

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
APRIL 11, 2016

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, April 11, 2016 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Dan Holtz, Carol Laumer, Jeff Nagel, Joe Gimse, Justin Mattern, Nathan Weber and Abdirizak Mahboub (arriving at 11:50 a.m.).

Others present at the meeting were: General Manager Wesley Hompe, Director of Operations John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Customer Service Supervisor Stacy Stien, Power Production Supervisor Jon Folkedahl, Administrative Secretary Beth Mattheisen, Energy Services/Marketing Representative Mary Kosbab, Power Resources Analyst Michelle Marotzke, City Attorney Robert Scott, and City Councilman Shawn Mueske.

Commission President Holtz opened the meeting by introducing Denise Runge who recently joined the WMU Staff as Director of Finance. Denise's knowledge and 20+ years of experience in the utility industry will be a great asset to the Willmar Municipal Utilities. Welcome, Denise!

Commissioner Holtz continued by requesting the Commission to offer a resolution to approve the Consent Agenda. Following review and discussion, Commissioner Laumer offered a resolution to approve the Consent Agenda as presented. Commissioner Mattern seconded.

RESOLUTION NO. 12

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Consent Agenda be approved as presented which includes:

- ❖ Minutes from the March 28, 2016 Commission meeting; and,
- ❖ Bills represented by vouchers No. 160580 to No. 160663 inclusive in the amount of \$165,412.15 with a MISO charge in the amount of \$14,709.11.

Dated this 11th day of April, 2016.

President

ATTEST:

Secretary

The foregoing resolution was adopted by a vote of five ayes, zero nays, and one abstention (Commissioner Laumer).

Commissioner Mattern (Chair) reviewed with the Commission minutes from the March 29th WMU Planning Committee meeting (see attached). The first topic of discussion focused on an update regarding the proposed new WMU facilities including the possible creation of an RFP for a joint facilities integrating and addressing the future needs of both WMU and City of Willmar. The next item of discussion concerned the Water Division (Wellhead Protection Plan and Water Treatment Plans). The final subject of discussion was a request for an adjustment to the 2016 WMU Capital Improvement Budget. This request would address the need to efficiently coordinate WMU work

with 2016 City projects (sewer replacement and Country Club Drive Lift Station). Following discussion, Commissioner Mattern offered a motion to approve the minutes of the March 29th WMU Planning Committee meeting as presented. Commissioner Gimse seconded the motion which carried by a vote of seven ayes and zero nays.

In conjunction with the approval of the WMU Planning Committee minutes, Commissioner Holtz was requesting a resolution to schedule a public hearing to address the Wellhead Protection Program. The mandated Wellhead Protection Program is part of the Safe Drinking Water Act which is administered by EPA and provides protection for public water supplies. Following discussion, Commissioner Laumer offered a resolution to schedule a public hearing for May 23rd at 11:50 a.m. to address the Wellhead Protection Program relative to the Willmar area. Commissioner Mattern seconded.

RESOLUTION NO. 13

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that as a requirement of the Safe Drinking Water Act (EPA), a public hearing to address the Wellhead Protection Program for the Willmar area will be held on Monday, May 23, 2016, beginning at 11:50 a.m. in the WMU Auditorium.”

Dated this 11th day of April, 2016.

President

ATTEST:

Secretary

The foregoing resolution was adopted by a vote of seven ayes and zero nays.

Commissioner Holtz next presented the Commission with a request to approve an adjustment to the 2016 WMU Budget. As previously presented to the Commission (Planning Committee minutes), this request was in an effort to more efficiently coordinate work with the City’s sewer replacement and lift station projects. Staff was requesting to reallocate funds from the Willmar “WYE” project to the Feeder #3 replacement (originally scheduled for 2017) and to transfer additional funds to complete the Country Club Drive lift station project. Following review, Commissioner Mattern offered a resolution to approve the reallocation of funds for the 2016 WMU Capital Improvement Budget. Commissioner Mahboub seconded.

RESOLUTION NO. 14

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that an adjustment to the 2016 WMU Capital Improvement Budget be approved with the transfer of funds from the Willmar “WYE” Fund (deferred to 2017) to the Feeder #3 Replacement Project in the amount of \$165,000 and to the Country Club Drive Lift Station Project in the amount of \$11,200 be approved as presented.”

Dated this 11th day of April, 2016.

President

ATTEST:

Secretary

The foregoing resolution was adopted by a vote of seven ayes and zero nays.

Commissioner Holtz opened discussion with the Commission by requesting that the tabled topic seeking approval of a proposed new website design and implementation be taken from the table and made active for consideration. Commissioner Mattern made a motion to take from the table a request to consider approval of a new WMU website design and implementation of the site. Commissioner Mahboud seconded the motion which carried by a vote of seven ayes and zero nays. Energy Services/Marketing Rep Kosbab presented a brief recap of the proposed project along with a request to enter into agreement with VoyageurWeb to provide the professional services for a new website design, implementation and maintenance for WMU. Commissioner Mattern informed the Commission that he had met with Staff to address questions and concerns regarding the project. Following discussion, Commissioner Mattern offered a resolution to proceed with approval of a service contract with VoyageurWeb for the design, implementation and maintenance of a new website for WMU at a cost of \$5,650 (one-time cost) with a \$280 per year on-going hosting and maintenance fee. Commissioner Gimse seconded.

RESOLUTION NO. 15

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the agreement with VoyageurWeb of Mankato, MN, to provide professional services for the design, implementation, and maintenance of a new website for the Willmar Municipal Utilities at a one-time cost of \$5,650 with a \$280 per year on-going hosting and content management system maintenance to be approved.”

Dated this 11th day of April, 2016.

President

ATTEST:

Secretary

The foregoing resolution was adopted by a vote of seven ayes and zero nays.

At this time, periodic utility-related reports were presented to the Commission by Staff. These informational reports and analyses included:

1. February 2016 Power Supply Report (Power Resources Analyst Marotzke)
2. March 2016 Wind Turbine Report (Power Production Supervisor Folkedahl)

Commissioner Holtz opened discussion with the Commission on the need to assign committee appointments. Holtz noted that two subcommittees are being formed to address the new Facilities/Building Project. Committee #1 would address the design and regulatory requirements of the project, while Committee #2 would focus specifically on the community and marketing

aspects of the project. Following discussion, Commissioner Holtz appointed Commissioner Nagel to serve on Committee #1 and Commissioner Laumer to serve on Committee #2. Commissioner Holtz continued by appointing Commissioner Webber to serve as a member of the WMU Labor Committee joining Commissioners Laumer (Chair) and Gimse. Commissioner Holtz would serve as an Alternate to both the WMU Labor and Planning Committees.

General Manager Hompe along with Commissioners Holtz & Laumer recapped their recent attendance at the 2016 APPA Lineworkers Rodeo which was hosted by MMUA, Shakopee Public Utilities, and Marshall Municipal Utilities, April 1-2 in Shakopee. Sixty-three teams and 130 apprentices from municipal electric utilities across the nation participated in the annual event. The “rodeo” is a series of competitive events demonstrating lineworkers skills and safe work practices. WMU Linemen Dylan Berg and Ryan Kobliska skillfully represented Willmar in the apprentice portion of these events. Thank you to Dylan & Ryan for their participation in the competition along with Lois Nelson and Michelle Marotzke for volunteering their time and service to make the event a success!

General Manager Hompe presented the Commission with a number of upcoming meetings/events to note. These include:

- WMU Labor Committee Meeting – April 11 (immediately following MUC mtg.)
- MMUA Annual Legislative Rally – Tues., April 19 (St. Paul)
- APPA Governance Webinar Series (4 of 9): *Industry Issues and Challenges Facing Public Power Governing Bodies* – May 5th @ 1:00-2:30 p.m. (WMU Conf. Room)
- MRES 51st Annual Meeting – May 11-12 (Sioux Falls, SD)
- APPA National Conference – June 10-15 (Phoenix, AZ)
- MMUA Annual Summer Mtg. – August 15-17 (Cragun’s)
- WMU Annual Open House (Public Power Week) – Tues., October 4

There being no further business to come before the Commission, Commissioner Laumer offered a motion to adjourn the meeting. Commissioner Nagel seconded the motion which carried by a vote of seven ayes and zero nays, and the meeting was adjourned at 12:19 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

Beth Mattheisen
Administrative Secretary

ATTEST:

Jeff Nagel, Secretary



WILLMAR MUNICIPAL UTILITIES
WMU PLANNING COMMITTEE MEETING MINUTES
Tuesday, March 29, 2016
12:00 Noon - WMU Conference Room

Present: Commissioners Justin Mattern, Jeff Nagel & Abdirizak Mahboub, General Manager Wesley Hompe, Director of Operations John Harren, Supervisor of Facilities & Purchasing Kevin Marti, Water/Heating Supervisor Joel Braegelman, City Clerk Kevin Halliday, Public Works Director Sean Christensen, and City Administrator Larry Kruse (arriving at 12:20 p.m.).

Committee Chair Mattern called the meeting to order at 12:02 p.m.

AGENDA ITEM(S):

➤ **Request for Proposals - New Facilities/Building Project:**

General Manager Hompe presented a background synopsis of the proposed new facilities project (needs, property purchases, etc.). Following a review of the 2010 Facilities Study which integrated the Utility departments, Hompe noted that the original study would need modifications/updates to meet current & future departmental requirements. Supv. of Facilities & Purchasing Marti spearheaded the project by establishing a Request for Proposal (RFP) in an effort to address requirements of a new WMU facility. Prior to releasing the RFP for the facilities project, City Administrator Kruse had contacted WMU Staff requesting that consideration be given for a possible joint facility venture (WMU/City). Marti continued by stating that the design and location options of the project should be readdressed due to a number of factors (i.e. ease of vehicles accessibility, infrastructure, etc.). Discussion was held regarding theoretical and operational efficiencies related to a future joint facility and logistics (i.e. departmental interaction). (City Administrator Kruse arrived @ 12:20 p.m.)

Discussion continued on the possible creation of an RFP for a joint facilities integrating & addressing the future needs of both the WMU & the City. Note: The City is currently conducting a facility study addressing their current building/facilities (City Hall & Community Center mainly being addressed in the study).

It was a consensus among the meeting participants that the establishment of a “master plan” would be the next step in determining feasibility of either separate or joint facilities which would best meet the future needs of both entities and the citizens of Willmar.

General Manager Hompe requested Commissioner Nagel to provide consulting input on a combined needs assessment and the possible establishment of an RFP incorporating the needs of both WMU and the City of Willmar. Director of Operations Harren will serve as the “point person” to spearhead the joint study project.

City officials Kruse, Christensen & Halliday departed the meeting @ 12:40 p.m.

➤ **Water Division:** Water/Heating Supv. Braegelman led discussion on the following issues related to WMU’s Water Division:

Wellhead Protection Plan (WHPP) - In conjunction with the mandated Safe Drinking Water Act (EPA), the two-part WHPP requires public water suppliers to identify the area that contributes water to a public water supply (Part 1 was completed in 2012). Part 2 of the plan involves developing a management plan which includes an inventory of potential sources of contamination and ways to manage existing and future activities that impact the City’s water

supply. The next step of the plan requires a Public Hearing. This hearing has been scheduled for May 23rd (in conjunction with regular MUC meeting). Note: WHPP is reevaluated annually (Dept. of Health). This program ensures the community's safe drinking water supply.

Water Treatment Plans - Biological filtration treatment process of the WMU Water Treatment Plants. Braegelman presented a step-by-step outline of the phases and process included in the project (pilot plant operation, preliminary design, design & bidding, and construction of both the NE and SW Plants). Braegelman was requesting the Planning Committee to recommend to the Commission that WMU begin Phase 2 of the project with Carollo Engineering (preliminary design). This portion of the project would include design of biological treatment and review of regulatory requirements.

Following discussion, Commissioner Nagel made a motion to recommend to the Commission that WMU proceed with Phase 2 of the Water Treatment Plan (multi-year project). Commissioner Mahboub seconded the motion which carried by a vote of three ayes and zero nays.

➤ **Miscellaneous: 2016 WMU Budget Adjustment - Reallocation of Funds Request**

Director of Operations Harren informed the Planning Committee that in an effort to more efficiently coordinate work with City projects (sewer and Country Club Lift Station), it was necessary to move WMU's 2017 Feeder #3 Replacement Project up to 2016. Therefore, a transfer of funds from the Willmar "WYE" budget (re-routing of Hwy. 12 scheduled to begin in 2017) to accommodate these projects was being requested. Harren was requesting that the WMU Planning Committee acknowledge Staff's recommendation to reallocate the budgeted funds and recommend to the Commission that they concur with the request. (See attached memo from Bill Hawkinson, Construction Engineer.)

Following discussion, Commissioner Nagel offered a motion to recommend to the Commission the reallocation of 2016 WMU Budget Funds as presented. Commissioner Mahboub seconded the motion which carried by a vote of three ayes and zero nays.

Adjournment:

Following discussion, Commissioner Nagel offered a motion to adjourn the meeting of the WMU Planning Committee. Commissioner Mahboub seconded the motion which carried, and the meeting was adjourned by a vote of three ayes and zero noes at 1:10 p.m.



WILLMAR MUNICIPAL UTILITIES
Interoffice Memo

TO: Wesley Hompe, General Manager
FROM: Bill Hawkinson, Construction Engineer
SUBJECT: 2016 Budget Adjustment Request
DATE: March 21, 2016

In order to efficiently coordinate work with a City sewer project, it was necessary to move 2017's Feeder #3 replacement up to 2016. This move left a \$165,000 shortfall in the appropriate budget line. In order to cover this dollar amount, I propose transferring \$165,000 from the Willmar "wye" \$387,000 budget. The "wye" project, re-routing of Hwy 12 and railroad tracks, will not take place until at least 2017.

A second City project, a lift station on Country Club Drive, is farther reaching than originally anticipated. The \$20,800 budget is now expected to reach \$32,000. I would like to once again to transfer the \$11,200 shortfall from the "wye" budget.

If both of these requests are granted, a balance of \$210,800 would remain in Railroad Relocation Budget.

BH:bm