

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
JANUARY 23, 2017

The Municipal Utilities Commission met in its regular meeting on Monday, January 23, 2017 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Carol Laumer (via interactive television), Justin Mattern, Abdirizak Mahboub, Nathan Weber, Bruce DeBlieck and Ross Magnuson. Absent was Commissioner Dan Holtz.

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, Customer Service Supervisor Stacy Stien, Water/Heating Supervisor Joel Braegelman, Facilities/Purchasing Supervisor Kevin Marti, Administrative Secretary Beth Mattheisen, Project Assistant Kim Wesbur, Data Processing/IT Manager Mike Sangren, City Attorney Robert Scott (via teleconference), City Councilman Shawn Mueske, and WC Tribune Journalist Shelby Lindrud.

Commissioner Laumer (President) was in attendance via interactive television (per MN Statue 13D.02) from Puerto Morales, Mexico. For ease of overseeing the meeting, Commissioner Laumer appointed Commission Vice President Mattern to conduct the meeting on her behalf. Following the appointment, Commissioner Mattern introduced and welcomed newly appointed Commissioners, Bruce DeBlieck and Ross Magnuson. Following their introductions, Commissioners DeBlieck and Magnuson each presented brief background descriptions of themselves. Welcome aboard, Commissioners Magnuson & DeBlieck!

Commissioner Mattern followed the introductions by requesting a resolution to approve the Consent Agenda. Commissioner Weber offered a resolution to approve the Consent Agenda as presented. Commissioner Mahboub seconded.

RESOLUTION NO. 2

“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 January 9, 2017 Commission meeting; and,
- ❖ Bills represented by vouchers No. 170093 to No. 170178 inclusive and associated wire transfers inclusive in the amount of \$1,523,047.52.

Dated this 23rd day of January, 2017.

Vice President

ATTEST:

Secretary

The foregoing resolution was adopted by a vote of five ayes and zero nays (due to technical difficulty, Commissioner Laumer was unable to participate in the vote).

Commissioner Mattern stated that with the Commission at full capacity, he was offering a motion to remove from the table (Jan. 9th) the topic of Committee appointments. Commissioner Mahboub seconded the motion which carried by a vote of six ayes and zero nays.

Commissioner Mattern next requested recommendations for appointments to both the WMU Labor and Planning Committees for 2017. Commissioner Mattern continued by appointing Commissioners Laumer, Weber & Magnuson to serve on the WMU Labor Committee, and Commissioners Mahboub, DeBlieck & himself (Mattern) to serve on the WMU Planning Committee. Following discussion, Commissioner DeBlieck offered a motion to approve the Labor Committee and Planning Committee appointments as designated. Commissioner Weber seconded the motion which carried by a vote of six ayes and zero nays.

General Manager Harren presented the Commission with the 2017 WMU Consultant Listing. This listing consists of consultants (along with project descriptions & costs) which have been budgeted to be utilized for various projects throughout the year. It was further noted that all projects requiring consulting services over \$5,000 will be brought before the Commission for approval. Following review and discussion, Commissioner Magnuson offered a motion to approve the 2017 WMU Consultant Listing as presented. Commissioner Mahboub seconded the motion which carried by a vote of six ayes and zero nays.

Power Production Supv. Folkedahl reviewed with the Commission the December 2016 Wind Turbine Report.

At the January 3rd MUC Work Session, WMU Staff had reviewed with the Commission a PowerPoint presentation ("*Financial Viability of District Heat Option*") which provided background and data regarding Willmar's District Heating Division. Staff further provided information relating to studies and analyses along with evaluated options for consideration. General Manager Harren had requested the Commission to assess the provided material and to establish a directive and course of action regarding the future of Willmar's district heating. Commissioners were asked to consider the economic feasibility of district heating as a sustainable revenue source for WMU. Following review and discussion, Commissioner Mattern offered a motion to direct Staff to contact Willmar's district heating customers to gain an understanding of their challenges and to pursue options to transition its customers away from district heating. Based on customer input, a transitional strategy plan would be developed for consideration and approval (determine process & time frame). This would include a 2-year transitional period from the time the transition strategy is adopted. The timeline will be sensitive to our customers' needs. Commissioner Weber seconded the motion which carried by a vote of six ayes and zero nays.

Energy Services/Marketing Rep Mary Kosbab presented the Commission with a recap of the Key Accounts Breakfast/Meeting held on January 17th in the WMU Auditorium. This gathering provided a platform for WMU's largest customers to discuss possible future projects along with addressing any utility concerns they may have.

General Manager Harren presented the Commission with an annual review of educational information and training for new (and current) Commissioners ("*Commission #101*"). Harren noted that the information has been updated and downloaded to the Commission-provided iPads. Included in the step-by-step review were the following topics: 1) WMU Organizational Chart; 2) Open Meeting Law, Government Records & Data, and Conflict of Interest; 3) Budgets & Cash Flow Statement; and, 4) Strategic Planning.

In conjunction with the educational topics reviewed, General Manager Harren also informed the Commission of beneficial APPA webinar series that are available. These webinar series include the

five-part *Electric Utility 101* and/or the six-part *Public Utility Governance Series*. *Electric Utility 101* provides an overview of the electric utility industry focusing on generation, substations, transmission, distribution and strategic issues & trends. The *Public Utility Governance Services* is geared more toward newly appointed utility commission/board and city council members with an overview of responsibilities and duties. Anyone wishing to participate in either of the series is asked to contact Beth so the necessary arrangements can be made.

General Manager Harren informed the Commission that a request to schedule a meeting of the WMU Planning Committee will be forthcoming. Items of discussion will include: 1) Power Plant cooling towers; 2) Water Treatment Plant Project (update); 3) basic Power Plant layout; and, 4) Joint Action Agency (facility visit).

General Manager Harren recapped for the Commission the Utility's recent participation in the City Council Retreat held on January 13th. Harren and Facilities/Purchasing Supervisor Marti had participated in the Retreat by presenting the Council with the WMU 2017 Departmental Report. Data contained in the PowerPoint presentation included: 1) WMU overview; 2) organizational chart; 2) recent achievements; 3) current & future projects/initiatives; and, 4) challenges & needs facing WMU and the City of Willmar.

For information: Upcoming meetings/events to note include:

- MMUA Legislative Rally - January 31-February 1, 2017 (Embassy Suites, St. Paul.)
- 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 Mahboub offered a motion to adjourn the meeting. Commissioner Weber seconded the motion which carried, and the meeting was adjourned at 12:40 p.m. by a vote of six ayes and zero nays.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

Beth Mattheisen
Administrative Secretary

ATTEST:

Abdirizak Mahboub, Secretary