

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
JUNE 13, 2016

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, June 13, 2016 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Carol Laumer, Jeff Nagel, Joe Gimse, Justin Mattern, Abdirizak Mahboub, and Nathan Weber. Absent was Commissioner Dan Holtz.

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, Water & Heating Supervisor Joel Braegelman, Power Resources Analyst Michelle Marotzke, State Representative Dave Baker, MMUA Government Relations Staff Bill Black & Amanda Duerr, City Attorney Robert Scott, Mayor Marv Calvin, and WC Tribune Journalist Shelby Lindrud.

Due to the absence of Commission President Holtz, Vice President Laumer opened the meeting by requesting the Commission to offer a resolution to approve the Consent Agenda. Following review and discussion, Commissioner Mahboub offered a resolution to approve the Consent Agenda as presented. Commissioner Nagel seconded.

RESOLUTION NO. 27

“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 May 23, 2016 Commission meeting; and,
- ❖ Bills represented by vouchers No. 160930 to No. 161096 inclusive in the amount of \$649,451.52 with a MISO charge in the amount of \$3,640.75.

Dated this 13th day of June, 2016.

Vice President

ATTEST:

Secretary

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

At this time, Commissioner Laumer introduced Representative Dave Baker along with Bill Black, MMUA Government Relations Director, and Amanda Duerr, MMUA Government Relations Representative who were in attendance to present a legislative update to the Commission & Staff. Rep. Baker reviewed a number of issues related to Willmar/Kandiyohi County that were addressed during the recent session. Among the topics of discussion were: 1) possible modifications to the Conservation Improvement Program (CIP); 2) railroad crossings (revise the process to unify timelines, fees, etc.); 3) improve broadband access in greater Minnesota; 4) Jobs & Energy Committee work (Baker is member of the J&E Committee); and, 5) possibility of calling a special session. Director Black continued by presenting a brief overview of solar projects related to current marketing trends.

Commissioner Laumer (Chair) reviewed with the Commission minutes from the June 1st WMU Labor Committee meeting (see attached). Items of discussion included: 1) review proposed revisions to the WMU Personnel Policies including the addition of an IT Security Policy; 2) review proposal submitted by executive search firm; and, 3) determine wage/salary for Interim General Manager position. Following review, Commissioner Laumer offered a motion to approve the June 1st WMU Labor Committee meeting minutes as presented. Commissioner Gimse seconded the motion which carried by a vote of six ayes and zero nays.

In conjunction with the approval of the WMU Labor Committee minutes, four separate items were presented to the Commission for approval. First, the Committee was recommending to approve the proposed revisions to the WMU Personnel Policy Manual along with the newly created IT Security Policy. The modifications proposed were needed to bring the manual/policies current and in compliance with all statues and personnel requirements. Following review and discussion, Commissioner Laumer offered a resolution to approve the WMU Personnel Policy Manual and the IT Security Policy as presented. Commissioner Nagel seconded.

RESOLUTION NO. 28

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the modifications to the WMU Personnel Policy Manual and the newly created IT Security Policy be approved in its entirety as presented.”

Dated this 13th day of June, 2016.

Vice President

ATTEST:

Secretary

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

The second item to be recommended for approval by the WMU Labor Committee was to grant Staff the latitude to adapt and change WMU organizational policies as necessary to perform day-to-day functions and operations (i.e. name changes, contact information, etc.). It was noted that all policies are tentatively scheduled to be reviewed annually and presented to the Commission for approval. Following review and discussion, Commissioner Gimse offered a resolution to authorize Staff to adapt necessary changes to WMU organizational policies as needed to conduct day-to-day business on behalf of the Utilities as required. Commissioner Nagel seconded.

RESOLUTION NO. 29

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

The third item to be recommended for approval by the WMU Labor Committee was to approve the proposal submitted by David Drown Associates (DDA) to assist the Commission in the executive search for the General Manager position. Following review and discussion, Commissioner Gimse offered a resolution to approve the submitted proposal from DDA to lead the search process for the General Manager position for the all-inclusive fee of \$24,000. Commissioner Weber seconded.

RESOLUTION NO. 30

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the proposal submitted by David Drown Associates, Inc., of Fairbault, Minnesota, to lead the executive search for the General Manager position be approved for the all-inclusive fee of \$24,000.”

Dated this 13th day of June, 2016.

Vice President

ATTEST:

Secretary

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

The fourth item recommended by the WMU Labor Committee was to establish the wage/salary for the Interim General Manager position effective July 16, 2016. Following discussion, Commissioner Mattern offered a resolution to set the wage for the impending Interim General Manager position at the current level of the General Manager position beginning July 16th (minus longevity pay). Commissioner Gimse seconded.

RESOLUTION NO. 31

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the wage/salary for the Interim General Manager position be set at the current level of the General Manager position effective July 16, 2016 (minus longevity pay).”

Dated this 13th day of June, 2016.

Vice President

ATTEST:

Secretary

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

Water & Heating Supervisor Braegelman presented the Commission with a request to approve a service agreement with Burns & McDonnell to conduct a Risk Management Plan (RMP) Hazard Review of Covered Process (chlorine process). This service agreement would provide a hazard review of the two chlorination systems in Willmar (NE & SW Water Treatment Plants) as required by EPA every 5 years. The cost to provide the services would be in the total amount of \$9,100 (\$4,550/per facility). Following discussion, Commissioner Mattern offered a resolution to approve the service agreement with Burns & McDonnell to conduct the RMP Hazard Review of Willmar’s water treatment facilities (2) in the amount of \$9,100. Commissioner Weber seconded.

RESOLUTION NO. 32

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Authorization for Professional Services Agreement with Burns & McDonnell Engineering Company, Inc., to conduct the Risk Management Plan (RMP) Hazard Review of the Chlorine Process at the Northeast and Southwest Water Treatment Plants, as required every 5 years by EPA, be approved in the total amount of \$9,100 (\$4,550 per facility).”

Dated this 13th day of June, 2016.

Vice President

ATTEST:

Secretary

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

At this time, three utility-related reports were presented to the Commission for review and discussion. These informational reports and analyses included:

1. 2016 First Quarter Financial Report (Director of Finance Runge)
2. April 2016 Power Supply Report (Power Resources Analyst Marotzke)
3. Power Production Update Presentation (Power Production Supervisor Folkedahl)

General Manager Hompe informed the Commission that notice of assessments (2) have been received from the City of Willmar. These proposed assessments are in conjunction with the City's 2016 Street Improvement Project located on Lakeland Drive North. The proposed assessments are in the amounts of: 1) \$26,702.00 (NE Water Treatment Plant area); and, 2) \$11,243.60 (69 kV transmission line/pole line area).

General Manager Hompe informed the Commission that Staff is currently gathering data to proceed with the purchasing of iPads or tablet-type devices for Commissioner use. This was for information only.

General Manager Hompe requested the Commission to schedule a meeting of the WMU Planning Committee. The two main topics of discussion will focus on: 1) continued discussions/data with MCR Consulting regarding the Memorandum of Understanding between WMU & Great River Energy (GRE); and, 2) Facilities Study status update (GLTArchitect). Admin. Secretary Mattheisen will contact the members of the WMU Planning Committee to schedule the meeting.

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

- APPA National Conference – June 10-15 (Phoenix, AZ)
- Week of June 22nd – David Drown Associates will be meeting with Commissioners (individually) in preparation of GM Search
- Retirement social honoring General Manager Wes Hompe – Friday, July 15th from 2:00-4:00 p.m. in the WMU Auditorium
- 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 Mattern offered a motion to adjourn the meeting. Commissioner Nagel seconded the motion which carried by a vote of six ayes and zero nays, and the meeting was adjourned at 12:56 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

Beth Mattheisen
Administrative Secretary

ATTEST:

Jeff Nagel, Secretary



WILLMAR MUNICIPAL UTILITIES
WMU Labor Committee Meeting Minutes
WMU Conference Room
Wednesday, June 1, 2016 – 8:00 a.m.

Attendees: Commissioners Carol Laumer (Chair), Joe Gimse, Nathan Weber, General Manager Wesley Hompe, Director of Operations John Harren, and Compliance Officer Janell Johnson .

Committee Chair Laumer called the meeting to order at 8:02 a.m.

AGENDA ITEMS:

➤ **Review proposed revisions to WMU Personnel Policies including the addition of an IT Security Policy:**

Compliance Officer Johnson presented the Committee with a listing of proposed revisions for the WMU Personnel Policy Manual for consideration. Policy modifications are necessary to meet compliance requirements and to bring all policies up to date including the addition of a new IT Security Policy. Johnson reviewed the various policy changes proposed (i.e. HIPPA, Data Practices, Workers Comp, general verbiage, etc.).

The newly created IT Policy has been established to set standards to protect the utility's IT Systems from business interruption and unauthorized or inappropriate access, and to maintain security. The IT Policy applies to all WMU employees as well as any other person(s) acting on behalf of WMU (i.e. Commissioners, consultants, independent contractors, vendors, etc.) who have access to or utilize IT Systems both on and off WMU property. This policy encompasses all IT systems owned by WMU including computers, cell phones, PDA, email, internet, network, servicers, CD/DVD drive, software, etc.

Director of Operations Harren noted that Staff is also requesting latitude to authorize Staff to act on minor day-to-day operational changes (i.e. name change updates, language clarifications, etc.). It was noted that the WMU Personnel Policy Manual and associated policies are reviewed on an annual basis and presented to the Commission for approval. A listing of all policies will be provided to Commissioners and will be incorporated into a document listing Commission duties.

Action:

Following discussion, Commissioner Laumer made a motion to approve the proposed modifications to the WMU Personnel Policy Manual including the newly created IT Security Policy, and to allow WMU Staff to adapt and change WMU organizational policies as necessary (i.e. name changes, contact information, etc.) between annual policy approvals. Commissioner Gimse seconded the motion which carried by a vote of 3 ayes and zero nays.

(Note: The Labor Committee will be recommending full-Commission approval at the June 13th MUC meeting.)

Director of Operations Harren & Compliance Officer Johnson were excused from the WMU Labor Committee meeting at 8:28 a.m.

➤ **Review RFP received for executive search firm:**

General Manager Hompe opened discussion with the Committee on the sole response received from the RFPs soliciting potential search firms. Of the four firms contacted, one proposal was received. The submitted proposal was received from David Drown Associates, Inc. for an all-inclusive search process fee of \$24,000. This fee covers professional services and all expenses including travel, advertising, personality index, intellectual profile, background checks on all finalist, etc. It was noted that David

Drown Associates had been previously engaged by the City of Willmar to assist in their executive search for the City Administrator position.

Action:

Following discussion, Commissioner Gimse made a motion to accept the proposal submitted by David Drown Associates to perform the executive search for the General Manager position in the all-inclusive amount of \$24,000. Commissioner Weber seconded the motion which carried by a vote of three ayes and zero nays.

(Note: The Labor Committee will be recommending full-Commission approval at the June 13th MUC meeting.)

➤ **Determination of wage/salary for Interim General Manager position:**

At the May 23rd MUC meeting, Director of Operations Harren was appointed (and accepted) to assume the position of Interim General Manager effective July 16th. With the impending increase of duties and responsibilities associated with the position, a wage/salary adjustment is warranted.

Action:

Following discussion, Commissioner Laumer made a motion to set the wage for the Interim General Manager position at the current level of the General Manager position effective July 16, 2016 (minus longevity pay). Commissioner Gimse seconded the motion which carried by a vote of three ayes and zero nays.

(Note: The Labor Committee will be recommending full-Commission approval at the June 13th MUC meeting.)

➤ **Miscellaneous:**

General Manager Hompe presented the Committee with a status update regarding the Memorandum of Agreement (MOA) submitted to IBEW Local Union #160. The MOA created between the union and WMU outlined the agreed upon modifications for the Meter Dept. classifications and market wage adjustments for the Line Dept. employees. While WMU has done their due diligence in finalizing and submitting the document to IBEW, an executed copy from IBEW has yet to be received. The Labor Committee was recommending that an actual deadline be established for receipt of the completed MOA from IBEW.

Action:

Following discussion, Commissioner Gimse offered a motion to set July 1, 2016 as the inactivity deadline for receipt of the executed MOA between WMU and IBEW. Commissioner Weber seconded the motion which carried by a vote of three ayes and zero nays.

➤ **Adjournment:**

There being no further business to come before the WMU Labor Committee, Commissioner Laumer offered a motion to adjourn the meeting at 9:20 a.m. Commissioner Gimse seconded the motion which carried by a vote of three ayes and zero nays.

RESOLUTION NO. 29

BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that:

Whereas, WMUC has the authority to create, approve and revise policy that gives staff the direction for day to day functions, and

Whereas, WMUC currently has various policies in place which govern both the operations and personnel functions of WMUC, and

Whereas, WMUC encourages all policies be reviewed at least once a year, with no longer than 3 years between review, and

Whereas, WMUC recognizes various policies are required to be employee- name specific and related contact information specific, not position driven, and

Whereas, the WMUC recognizes that staffing may change through retirement, new hires and lateral job changes, requiring potentially frequent changes to be made to said policies between MUC's formal policy review, and

Whereas, the WMUC recognizes the importance of keeping all policies up to date.

Now, therefore, be it resolved that in between formal Commission approvals, WMU staff is granted the latitude to adapt and change all WMUC organizational policies as necessary to follow with the organizations position when a policy requires the position to be named by individual name and related contact information.

Dated this 13th day of June, 2016.

Vice President

ATTEST:

Secretary