

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
OCTOBER 10, 2016

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, October 10, 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: General Manager John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Power Production Supervisor Jon Folkedahl, Data Processing/IT Manager Mike Sangren, Administrative Secretary Beth Mattheisen, City Attorney Robert Scott, City Councilman Shawn Mueske, 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. 47

“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 September 26, 2016 Commission meeting;
- ❖ Bills represented by vouchers No. 161816 to No. 161897 and associated wire transfers inclusive in the amount of \$350,681.91.

Dated this 10th day of October, 2016.

President

ATTEST:

Secretary

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

Commissioner Laumer (Chair) reviewed with the Commission the minutes from the October 3rd WMU Labor Committee meeting (see attached). The sole topic of discussion focused on establishing a mutually-acceptable Employment Agreement for the General Manager’s position. City Attorney Robert Scott also provided guidance throughout the process. Following review and discussion, Commissioner Laumer offered a motion to approve the minutes of the October 3rd WMU Labor Committee meeting as presented. Commissioner Gimse seconded the motion which carried by a vote of seven ayes and zero nays.

In conjunction with the October 3rd WMU Labor Committee meeting, Laumer continued by requesting the Commission to approve the Employment Agreement for the General Manager’s position. The formal employment agreement proposed would be between the Willmar Municipal Utilities and General Manager John Harren effective October 18, 2016, contingent upon City Council approval (October 17, 2016). Details of the formal

employment contract were discussed. Following discussion, Commissioner Laumer offered a resolution to approve the formal employment agreement with John Harren for the position of General Manager. Commissioner Gimse seconded.

RESOLUTION NO. 48

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Employment Agreement with John Harren for the position of General Manager be approved effective October 18, 2016, contingent upon City Council approval (October 17, 2016).”

Dated this 10th day of October, 2016.

President

ATTEST:

Secretary

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

Director of Finance Runge informed the Commission that last year (2015) was the final year of a three-year contract with Conway, Deuth & Schmiesing to conduct the WMU Financial Audits. Therefore, Staff is requesting the Commission to issue a Request for Proposal (RFP) for audit services for the years 2016-2018 (three-year contract). Submittal of the RFP's would be accepted until 4:00 p.m., October 20, 2016. Following discussion, Commissioner Gimse offered a motion to issue a RFP to conduct the audit services for WMU for the years 2016-2018. Commissioner Mattern seconded the motion which carried by a vote of seven ayes and zero nays.

Data Processing/IT Manager Sangren informed the Commission that NetSPI had recently conducted an External Network Penetration Test on WMU's IT system. Sangren was pleased to announce that the findings were favorable and that unauthorized access to the system did not occur. Sangren reminded Staff and Commissioners that everyone needs to remain vigilant in thwarting off any potential breaches as they may arise.

Director of Finance Runge presented the Commission with the August 2016 Financial Reports. Among the statistical analyses presented were:

- 1) Operating Revenue/Expenses/Income/Retaining Earnings for all Divisions (electric, water, heating & combined)
- 2) Year-To-Date Sales for each Division (electric, water & heating)

General Manager Harren presented the Commission with a recap of the recent Customer Appreciation Open House held on October 4th at the Willmar Civic Center. The annual event is held in conjunction with APPA's Public Power Week. Once again, the Open House was a huge success with approximately 1,500 customers attending. On behalf of the Commission, Commissioner Holtz expressed his appreciation to Staff and Commissioners for their time and effort involved in hosting the event. To commemorate WMU's 125th Anniversary, a drawing was held to receive a \$125 credit toward the winner's utility bill. The recipient of the drawing and the \$125 utility credit was Enrique Acosta. Congratulations, Enrique!

General Manager Harren informed the Commission that as previously discussed, realignment of the current Commission terms will need to be conducted (per City Charter guidelines). Commissioner Holtz recently contacted Mayor Marv Calvin to begin the process. Harren encouraged Commissioners (4) who currently have terms ending at the end of 2016 to contact Mayor Calvin with their intentions toward serving another term as Commissioner.

For information: Upcoming meetings/events to note include:

- WMU Planning Committee meeting – TBD (1st or 2nd week in November)
 - Annual policy review/update
 - Priam Substation Project
- WMU Labor Committee meeting – TBD (1st or 2nd week in November)
 - Annual labor policy review/update
- MMUA Legislative Rally - January 31-February 1, 2017
- APPA Legislative Rally - February 27-March 1, 2017 (Washington, DC)
- APPA National Conference - June 19-21, 2017 (Orlando, FL)

There being no further business to come before the Commission, Commissioner Nagel offered a motion to adjourn the meeting. Commissioner Mattern seconded the motion which carried by a vote of seven ayes and zero nays, and the meeting was adjourned at 12:09 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
Monday, October 3, 2016 – 8:00 a.m.

Attendees: Commissioners Carol Laumer (Chair), Joe Gimse & Dan Holtz, Interim General Manager John Harren, and Gary Weiers of David Drown Associates.

Commissioner Laumer called the meeting to order at 8:07 a.m.

AGENDA ITEMS:

➤ **General Manager Employment Agreement Discussion:**

Background: Following the final interview conducted before the full Commission on September 26th, it was by unanimous decision that the Commission offered the position of General Manager to Interim General Manager John Harren. Harren indicated that he would accept the proposed position upon the acceptance of a mutually-agreed upon Employment Agreement. The final step of the hiring process was to negotiate an agreement with Mr. Harren. Gary Weiers was present to assist in the negotiating process.

Following a review by City Attorney Robert Scott, the Labor Committee had submitted a proposed Employment Agreement (offer) to Harren for his consideration. Following a review, Harren presented a counteroffer to the Labor Committee.

The proposed Employment Agreement contained the following elements: 1) Duties; 2) Term; 3) Salary, Benefit Provisions & Compliance with Employer's Personnel Policies & Procedures; 4) Termination; 5) Performance Evaluations; 6) Professional Development; 7) Civic Membership; 8) Indemnification; 9) Bonding; 10) Other Terms & Conditions of Employment; and 11) General Provisions. Each component of the agreement was reviewed.

Various discussion ensued regarding the proposed agreement. Following discussion, Harren was invited into the meeting to express his thoughts on noted areas of the contract. Harren presented an item-by-item review of his counteroffer requests, thoughts, and clarifications related to the proposed contract.

Following a recap of the points of discussion, Harren was excused from the meeting to enable the Labor Committee to continue their caucus. At this time, a brief intermission was held.

At 9:26 a.m., the Labor Committee reconvened to further discuss the employment contract. Individual contract points of interest were addressed and modifications were made to the employment contract. This contract would subsequently be reintroduced to Harren for his consideration.

At 9:49 a.m., Interim General Manager Harren re-entered the meeting to continue the contract negotiations. Following discussion, Harren acknowledged that he will take the amended agreement under consideration. Following his review, Harren will contact Commissioner Laumer (LC Chair) and Weiers with his thoughts. Weiers and Attorney Scott will work together on the proposed modifications to the contract.

➤ **Adjournment:**

There being no further business to come before the WMU Labor Committee, Commissioner Laumer offered a motion to adjourn the meeting at 10:03 a.m. Commissioner Gimse seconded the motion which carried by a vote of three ayes and zero nays.