\$75M



New Prague Utilities Commission

In the Counties of Scott & Le Sueur

118 CENTRAL AVENUE NORTH · NEW PRAGUE, MINNESOTA 56071 ·
PHONE (952) 758-4401 · www.ci.new-prague.mn.us · FAX (952) 758-1149

Bruce Reimers
General Manager

MEMORANDUM

TO: New Prague Utilities Commission

FROM: Bruce Reimers, Utilities General Manager

DATE: November 20, 2024

SUBJECT: **Approval of Diesel Generation Equipment and related support equipment.**

Over the past several months NPUC staff have been working with DGR Engineering to develop bid specifications for (4) 3100KW generators and related support equipment. At the September Commission meeting the Commission approved bidding documents and specifications provided by DGR engineering and authorized a request for public bids to be received by October 24, 2024.

Only one bid was received from Ziegler Cat in the amount of \$9,841,243 including the base engine and support equipment, along with optional items to include a five-year extended warranty, generator bearing temperature monitoring and ethylene glycol coolant.

Recommendation:

Approve the bid from Ziegler Cat and authorize the General Manager and Board President to sign contracts after final review by the City of New Prague legal counsel and DGR engineering.

October 25, 2024 (DELIVERED VIA E-MAIL)

Bruce Reimers
General Manager
New Prague Utilities Commission
118 Central Ave N
New Prague, MN 56071



**Re: Letter of Recommendation
Furnishing Diesel Generating Equipment
DGR Project No. 417209**

Dear Bruce:

On October 24, 2024, bids were received for Furnishing Diesel Generating Equipment to New Prague Utilities Commission. A bid tabulation and summary form are included with this letter.

The bid item for consideration includes four new diesel-fired generators suitable for installation with a remote radiator. For this scope of supply, the Utility received one bid from Ziegler Inc. for a base bid price of \$9,651,043.00. Optional pricing was offered for an extended warranty, exhaust silencer, generator stator and bearing temperature measurement, and ethylene glycol (engine coolant).

DGR Engineering has completed our review of the bid from Ziegler. The Ziegler offer includes Caterpillar C175-16 Tier 4 final generators, which have been manufactured since 2009. The pricing received is in alignment with recent bid openings for other area utilities. The proposed "URGE" or "GVTC" output rating of each generator is 2,800 kW and Ziegler specified a current delivery schedule of Quarter 4, 2027.

Ziegler's bid included proposed modifications to the contract language. Primary changes were related to the application of liquidated damages, should they be unable to meet the project schedule, the addition of language related to the limitation of liability and insurance, and the inclusion of an alternate payment schedule. DGR recommends that New Prague Utilities Commission engage your legal counsel for assistance in the development of terms that are mutually agreeable to both parties.

We are familiar with Caterpillar gensets and know of no reason why Ziegler would not perform well on this project. DGR has had the opportunity to install several of these units in Minnesota and Iowa. Ziegler has an extensive service network, and we understand that the Utility's previous experience with them has also been positive.

With the above in mind, we recommend that the New Prague Utilities Commission consider an award to Ziegler Power Systems for the Base Bid. Further, we suggest that the Commission consider awarding the extended warranty and generator stator and bearing temperature

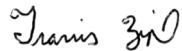
measurement as part of the award. The total contract is estimated to be \$9,757,243.00.

The Engineer would like to notify the Commission of the future cost associated with the filling of coolant in each of the generators. Ziegler offered "per gallon" pricing in their bid, and this price will be honored at the time of installation in 2027/2028. Since the final location of the radiators and pipe routing has not been set, the system volume cannot be determined. We do estimate the facility will require approximately 4,000 gallons of coolant, resulting in a potential cost (adder) of \$84,000.00, payable at the project commissioning / closeout. Please consider as an adder to the total contract amount specified above.

Please review the above and pass our recommendations to the Commission. Feel free to contact us with any questions you or the Commission may have. Thank you for the opportunity to offer this letter for your consideration.

Best Regards,

DGR Engineering



Travis Zipf, P.E.

Enclosures
TLZ:ste

Proposal by

Section 7, Item a.

Date: October 23, 2024



Proposal No. EPG2024MWR428

8050 County Road 101 East
Shakopee, MN 55379
952.887-4599

To: New Prague Utilities Commission
118 Central Avenue N
New Prague, MN 56071

Re: Furnishing Diesel Generating Equipment
New Prague Utilities Commission
New Prague, MN 56071

Attn: Bruce Reimers – General Manager

DGR Project No. 417209

WE PROPOSE TO FURNISH IN ACCORDANCE WITH THE FOLLOWING SPECIFICATIONS, TERMS AND CONDITIONS

QUANTITY: Four (4) New CATERPILLAR Diesel Generator sets, Indoor Packages
MODEL: C175-16 TA, EPA Tier 4 Final
RATING: 3100 kW Standby, 2825 kW Prime Rating Power
VOLTAGE: 12,470 volt, 3 phase, 4 wire, 60 HZ, 1800 RPM
EMMISSIONS: Tier 4 After treatment system including SCR, dosing cabinet
COOLING: Remote radiators
WARRANTY: Two (2) Year Caterpillar Warranty

TOTAL PRICE: See bid form*

- * Please refer to the attached Bill of Material.
- * Price does not include state or local sales and/or use tax.
- * Delivery Jobsite on owner supplied pad - included in final billing

APPROXIMATE SHIPPING DATE: See Bid Form

F.O.B: Ziegler

TERMS: 70% upon shipment from Factory, 20% at delivery and 10% after final completion

THIS PROPOSAL SUBJECT TO ALL PROVISIONS OF THE CONTRACT AND WARRANTY ON REVERSE SIDE

ACCEPTED:

Respectfully submitted,
ZIEGLER INC.

By _____

Mark Reuter, Sales Engineer

By _____

Subject to approval by

APPROVED:

ZIEGLER INC.

Its _____

By _____

PACKAGED GENERATOR SET

Caterpillar heavy-duty diesel
CAT Model C175-16
Direct injected, turbocharged-air to air after cooled
V16 cylinder configurations
EPA Tier 4 Final Certified

AIR INLET SYSTEM

Air cleaner, regular duty, with service indicators
After-cooler core, copper nickel construction
Turbochargers, single stage

CONTROLS AND INSTRUMENTATION, EMCP 4.3

Enclosure interior mounted control panel
Emergency stop pushbutton.
EMCP 4.3 controller including:
24-volt DC operation.
Environmental sealed front face.
Text alarm/event descriptions.
Warning/shutdown with common LED indication.
Of shutdowns with indicating lights for:
Low oil pressure.
High coolant temperature.
Overspeed.
Emergency stop.
Failure to start (overcrank).
Low coolant level
Generator mounted - rear facing.
Controls:
Speed adjust.
Auto/start/stop control.
Engine cool-down timer.
Engine cycle crank.
Alarm acknowledge.
Lamp test.
True RMS AC metering, 3-phase, +/-0.25% accuracy.
Digital indication for:
RPM
DC volts
Operating hours
Oil pressure (psi, kPa or bar)
Coolant temperature
Volts (L-L & L-N), frequency (Hz)
Amps (per phase & average)
- 12 programmable digital inputs.
- 16 programmable digital outputs.
- 3 programmable analog inputs.
- 3 programmable analog outputs.
- 2 programmable PWM outputs

CONTROLS AND INSTRUMENTATION EMCP 4.3, cont.

Power metering
Protective relaying
Enhanced engine monitoring
Modbus Communications

COOLING SYSTEM

Low noise remote radiator, designed for 75dba @ 7 meters
Fan, blower type, fan guards
Drive type: belt
Motor speed: 1800 rpm
VFD panel for motors
Estimated Dimensions: 29'L x 11'W x 14'H, 26,000lbs.
Ladder and maintenance platform
Surge tank with sight glass and level switches
Vibration switch, one per motor
Core guard
VFD control panel for remote radiator fan motors
Thermostats and housing
Jacket water pump, gear driven, centrifugal
Jacket water heater
 One (1) 9 kW heater
 480 volt, 1 phase
 High-pressure hose with isolation valves

EXHAUST SYSTEM

Insulated CEM (Clean Emissions Module)
CEM Dosing Module
CEM Dosing Module features:
 Air Filter
 DEF filter
 120VAC
 Freeze Protection
 DEF Line Purge
 External Relay
 Harness from Dosing Module to CEM
 Air and heated DEF lines from Dosing Module to CEM
Dry exhaust manifold
Exhaust piping from turbo outlet to CEM inlet included and provided by Caterpillar
Flanged faced inlets at CEM inlet (16") and single outlet (20")
Exhaust CEM support stand
304 S/S dosing lines
Piping, insulation and heat tracing between DEF tank and dosing cabinet
Option: 22" Hospital grade Exhaust silencer, side in end out.
 Stand-offs for cladding
 Top Flange Gussets for stack support

FLYWHEEL AND FLYWHEEL HOUSING

Flywheel, SAE No. 00
Flywheel housing, SAE No. 00
SAE standard rotation

FUEL SYSTEM

Primary fuel/water separator
Secondary fuel filters
Fuel priming pump
Fuel transfer pump
Fuel check valve on supply line
Fuel consumption reading available in generator control panel
Fuel lines, flexible and braided high pressure
Fuel cooler, remote for installation by others
One (1) Fuel day tank
 Day tank controller
 600 gallon capacity
 Rupture basin 150% capacity
 Fuel in basin switch
 4" emergency and 2" normal vents

GENERATOR AND GENERATOR ATTACHMENTS

Form wound, 3042 frame, 12,470 volt
3 phase brushless, salient pole, 4 lead.
Permanent Magnet excitation
Anti-condensation space heater
Class H insulation, 105 deg C rise at 40C ambient
Right side extension terminal box, bus bar connections, top
 mounted, bottom cable entry
Caterpillar Voltage Regulator (CDVR)
 CDVR includes reactive droop capability, 3-phase voltage sensing,
 KVAR/PF modes, RFI suppression, min/max exciter
VAR/P.F control and sharing needs to be part of the control scheme (BY OTHERS).
Differential CT installed in generator junction box, CT supplied by others.

GOVERNING SYSTEM

CAT Electronic Governor (ADEM A4)

LUBE SYSTEM

Lubricating oil (CJ-4)
Gear type lube oil pump
Integral lube oil cooler
Oil filter, filler and dipstick
Oil drain lines and valve
Pre lube oil system, factory installed
Caterpillar Closed Crankcase Ventilation (CCV)

MOUNTING SYSTEM

Rail base, engine-generator-radiator length
Linear vibration isolators between base frame and engine generator

PROTECTION SYSTEM

Safety shutoff protection, energized to shut off

STARTING SYSTEM

Starter motors, dual 24 VDC
Alternator, 24 volt, 45 amp
Batteries, lead acid, (6) 8D
Battery rack, corrosion resistant
Battery cables
Battery charger, float/equalize type, 35 ampere
DC ammeter, voltmeter
Float and equalize potentiometers
Alarm contacts wired to EMCP 4.3, Charger Failure, and Low/Hi DC Volts

GENERAL

Submittal drawings
Technical data, engine, generator, radiator, switchgear, ancillary equipment
Drawings, schematics, wiring diagrams
Testing
Prototype testing
Production, factory testing
Start up and field-testing
Factory Testing, Test Reports
Two (2) year warranty standard, optional Caterpillar five (5) year available
Deliver to jobsite on truck, crane and rigging on customer supplied pad
Operation and Maintenance manuals
Personnel training
24-hour parts and emergency service
Spare parts per specification

NOTES/COMMENTS/CLARIFICATIONS

Ziegler limits the scope of supply for this quotation to the equipment and services listed. It is assumed that equipment not listed is to be provided by others.
Ziegler cannot provide air emission permits for customers.
Ziegler will provide emission information on the Caterpillar engine to aid in the permitting process.
Orders are subject to re-stocking charges if cancelled after release for production.
Coordination study and protective relay settings by others.
DEF fluid provided by others.
Installation and terminations are by others.
Engine generator enclosure package rigging is included in our pricing.
Warranty is 2-years on all equipment provided, Extended 5 year warranty is for the engine and generator set only.
On 10/9/24 Ziegler submitted to DGR an electronic copy of our mark-ups regarding the Bidding Documents prior to bid date for engineer and owner review. Additional copies submitted with bid.

OPTIONS

Provide Caterpillar standard IVR voltage regulator in lieu of Caterpillar specified CDVR

DEDUCT: \$7,500.00/engine

LIMITATIONS OF LIABILITY AND PATENT LANGUAGE

IN NO EVENT WILL SELLER BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, ENCHANCED, INDIRECT, OR PUNITIVE DAMAGES, LOST PROFITS OR REVENUES, OR DIMINUTION OF VALUE, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR PRODUCTS OR SERVICES, REGARDLESS OF: (A) WHETHER THE DAMAGES WERE FORESEEABLE; (B) WHETHER OR NOT SELLER WAS ADVISED OF THE POSSIBILITY OF DAMAGES; OR (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) ON WHICH THE CLAIM IS BASED. IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR PRODUCTS OR SERVICES, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT, OR OTHERWISE, EXCEED \$500,000 OR THE TOTAL OF THE AMOUNTS PAID TO SELLER UNDER THIS AGREEMENT, WHICHEVER IS LESS. THE FOREGOING LIMITATIONS APPLY EVEN IF PURCHASER'S REMEDIES UNDER THIS AGREEMENT FAIL THEIR ESSENTIAL PURPOSE.

All intellectual property rights in the Products, including patents, trademarks, internet domain names, works of authorship, expressions, designs, and design registrations, whether are not copyrightable, trade secrets, and all other intellectual property rights related to or associated with Products (collectively, "Intellectual Property") are the sole and exclusive property of manufacturer. Purchaser will not acquire any ownership interest in any Intellectual Property under this Agreement. If Purchaser acquires any Intellectual Property rights in or relating to any Products by operation of law or otherwise, these rights are deemed and are hereby irrevocably assigned to manufacturer or its licensors, as the case may be, without further action by either party.

EXCEPTIONS

Ziegler Power Systems has taken exception to portions of the bid documents and has forward to DGR Engineering on 10/9/2024. Additional copies included with our bid package.

End of proposal.

BID FORM
(ADDENDUM NO. 1 VERSION)

FURNISHING DIESEL GENERATING EQUIPMENT

TO: New Prague Utilities Commission
Attn: Bruce Reimers, General Manager
118 Central Avenue N
New Prague, MN 56071

FROM: Bidder's Name Ziegler Inc.
Address 901 W 94th Street
Bloomington, MN 55420

Pursuant to and in compliance with the Advertisement for Bids and the Instructions to Bidders relating thereto, the terms of which are incorporated herein by reference thereto, the undersigned as bidder offers and agrees, if this offer is accepted, to furnish and deliver the equipment and materials in strict conformance with the Specifications forming a part of these contract documents and in accordance with following addenda for the sum indicated on the following bid schedule.

<u>Addendum Number</u>	<u>Addendum Date</u>
<u>1</u>	<u>10/11/2024</u>
_____	_____

1. The prices set forth herein do not include any sums which are or may be payable by the seller on account of taxes imposed by the State of Minnesota upon the sale, purchase or use of the equipment. If any such tax is applicable to the sale, purchase or use of the equipment, the amount thereof shall be paid by the purchaser.
2. The prices included herein are firm without regard for time of delivery, increase in cost from manufacturer, or any other factor.
3. The price of the equipment set forth herein shall include the cost of delivery to the job site in New Prague, Minnesota and off-loading and placement as detailed in the specifications.
4. Title to the equipment shall pass to the Owner upon completion of the contract and acceptance by the Owner.
5. This bid is void unless a materials contract based on this proposal is entered into by the Owner and the Supplier within 30 days after the date hereof.
6. The undersigned being familiar with all the details, conditions, and requirements hereby proposes to furnish the following material to the New Prague Utilities Commission in strict conformance with the specifications and Bidding Documents, to-wit:

DUPLICATE THIS FORM AS NECESSARY – MULTIPLE BIDS ARE ALLOWED

Item No.	Qty	Description	Unit Price	Extended Price
BASE BID ITEM NO. 1 - ITEMS:				
1A	4	New generator set, suitable for a remote mounted radiator , including local control panel and accessories as specified	\$ 2,179,530.00	\$ 8,718,120.00
1B	4	Remote-mounted radiator and surge tank	\$ 210,890.00	\$ 843,560.00
1C	1	New fuel oil day tank	\$ 18,163.00	\$ 18,163.00
1D	4	New set of starting batteries and cabling	\$ 7,000.00	\$ 28,000.00
1E	4	New battery charger	\$ 6,300.00	\$ 25,200.00
1F	4	Spare materials	\$ 4,500.00	\$ 18,000.00
TOTAL – ITEM NO. 1:				\$ 9,651,043.00 ✓

REQUIRED OPTIONAL BID ITEMS:				
	4	Extended warranty period of 5 years for one (1) genset	\$ 25,000.00	\$ 100,000.00 ✓
	4	New hospital grade exhaust silencer	\$ 52,320.00	\$ 209,280.00
	4	Generator stator and bearing temperature measurement and display	\$ 1,550.00	\$ 6,200.00 ✓
	1	Solution of extended life ethylene glycol and high-quality water	\$ 31.00 x 4,000 est.	\$ 84,000 /gal ✓

OPTIONAL BID ITEM:				
	4	Alternate remote radiator selection	\$ 3,000.00 Add / <u>Deduct</u> [Circle one]	\$ 12,000.00 Add / <u>Deduct</u> [Circle one]

Bid total with options \$ 9,841,243

REQUIRED INFORMATION:	
Guaranteed GVTC test output of the genset	2800 kW
Guaranteed delivery date	Q4, 2027
Genset manufacturer, make, model	Caterpillar C175-16 T4 Final

* Guaranteed minimum subject to purchase price adjustment penalty after installation of new generator (see Specifications).

*** END OF BID FORM FOR BASE BID NO. 1 ***

Documentation Attached Checklist (Required to include - see General Requirements section):

(3) References Minimum	<u> X </u>	Emissions and Performance Data	<u> X </u>
Maintenance Contract Proposal	<u> X </u>	Equipment Descriptions	<u> X </u>
Maintenance Schedule	<u> X </u>		

Bid Security Enclosed X


Dated this 24th day of October, 2024.

Bidder Ziegler Inc

Address 901 W 94th Street

 Bloomington, MN. 55420

Authorized Officer Jesse Keene

Signature 

Telephone No. 952-233-4312

E-mail jesse.keene@zieglercat.com



New Prague Utilities Commission

In the Counties of Scott & Le Sueur

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Bruce Reimers
General Manager

MEMORANDUM

TO: New Prague Utilities Commission

FROM: Bruce Reimers, Utilities General Manager,

DATE: November 20, 2024

SUBJECT: **Approval of Engineering Services For Diesel Generation Task Order**

Over the past several months NPUC staff have been working with DGR Engineering to develop bid specifications for (4) 3100KW generators and related support equipment. DGR has provided an amendment to the task order for engineering services to include engineering cost that will include all required design, bidding, construction and post-construction engineering services for the project.

Recommendation:
Approved Amendment #2 to task order #3 for engineering services for the West Side Energy Station

AMENDMENT # 2

AGREEMENT: Master Task Order Agreement between DGR Engineering and New Prague Utilities Commission, New Prague, Minnesota dated March 5, 2015.

AMENDMENT TO TASK ORDER NO. 3

ORIGINAL TASK ORDER DATE: January 29, 2024

TASK ORDER PROJECT NAME: Generation Addition

AMENDMENT ITEMS: This amendment adds regulatory, design, bidding, construction, and post-construction engineering services for the project.

<u>Segment</u>	<u>Fee Type</u>	<u>Proposed Fee</u>
Study Phase	Hourly, Not to Exceed	\$22,000*
	Total, Hourly (N.T.E.)	\$22,000
Engine Contract Procurement Development	Lump Sum	\$43,500*
Engine Contract Bidding Services	Lump Sum	12,000*
Switchgear Procurement Development	Lump Sum	114,000
Switchgear Contract Bidding Services	Lump Sum	15,000
Final Design Phase	Lump Sum	950,500
Construction Bidding Phase	Lump Sum	30,000
Arc Flash Study	Lump Sum	22,000
	Total, Lump Sum	\$1,187,000
Preliminary Design	Hourly, Estimate	\$15,000
Regulatory/Permitting	Hourly, Estimate	22,000
Coordination with Third Parties	Hourly, Estimate	35,000
Engine Contract Administration Phase	Hourly, Estimate	45,000
Switchgear Contract Administration Phase	Hourly, Estimate	45,000
Construction Phase	Hourly, Estimate	363,000
Testing, Start-up and Final Phase	Hourly, Estimate	118,000
Arc Flash Model Updates	Hourly, Estimate	12,000
SPCC Plan Development	Hourly, Estimate	8,000
	Total, Hourly (Est)	\$ 663,000
	Total:	\$ 1,872,000

*Previously authorized fee.

New Prague Utilities Commission
(Client)

DeWild Grant Reckert and Associates Company
d/b/a DGR Engineering
(Consultant)

By: _____

By: _____

Title: _____
(Authorized signature and Title)

Title: _____
(Authorized signature and Title)

Address: 118 Central Avenue North

Address: 1302 South Union Street

City: New Prague, MN 56071

City: Rock Rapids, IA 51246

Date: _____

Date: _____



New Prague Utilities Commission

In the Counties of Scott & Le Sueur

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Bruce Reimers
General Manager

MEMORANDUM

TO: New Prague Utilities Commission

FROM: Bruce Reimers, Utilities General Manager

DATE: November 25, 20224

SUBJECT: Declaring the Official Intent of City of NEW PRAGUE to Reimburse Certain Expenditures from the Proceeds of Tax-Exempt Bonds or other Obligations and Establishing Procedures for Additional Declarations of Official Intent

Due to the intent of the New Prague Utilities Commission to build new generation facilities and there being nearly a three-year period between order placement for generation equipment, switchgear and constructing a building it will be necessary for the utility to use cash reserves to facilitate payment of engineering and equipment procurement before bonding takes place. By having a refunding resolution in place, the Commission will be able to reimburse itself for expenses incurred before the proceeds of a bond are received.

Recommendation

Commission considers approval of refunding resolution for proposed generation facilities.

NEW PRAGUE UTILITIES COMMISSION

Resolution #24-11-25-01

DECLARING THE OFFICIAL INTENT OF CITY OF NEW PRAGUE TO REIMBURSE CERTAIN EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT BONDS OR OTHER OBLIGATIONS AND ESTABLISHING PROCEDURES FOR ADDITIONAL DECLARATIONS OF OFFICIAL INTENT

WHEREAS, the Internal Revenue Service has issued Treasury Regulations, Section 1.150-2, as the same may be amended or supplemented (the "Reimbursement Regulations"), that establish the requirements under which an allocation of a portion of the proceeds of tax-exempt bonds, as defined in Section 150 of the Internal Revenue Code of 1986, as amended (the "Code"), to an expenditure that is originally paid from a source other than such tax-exempt bonds will be treated as an expenditure of the proceeds of such tax-exempt bonds on the date of such allocation; and

WHEREAS, the Regulations require that (i) not later than sixty (60) days after payment of the original expenditure, the issuer of the tax-exempt bonds must adopt an official intent for the original expenditure (in any reasonable form, including issuer resolution or action by an appropriate representative of the issuer), (ii) the official intent generally describes the project for which the original expenditure is paid and states the maximum principal amount of obligations expected to be issued for the project, and (iii) on the date of the declaration of official intent, the issuer must have a reasonable expectation that it will reimburse the original expenditure with proceeds of the tax-exempt bonds; and

WHEREAS, the original expenditure must be a capital expenditure or a cost of issuance for the tax-exempt bonds, and the reimbursement allocation (except with respect to (i) costs of issuance; (ii) amounts not in excess of the lesser of \$100,000 or five percent of the proceeds of the tax-exempt bonds; and (iii) preliminary expenditures (as defined in Section 1.150-2(f)(2) of the Reimbursement Regulations) not in excess of twenty percent (20%) of the aggregate issue price of the tax-exempt bonds), must be made not later than eighteen (18) months after the later of (i) the date the original expenditure is paid, or (ii) the date the project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid; and

WHEREAS, the City of New Prague, a home rule city and municipal corporation of the State of Minnesota (the "City"), expects to incur certain expenditures with respect to the project described in EXHIBIT A to this Resolution (the "Project") and such expenditures may be financed temporarily from sources other than tax-exempt bonds or other obligations; and

WHEREAS, the City expects to reimburse the expenditures with respect to the Project from the proceeds of tax-exempt bonds in the principal amount with respect to the Project as described in EXHIBIT A to this Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL ("COUNCIL") OF THE CITY AS FOLLOWS:

1. The City reasonably intends to make expenditures for the Project. A portion of such expenditures may be temporarily financed with cash assets of the City or from other sources. The City reasonably intends to reimburse itself for such expenditures from the proceeds of tax-exempt bonds or other obligations that are proposed to be issued by the City.

2. The Administrator of the City (the "City Official") is hereby authorized to designate appropriate additions or changes to EXHIBIT A by a written statement supplementing this Resolution in the form attached in EXHIBIT B to this Resolution (an "Additional Declaration"), dated as of the date of such action, and any such Additional Designation shall be reported to the Council at the earliest practicable date and shall be filed with the official records of the Council. Each Additional Declaration shall comply with the following requirements: (i) each Additional Declaration shall be made not later than sixty (60) days after payment of the expenditure to be reimbursed; (ii) each Additional Declaration shall contain a reasonably accurate general description of the project with respect to which the expenditures to be reimbursed were made and shall state the maximum principal amount of obligations expected to be issued for such project; (iii) such Additional Declaration may be made only if the City reasonably expects that reimbursement bonds will be issued to reimburse such expenditures; and (iv) the City Official is authorized to consult with bond counsel with respect to the requirements of the Reimbursement Regulations and their application to the specific circumstances relating to the Additional Declaration.
3. This Resolution is intended to constitute a declaration of official intent for purposes of the Reimbursement Regulations and any successor law, regulation, or ruling.
4. This Resolution shall take effect immediately.

Adopted by the New Prague Utilities Commission on this 25th day of November, 2024.

Dan Bishop
Utilities Commission President

ATTEST:

Bruce Reimers
General Manager

EXHIBIT A
THE PROJECT

General Description of the Project

Maximum Principal Amount of
Obligations to Finance Project

Construct a building and support equipment including underground fuel tanks and roof mounted cooling equipment to provide 13.3 megawatts of generation that will serve the City of New Prague and provide dispatchable capacity to Southern Municipal Power agency (SMMPA) under a 20-year contract.

\$21,163,243

EXHIBIT B

ADDITIONAL DECLARATION OF OFFICIAL INTENT

The undersigned, being the duly appointed and acting Administrator (the "City Official") of the City of New Prague (the "City") hereby states and certifies on behalf of the City, for the purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Reimbursement Regulations"), as follows:

1. The City Official has been and is on the date hereof duly authorized by the City Council of the City to make and execute this Additional Declaration of Official Intent (the "Additional Declaration") for and on behalf of the City.
2. This Additional Declaration relates to the following project, property, or program (the "Project") and the costs thereof to be financed:
3. The City reasonably expects to reimburse itself for the payment of costs of the Project out of the proceeds of a bond issue or similar borrower (the "Bonds") to be issued after the date of payment of such costs. As of the date hereof, the City reasonably expects that the maximum principal amount of the Bonds which will be issued to finance the Project is \$21,163,243.
4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Reimbursement Regulations.
5. As of the date hereof, the statements and expectations contained in this Additional Declaration are believed to be reasonable and accurate.

Dated: _____

Joshua Tetzlaff
City Administrator
City of New Prague

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
October 17, 2024

President Reimers called the meeting to order at the Sheraton Hotel in Bloomington, Minnesota.

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; T. Scott Jensen, Lake City; Mark E. Nibaur, Austin; and Timothy M. McCollough, Rochester.

Others Present:

David P. Geschwind, Executive Director & CEO; Alex Bumgardner, Jay Lutz, Marc Oleson, Austin; Jerry Mausbach, Blooming Prairie; Miles Heide, Julie Zarling, Fairmont; Mike Roth, Shane Steele, Grand Marais; Joe Kohlgraf, Mora; Keith R. Butcher, Princeton; Jason Halvorson, Redwood Falls; Bill Bullock, Patty Hanson, Peter Hogan, Malachi McNeilus, Rochester; Brad DeVos, Sally Vogel, Saint Peter; Chris Rolli, Doug Plaehn, Michelle Plaehn, Spring Valley; Craig Anderson, Wells; Mark Mitchell, SMMPA Retired Director of Operations & COO; Eric J. Atkinson, Beth A. Fondell, Naomi A. Goll, Brian D. Hammarsten, Marcus C. Hendrickson, Joseph A. Hoffman, Carrie L. Jensen, Sam S. Mack, Robin E. Mechura, John P. O'Neil, Scott T. Passentino, Rebecca J. Schmitz, Clint D. Schumacher, Jeremy B. Sutton, and Alan D. Wagner of the Agency staff.

#1 Agenda Approval:

Mr. Geschwind suggested that the agenda be modified by deferring item #8 Wildfire Mitigation Plan to the November board meeting.

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

#2 Consent Agenda:

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

APPROVED the September 11, 2024 board meeting minutes.

#3 2025 Proposed Budget & Rates-Fondell:

Ms. Fondell presented the 2025 proposed budget and rates.

The details of the draft 2025 budget were reviewed during the SMMPA Budget & Rates Workshop held on September 24, 2024. Minor adjustments were made to the draft budget version presented at the workshop. The proposed 2025 budget and key budget assumptions were distributed electronically prior to the board meeting.

Member Rates

Effective February 1, 2025, the second year of transitioning transmission rates from 100% ratchet to monthly coincident peak will begin (approved by the board on May 10, 2023).

The Energy Cost Adjustment (ECA) base cost was calculated for the 2025 calendar year at \$31.82/MWh to be used for charge/credit determination from January through December 2025. Financial Transmission Rights (FTR) revenues were budgeted at \$0 for 2025.

Revolving Credit Agreement

A tax-exempt Revolving Credit Agreement draw of \$27 million is planned for August 2025 related to the new Steele Energy Station in Owatonna and various transmission projects. A \$2.55 million paydown is planned in December 2025.

Energy Cost Adjustment

There was discussion on whether to continue with an annual (blended) ECA rate or adopt a monthly rate base cost that fluctuates each month based on the budgeted net energy costs for that month.

Recommendation

Seek board approval of the 2025 budget and rates as presented, including the ECA base cost calculated on either an annual or monthly basis.

Mr. Warehime moved to approve the 2025 budget and rates including the Energy Cost Adjustment base cost calculated on an annual basis, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

#4 2024 Integrated Resource Plan-Sutton:

Mr. Sutton reported on the 2024 Integrated Resource Plan (IRP) and thanked Mr. Mitchell, SMMPA Retired Director of Operations & COO, and SMMPA team members Mr. O’Neil, Mr. Schumacher, and Ms. Schmitz for their efforts with the IRP.

He provided background information, reviewed assumptions, discussed the plan development process, and provided a summary of the results.

The Agency is required to file the IRP with the Minnesota Public Utilities Commission by December 1, 2024.

Discussion.

Mr. Nibaur moved to approve filing the 2024 Integrated Resource Plan by December 1, 2024 in substantially the same format as provided, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present.

#5 Dispatchable Generation-Sutton:

Mr. Sutton reported on the Solar Titan 130 gas turbine for the dispatchable generation project in

Owatonna.

Estimated Project Costs:

Solar Titan 130 Gas Turbine Engine Package \$36,915,568.

- Contingency 5% \$1,845,778.

Estimated Balance of Plant Costs \$30,150,000.

- Contingency 20% \$6,030,000.

Estimated Total Project Cost \$74,941,346.

Board Action

Authorize funds for activities for engineering and procurement contract not to exceed \$4,051,556.

- DGR Engineering will develop generator step-up transformer procurement document. Estimating to request board authorization for the transformer in the 1st quarter of 2025.

Mr. Nibaur moved to authorize funds for activities for engineering and procurement contract not to exceed \$4,051,556 for the generation project in Owatonna, seconded by Mr. Moulton, passed upon a unanimous vote of the board members present.

#6 Highway 14 Interchange Line Relocation-Sutton:

Mr. Sutton reported on the Highway 14 interchange line relocation.

The Minnesota Department of Transportation is planning a major interchange project at the intersection of Highway 14 and 60th Avenue SW on the western edge of Rochester, Minnesota.

This project will require relocation of 1.2 miles of the Agency’s double circuit 161 kV transmission lines at the Agency’s expense to be completed by 2025.

Board Request

Request approval of \$3,627,000 to complete project.

- Unbudgeted item.
- Labor and materials \$2,570,000.
- Right of way \$150,000.
- Soil borings \$27,000.
- Engineering \$550,000.
- Contingency \$330,000.

Discussion.

Mr. Jensen moved to approve the Highway 14 interchange line relocation of \$3,627,000, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

After a short break, the board reconvened at 9:19 a.m.

#7 OPU 7 Combustion Turbine Refurbishment-Sutton:

Mr. Sutton reported on the Owatonna Public Utilities 7 Combustion Turbine Refurbishment.

The repair inspection report provided repair options ranging from a minimal approach to a full overhaul with repair estimates ranging from \$494,449 to \$964,781.

Recommendation

SMMPA staff recommends a full overhaul of \$964,781 plus contingency for a total of \$1,157,737.

- Current market capacity values required to replace this unit for one year exceeds the repair costs.
- Capacity needed for SMMPA’s long term resource plan.
- Value of interconnection with MISO continues to climb.

Discussion.

Mr. Moulton moved to approve the Owatonna Public Utilities 7 combustion turbine full overhaul plus contingency of \$1,157,737, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present.

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 24-26, 2024 in Washington, D.C.

Minnesota Electric Grid Resilience Grants

The Minnesota Department of Commerce is accepting applications for the Minnesota Electric Grid Resilience Grant Program. Grant awards of \$250,000 are eligible to entities with \$5,300,000 in total funds available. Grant applications are due November 19, 2024.

SMMPA Member IT Roundtable

SMMPA will hold an IT roundtable for members tentatively scheduled for December 18, 2024 from 10 a.m. to 1 p.m. at Owatonna Public Utilities.

Eaton Users Group

The SMMPA-Eaton Users Group meeting will be held December 3, 2024 at the New Prague Fire Hall. Seven SMMPA members currently have Eaton metering systems.

Operations Report-Sutton:

Mr. Sutton reported:

MISO Fixed Resource Adequacy Plan

SMMPA was notified by The Energy Authority (TEA) that MISO was planning to reconfigure the clearing auction activity for the Fixed Resource Adequacy Plan for planning year 2022-2023 and that SMMPA may need to return \$2 million. On October 8, 2024, SMMPA met with MISO

and TEA via conference call to discuss the analysis. MISO’s revised calculation reflected that SMMPA will collect \$13,000 for zonal deliverability and pay \$55,000 to MISO.

OES/FES Head Update

Caterpillar is offering a new program to fix the head design for seat valves along with a new design casting. **Owatonna Energy Station** – Caterpillar will offer new replacement heads with new design at 60% discount. **Fairmont Energy Station** received 6 heads with old design and determining new course of action with Caterpillar if the heads should be returned and install 6 heads with the new design. Work will take place in Florida.

Market Price Update

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

Financial Report August 2024-Fondell:

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

ECA Components

A new slide displaying Energy Cost Adjustment (ECA) components will be provided in the monthly financial report and year-to-date ECA charges/credits have been added to the ECA budget vs. actual graph.

Banking RFP Update

Six banks submitted banking services proposals to SMMPA. SMMPA’s internal review team is reviewing the proposals and developing a short list. Bank finalists’ interviews will be held November 14-15, 2024.

Continuing Disclosure Report

The annual SMMPA Continuing Disclosure Report was filed on September 27, 2024.

RCA Taxable Draw

A taxable Revolving Credit Agreement draw of \$260k was completed on October 3, 2024 to fund the Saint Peter Solar Project.

RCA Tax-Exempt Draw

A tax-exempt Revolving Credit Agreement draw of \$6 million is scheduled for November 1, 2024 to fund the upcoming Steele Energy Station initial expenditures and various transmission projects.

Budgeted Member Base Rates Summary

SMMPA staff have been providing budgeted member base rate information to certain members upon request but feel that other members could benefit from receiving the information. Ms. Fondell will work with staff to develop a recommendation on the timing of preliminary and final information distribution and discuss it at the November board meeting.

President’s Report:

Mr. Reimers reported:

- SMMPA Annual Meeting: Appreciation was expressed toward SMMPA staff for planning a great meeting.

Executive Director & CEO’s Report:

Mr. Geschwind reported:

- 2025 SMMPA Board Meetings: Proposed moving the June 2025 board meeting one day later to Thursday, June 12, 2025 to avoid conflict with the APPA National Conference. An email will be sent to the members with a tentative 2025 SMMPA Board meeting schedule, and the schedule will be finalized at the November board meeting.
- SMMPA Board Retreat: The 2024 SMMPA Board Retreat will be held November 7-8, 2024 at the Mystic Lake Casino Hotel, Prior Lake, Minnesota. Mr. Geschwind will send potential topics to the board and the members for their review.
- Owatonna Public Utilities: Owatonna Public Utilities celebrated 100 years on October 10, 2024.
- SMMPA Annual Meeting: Appreciation was expressed toward Mr. Hoffman, Ms. Jensen, Mr. Passentino, and Mr. O’Neil for planning the SMMPA Annual Meeting.
- SMMPA Member Representatives Meeting: The SMMPA Member Representatives meeting will be held today immediately following the SMMPA Board of Directors meeting.

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 10:34 a.m.

Secretary