

**CITY OF FAIRMONT  
PUBLIC UTILITIES COMMISSION  
AGENDA**

**Tuesday, February 6, 2024**

- 1 Call to Order
  - 7:30 AM City Hall Conference Room ( Second Floor )
  
- 2 Roll Call
  - Chair Werre \_\_\_\_\_
  - Commissioner Struss \_\_\_\_\_
  - Commissioner Christ \_\_\_\_\_
  - Commissioner Sharp \_\_\_\_\_
  
- 3 Public Discussion/Comments (Individual comments are limited to 3 minutes)
  
- 4 Annual Election of Officers ( 2 )
  
- 5 SMMPA Breaker Purchase ( 3 - 5 )
  
- 6 Date and Time of Next Meetings:
  - Regular Meeting - Tuesday, February 20, 2024
  - Work Session - Tuesday, March 5, 2024
  
- 7 Adjournment



Fairmont Public Utilities Commission  
February 6, 2024

Agenda Item: 4

**From:** Julie Zarling, Assistant Finance Director  
**To:** Public Utilities Commission

**Subject:** Election of Officers 2024

**Policy/Action Requested:**

**Vote Required:**  Simple Majority       Roll Call

**Recommendation:** Approval

**Overview:**

A separate motion for each of the following PUC positions is needed for 2024:

1. Chairman
2. Vice Chairman
3. Secretary

The officers will be elected by voice vote of the commission and will serve until the annual election in 2025.

**Budget Impact:** N/A

**Attachments:** N/A

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PUC Action: \_\_\_\_\_ Date: \_\_\_\_\_



### STAFF MEMO

<b>Prepared by:</b> Matthew R York	<b>Meeting Date:</b> 02/06/2024	<input checked="" type="checkbox"/> <b>Consent Agenda Item</b> <input type="checkbox"/> <b>Regular Agenda Item</b> <input type="checkbox"/> <b>Public Hearing</b>	<b>Agenda Item #</b>
<b>Reviewed by:</b> Assistant Finance Director	<b>Item:</b> SMMPA Breaker Purchase		
<b>Presented by:</b> Matthew York – Public Works and Utilities Director	<b>Action Requested:</b> Consideration for the Public Works & Utilities Director to sign a Document regarding the purchase of Breakers		
<b>Vote Required:</b> <input checked="" type="checkbox"/> <b>Simple Majority</b> <input type="checkbox"/> <b>Two Thirds Vote</b> <input type="checkbox"/> <b>Roll Call</b>	<b>Staff Recommended Action:</b> Approval  <b>Board/Commission/Committee Recommendation:</b>		

#### PREVIOUS PUC ACTION

None

#### REFERENCE AND BACKGROUND

The Fairmont Public Utilities (Electrical Department) was requested to pay for five-(5) 69kv Breakers that will be purchased as part of the 10<sup>th</sup> St, West Industrial Park, and FES Substations projects.

Cost = \$82,340 x 5 Breakers = \$411,700

SMMPA will purchase the breakers and the City will pay for the breakers in 2025.

The funds are not available in the FY 24 budget but have been part of the 2025 Capital Improvement Plan.

#### BUDGET IMPACT

Electrical Department Funds will need Budgeted for the Funds in the FY 2025 Budget.

#### SUPPORTING DATA/ATTACHMENTS

Letter from SMMPA

January [\*,] 2024

Fairmont Public Utilities  
Attn: Electric Distribution Superintendent  
100 Downtown Plaza  
Fairmont, MN 56031-1709

Re: Substation Circuit Breakers

Dear Miles,

The City of Fairmont, Minnesota (“Fairmont”) is a member of Southern Minnesota Municipal Power Agency (“SMMPA”), and through its municipal utility, Fairmont Public Utilities (“FPU”), is engaged in several upgrades to its electric distribution system, including the modernization of the 10<sup>th</sup> Street Substation and the construction of the new West Industrial Park (“WIP”) substation. SMMPA intends to support FPU’s upgrade projects, including by providing delivery to the WIP Substation and upgrading (or building a new) substation at the Fairmont Energy Station (“FES”). SMMPA will be ordering 69 kV circuit breakers for SMMPA transmission equipment located (or to be located) at the 10<sup>th</sup> Street, WIP and FES Substations, and, for efficiency, FPU has requested that SMMPA also order 69 kV circuit breakers for FPU’s distribution systems located (or to be located) at such Substations.

SMMPA and FPU hereby acknowledge and agree that SMMPA will order from Siemens five (5) 69 kV circuit breakers on behalf of FPU concurrently with SMMPA’s circuit breaker orders for the Substation projects, on the same terms and conditions as apply to SMMPA’s order. Current delivery is estimated to be spring 2025, with a cost per Siemens 69 kV circuit breaker currently estimated to be approximately \$82,340. SMMPA will invoice FPU for the actual cost of each 69 kV circuit breaker charged to SMMPA for such breakers (including any taxes or fees) on a pass-through basis without mark-up. FPU agrees to pay to or reimburse SMMPA for such costs (whether higher or lower than the current estimate) within thirty (30) days of receipt of the invoice. The invoice shall be separate from any invoice under the Power Sales Contract dated April 1, 1981 between Fairmont and SMMPA, as amended (the “PSC”).

FPU acknowledges and agrees that SMMPA’s sole responsibility hereunder is to order the 69 kV circuit breakers on behalf of FPU; SMMPA makes no representation, warranty, guaranty or other assurance with regard to the breakers, their fitness for any particular purpose, their delivery schedule, any manufacturer’s warranty with respect thereto or any other matter relating to or arising from the purchase of the breakers.

This letter agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this letter agreement shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. As used herein, “Electronic Signatures” means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such contract or record. If any signature is delivered by Electronic Signature, facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding

obligation of the party executing this Agreement (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original hereof or thereof.

Please indicate your agreement with the above terms and conditions by your signature below.

Sincerely,

Seth Koneczny  
Manager of Power Delivery

ACKNOWLEDGED AND AGREED:

Southern Minnesota Municipal Power Agency

By: \_\_\_\_\_  
David P. Geschwind  
Executive Director and CEO

Fairmont Public Utilities

By: \_\_\_\_\_  
Name: Matthew York  
Title: Public Works/Utilities Director