

**WILLMAR MUNICIPAL UTILITIES MINUTES**  
**MUNICIPAL UTILITIES AUDITORIUM**  
**JULY 25, 2016**

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, July 25, 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, Abdirizak Mahboub and Nathan Weber.

Others present at the meeting were: Interim General Manager 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, Compliance Officer Janell Johnson, Power Resources Analyst Michelle Marotzke, City Councilmember Andrew Plowman, City Attorney Robert Scott, and WC Tribune Journalist Shelby Lindrud.

Commission President Holtz opened the meeting 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 Nagel seconded.

**RESOLUTION NO. 36**

“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 July 11, 2016 Commission meeting; and,
- ❖ Bills represented by vouchers No. 161301 to No. 161393 and associated wire transfers inclusive in the amount of \$2,112,453.89.

Dated this 25<sup>th</sup> day of July, 2016.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

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

Commissioner Gimse (Vice Chair) reviewed with the Commission the minutes from the July 11<sup>th</sup> WMU Labor Committee meeting (see attached). The two main topics of discussion focused on: 1) sunsetting of the Early Retirement Program; and, 2) an update of the General Manager search process. Following review and discussion, Commissioner Gimse offered a motion to approve the minutes of the July 11<sup>th</sup> WMU Labor Committee meeting as presented. Commissioner Mattern seconded the motion which carried by a vote of seven ayes and zero nays.

In conjunction with the minutes of the July 11<sup>th</sup> WMU Labor Committee meeting, a recommendation had been presented to the Commission to sunset the Early Retirement Program as of December 31, 2017. After this date, no additional WMU employees will be able to qualify for participation in the program. Staff had contacted Attorney Scott who provided verbiage for the proposed resolution regarding the sunsetting of the Early Retirement Program. Following discussion, Commissioner Holtz offered a resolution to approve the sunsetting of the Early Retirement Program as of December 31, 2017 with the inclusion of eligibility benefits for those employees who are eligible at that date. Commissioner Gimse seconded.

## RESOLUTION NO. 37

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Early Retirement Program offered to full-time employees with 20 or more years of continuous employment with Willmar Municipal Utilities and who are eligible to collect pension from PERA, be amended to sunset as follows:

1. No employees shall become eligible to participate in the Early Retirement Program after December 31, 2017.
2. Any employee who becomes eligible to participate in the Early Retirement Program by reaching both (a) 20 or more years of continuous employment with WMU; and (b) eligibility to collect pension from PERA; on or before December 31, 2017, shall remain eligible for the retirement benefit set forth in paragraph 3 until they decide to retire from employment with WMU.
3. Participating retirees will receive one year of paid individual health insurance for every three years of full-time employment with WMU until the earlier of (a) the exhaustion of the benefit based on the employee’s accrued years of employment; or (b) the employee becomes eligible for Medicare. WMU will pay for the total cost of single coverage for the plan the retiring employee is on at the time of retirement, or if such plan is no longer available, a similar plan.
4. Employees who are eligible to participate in the Early Retirement Program must submit a signed application to participate in the program to the General Manager at least 90 days in advance of their proposed retirement date.”

Dated this 25<sup>th</sup> day of July, 2016.

\_\_\_\_\_  
President

ATTEST:

\_\_\_\_\_  
Secretary

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

Commissioner Mattern (Chair) reviewed with the Commission the minutes from the July 22<sup>nd</sup> WMU Planning Committee meeting (see attached). Topics of discussion included: 1) new logo consideration; 2) WMU Network Penetration Test; 3) purchase of electronic tablet devices and meeting application for Commissioner/Staff use; 4) Facilities/Building Project update; 5) Willmar Substation status report; 6) Power Supply update; and 6) miscellaneous discussion. Following review and discussion, Commissioner Mattern offered a motion to approve the minutes of the July 22<sup>nd</sup> WMU Planning Committee meeting as presented. Commissioner Nagel seconded the motion which carried by a vote of seven ayes and zero nays.

Based on the recommendations of the WMU Planning Committee, Commissioner Holtz was requesting Commission approval of two items. The first issue at hand was to authorize the agreement to conduct the penetration test on behalf of WMU. With the risk of cyber vulnerabilities and the sensitive data that WMU retains on its servers for employees, customers, and daily business, a penetration test is warranted. Two vendors had submitted proposals to conduct the pen test. It was the recommendation of Staff to authorize NetSPI to conduct the independent pen test for the Utility. Following discussion, Commissioner Mattern offered a motion to approve the proposal submitted by NetSPI, Inc., of Minneapolis, MN, to perform the WMU Network Penetration Test in the amount of \$8,500 plus expenses. Commissioner Mahboub seconded the motion which carried by a vote of seven ayes and zero nays.

The second item for consideration presented was the purchase of electronic tablet devices and a meeting application for Commissioners and Staff use while conducting utility-related business. Staff had explored various options for each and was recommending to purchase the iPad Air 2 (tablet & cover/keyboard) along with the Call to Order meeting application. Call to Order is a NISC-based meeting application that provides simple but secure access to meeting agendas, documents, and reference materials. The cost of the iPad Air (tablet & cover/keyboard) is \$533.13 per device and the meeting application has a one-time fee of \$500. Following discussion, Commissioner Mattern offered a motion to approve the purchase of the iPad Air 2 and the Call to Order application. Commissioner Mahboub seconded. Following further discussion and a request for additional clarification related to the electronic tablets (i.e. cross-compatibility), the motion was denied by a vote of seven ayes and zero nays. The subject was tabled and would be addressed at the next MUC meeting (August 8<sup>th</sup>).

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

1. June 2016 Financial Report (Director of Finance Runge)
2. Wind Turbine Update (Power Production Supervisor Folkedahl)
3. May 2016 Power Supply Report (Power Resources Analyst Marotzke)

As a component of the annual topics to be presented to the Commission for educational purposes, Interim General Manager Harren touched on the Long-Term Planning (aka "strategic planning"). Harren stressed the importance of creating a road map to follow while continually monitoring and addressing the implementation of necessary steps required to attain the established goals.

Interim General Manager Harren requested input from the Commission regarding the need to schedule a tour of WMU facilities/areas. In the past, this annual tour has been beneficial for the participants by providing both visual and hands-on insight when addressing issues of concerns regarding current and future projects of the Utility. Following discussion, it was the consensus of the Commission to direct Staff to proceed with scheduling of a facilities tour.

Interim General Manager informed the Commission that Commissioner Laumer will present a recap of her recent attendance at the APPA Policy Makers Council Summer Meeting held in Washington, DC, at the August 8<sup>th</sup> MUC meeting.

For information: Upcoming meetings/events to note include:

- MMUA Annual Summer Meeting – 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 Nagel offered a motion to adjourn the meeting. Commissioner Laumer seconded the motion which carried by a vote of seven ayes and zero nays, and the meeting was adjourned at 12:45 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

---

Beth Mattheisen  
Administrative Secretary

ATTEST:

---

Jeff Nagel, Secretary



## WILLMAR MUNICIPAL UTILITIES

### WMU Labor Committee Meeting Minutes Monday, July 11, 2016 – 12:10 p.m. WMU Conference Room

Attendees: Commissioners Joe Gimse (Vice Chair), Nathan Weber & Dan Holtz, General Manager Wesley Hompe, Director of Operations John Harren, and Gary Weiers of David Drown Associates

Commissioner Gimse called the meeting to order at 12:10 p.m.

\*\*\*\*\*

#### **AGENDA ITEMS:**

##### ➤ **Early Retirement Program Discussion:**

General Manager Hompe recently contacted Attorney Robert Scott regarding the appropriate verbiage to be used referencing the sunseting of the Early Retirement Program (ERP) available to eligible WMU employees. This program was initially created to assist both the employees with retirement planning and management personnel in succession planning for the Utility. The Commission has elected to sunset the early retirement benefit program on December 31, 2017. After this date, no additional WMU employees will be able to qualify for participation in the program. Eligibility, plan benefits, and the initiation of benefit requirements were discussed. Hompe reviewed language recommended by Attorney Scott for the resolution regarding the sunseting of the Early Retirement Program:

*“Be it resolved, by the Municipal Utilities Commission of the City of Willmar, that the Early Retirement Program offered to full-time employees with 20 or more years of continuous employment with Willmar Municipal Utilities and who are eligible to collect pension from PERA, be amended to sunset as follows:*

5. *No employees shall become eligible to participate in the Early Retirement Program after December 31, 2017.*
6. *Any employee who becomes eligible to participate in the Early Retirement Program by reaching both (a) 20 or more years of continuous employment with WMU; and (b) eligibility to collect pension from PERA; on or before December 31, 2017, shall remain eligible for the retirement benefit set forth in paragraph 3 until they decide to retire from employment with WMU.*
7. *Participating retirees will receive one year of paid individual health insurance for every three years of full-time employment with WMU until the earlier of (a) the exhaustion of the benefit based on the employee’s accrued years of employment; or (b) the employee becomes eligible for Medicare. WMU will pay for the total cost of single coverage for the plan the retiring employee is on at the time of retirement, or if such plan is no longer available, a similar plan.*
8. *Employees who are eligible to participate in the Early Retirement Program must submit a signed application to participate in the program to the General Manager at least 90 days in advance of their proposed retirement date.”*

**Action:** Following review & discussion, Commissioner Gimse offered a motion to approve the presented language and furthermore recommend approval of the resolution at the July 25<sup>th</sup> WMU Commission meeting. Commissioner Holtz seconded the motion which carried by a vote of three eyes and zero nays.

*(Director of Operations Harren departed the meeting at this time.)*

➤ **General Manager Search Status Update:**

Gary Weiers from David Drown Associates was in attendance to present an update of the executive search for the impending General Manager position. Weiers presented the Committee with a tentative timeline to conduct the process along with a profile of the General Manager position (draft). Following discussion, it was the consensus of the Committee to make minor modifications to the position profile and timeline including:

**Position Profile:** Include additional budget report data (actual 2014 & 2015, and 2016 budget numbers), and update the Jennie-O Turkey Store photo (Commissioner Weber will provide the updated photo).

**Timeline:** Set Labor Committee interviews to September 12 to allow additional time for completion of background checks of finalists, and to adjust dates to conduct the final interviews on October 10-11.

Mr. Weiers reviewed with the Planning Committee a list of advertising venues that would be utilized for posting of the General Manager ad.

**Action:** Gary Weiers will forward the updated timeline & position profile with the agreed upon adjustments to Beth who will distribute them to the Commissioners. Weiers will begin the actual recruitment process by posting the position immediately upon approval of the position profile. Beth will post the position on MinnesotaWorks.net and a link will also be posted on the WMU website.

➤ **Adjournment:**

There being no further business to come before the WMU Labor Committee, Commissioner Weber offered a motion to adjourn the meeting at 12:50 p.m. Commissioner Holtz seconded the motion which carried by a vote of three ayes and zero nays.



## WILLMAR MUNICIPAL UTILITIES

### WMU Planning Committee Meeting Minutes Friday, July 22, 2016 – 12:00 p.m. WMU Conference Room

Present: Commissioners Justin Mattern (Chair), Jeff Nagel & Abdirizak Mahboub (arrived at 12:16 p.m.), Interim General Manager John Harren, Director of Finance Denise Runge, Staff Electrical Engineer Jeron Smith, Power Supply Manager Chris Carlson, Power Plant Supervisor Jon Folkedahl, Energy Services/Marketing Rep Mary Kosbab, Compliance Officer Janell Johnson, Purchasing & Facilities Manager Kevin Marti, and Administrative Secretary Beth Mattheisen.

Committee Chair Mattern called the meeting to order at 12:00 p.m.

\*\*\*\*\*

#### AGENDA ITEM(S):

➤ **Introduce and Request Support for New Logo:**

Energy Services/Marketing Rep Kosbab presented the Committee with a request for the Committee to consider changing the current WMU logo to a newer, more visually appealing version. Reasoning for the request for consideration was presented along with a number of sample images. Currently working with Hansen Advertising on the project.

**Committee Action:**

Request cost estimate from Hansen Advertising for the actual design cost and present this to the Commission for consideration.

➤ **WMU Network Penetration Test Proposal:**

Compliance Officer Johnson reviewed with the Committee the need to conduct an independent penetration test of WMU's network system. With the risk of cyber vulnerabilities and the sensitive data that WMU retains on its servers for employees, customers, and daily business, a penetration test is warranted. It was noted that the 2016 Budget has allocated \$25,000 to conduct the assessment and potential remediation. The two vendors to submit proposals were NetSPI (recommended by League of MN Cities), and Ingram Micro (associated with BusinessWare).

**Committee Action:**

Following discussion, it was the consensus of the Planning Committee to recommend the Commission to approve the proposal submitted by NetSPI, Inc., to conduct the WMU Network Penetration Test in the amount of \$8,500.

➤ **iPad & "Call to Order" Discussion:**

Interim General Manager Harren informed the Committee that Staff had explored various options to be considered for the purchase of iPad or electronic tablets for Commissioners and necessary Staff to use while conducting utility-related business. Following an analysis of electronic devices for consideration, three iPad options seemed to prove the best fit to suit the needs of the Utility. At this time, Staff was recommending to purchase the iPad Air 2 at a cost of \$533.13 per device (tablet & cover/keyboard).

The application that seems to be the best fit to meet the needs of the Utility and Commissioners appears to be the “Call to Order” Board/meeting application. This is a NISC based cloud storage system which appears to be easy to manage and easy to maneuver as a user. The “Call to Order” application has a one-time fee of \$500.

Total cost for iPads + set up of NISC App = \$7,000 (approximately)

**Committee Action:**

Following discussion, it was the consensus of the Planning Committee to recommend that the Commission approve to proceed with the purchasing of the electronic tablets & meeting application once compatibility issues were determined.

➤ **Facilities/Building Project Update;**

Purchasing/Facilities Manager Marti reported that GLTArchitects has completed the updating of the 2010 Facilities Study. The next step in the process would be to schedule a working session to further discuss the results and review the updated study (i.e. greenfield vs downtown option). It was also noted that input from the City regarding their recent facilities study had not been received to date.

**Committee Action:**

Following discussion, it was the consensus of the Planning Committee to request the Commission to schedule a working session of the full Commission to review the updated Facilities Study and to determine the most beneficial and cost effective direction to proceed with in meeting the future goals and objectives of the WMU’s Facilities Project.

➤ **Willmar Substation Update:**

Staff Electrical Engineer Smith reported to the Committee that significant operational repair work (bushing replacements) is required at the Willmar Substation. During a recent inspection of the Sub the underlying problem was identified. While the Sub remains operational, there is a heightened level of need to repair. Smith further stated that an outage of the Sub had previously been scheduled for November 14-December 14, and this would be the logical time to conduct the repairs. These repairs were not anticipated, and therefore, not budgeted. The estimated cost for the repairs would be \$200,000 (firmer price costs will be determined). Staff will conduct an analysis of the current budget to determine the most efficient method to finance the needed project.

➤ **Power Supply Update:**

Power Supply Manager Carlson presented the Committee with an overview of how WMU schedules energy to cover the electrical load of its customers within its Service Territory. The presentation also demonstrated why WMU is in need of an Annual Power Supply Strategy and Scope.

The Power Supply Report included an update reflecting the process involved in planning for future power supply and local generation. Staff presented the Planning Committee with their recommendation regarding future power supply and local generation related to the portfolio mix. The Planning Committee concurred with Staff’s recommendation.

➤ **Miscellaneous:**

Interim General Manager Harren reported that Staff met with reps from GRE on July 13<sup>th</sup> to further discuss analysis from MCR, finalize responsibilities, and timelines. Meeting went well. Next step is to wait for GRE to verify MCR data.

*(Commissioner Nagel departed the meeting at 1:50 p.m.)*

**Adjournment:**

Following discussion, Commissioner Mahboub offered a motion to adjourn the meeting of the WMU Planning Committee. Commissioner Mattern seconded the motion which carried, and the meeting was adjourned by a vote of two ayes and zero noes at 1:59 p.m.