

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
MARCH 13, 2017

The Municipal Utilities Commission met in its regular meeting on Monday, March 13, 2017 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Carol Laumer, Justin Mattern, Abdirizak Mahboub, Nathan Weber, Dan Holtz and Ross Magnuson. Absent was Commissioner Bruce DeBlieck.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Customer Service Supervisor Stacy Stien. Power Production Supervisor Jon Folkedahl, Water/Heating Supervisor Joel Braegelman, Power Resources Analyst Michelle Marotzke, Energy Services/Marketing Rep Mary Kosbab, Administrative Secretary Beth Mattheisen, City Attorney Robert Scott (via teleconference), and City Councilmember Shawn Mueske.

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

RESOLUTION NO. 6

“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 February 24, 2017 Commission meeting; and,
- ❖ Bills represented by vouchers No. 170366 to No. 170457 and associated wire transfers inclusive in the amount of \$1,614,519.09.

Dated this 13th day of March, 2017.

President

ATTEST:

Secretary

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

Power Production Supervisor Folkedahl requested the Commission to approve an Invitation to Bid for the WMU Cooling Tower #2 Replacement (located near the Power Plant). The project would include the purchase and installation of a used stainless steel unit and all associated costs. Bids would be accepted until 2:30 p.m. on April 11th and would be presented to the WMU Planning Committee for recommendation. Following discussion, Commissioner Mattern offered a motion to

approve the Invitation to Bid for the WMU Cooling Tower #2 Replacement as presented. Commissioner Magnuson seconded the motion which carried 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 reports and analyses included:

1. January 2017 Financial Reports (Director of Finance Runge). It was requested by the Commission to include the EAA adjustment on the approved 2017 WMU Budget. Runge stated that an amended budget with the inclusion of the EAA adjustment would be presented to the Commission at the March 27th meeting.
2. January 2017 Power Supply Report (Power Resources Analyst Marotzke)
3. February 2017 Wind Turbine Report (Power Production Supervisor Folkedahl). Folkedahl noted that the annual service/maintenance visit would be conducted the week of March 20th (Aero Energy).

For information and review, two departmental reports and updates were presented to the Commission for discussion. These reports were as follows:

1. Energy Services & Marketing (Energy Services & Marketing Rep Kosbab). Highlighted topics included: 1) WMU's 125 Years of Service celebration activities; 2) new website design & social media site; 3) Energy Services programs; and, 4) key account customers.
2. Customer Service Review (Customer Service Supervisor Stien). Included in the report were: 1) 2016 Unit Sales; 2) Five-Year Consumption History; 3) customer services available; 4) NISC software/billing update; 5) AMI Meter Project (automated meter reading system) update; and, 6) Staff training & education.

Commissioner Laumer and General Manager Harren recapped for the Commission their recent attendance at the 2017 APPA Legislative Rally held in Washington, DC and reiterated the importance of attending these national (and state-sponsored) events which offer the opportunity to exchange ideas and express concerns related to various issues facing Willmar and the utility industry. Key discussions focused on: 1) electricity infrastructure issues; 2) cybersecurity; 3) ensuring diversified energy sources (i.e. solar, hydro); 4) environmental policy (i.e. water, energy efficiency); 5) promoting functioning, competitive wholesale electricity markets; and, 6) tax and budget issues (i.e. maintaining tax exempt status from Federal Pole Attachment Rates). Laumer and Harren concluded by expressing their appreciation to the Commission for allowing them the opportunity to attend the informative event.

General Manager Harren informed the Commission that district heating customers had been sent an invitation to attend a meeting on March 15th from 4:00-5:00 p.m. in the WMU Auditorium. The purpose of the meeting would be to assist customers in planning for alternative heat sources and to discuss and answer any questions they may have related to the pending transition and the steps that would be taken toward removing district heating in their home and/or business.

General Manager Harren informed the Commission that the Missouri River Energy Services (MRES) Annual Meeting will be held May 10-11 in Sioux Falls, SD. Prior to the Annual Meeting, MRES reps have offered WMU the opportunity to meet and discuss the benefits of becoming a member of a Joint Action Agency. Commissioners were encouraged to attend to learn more about the complex issues and challenges facing municipalities.

General Manager Harren requested the Commission to schedule a meeting of the WMU Labor Committee in the near future. Among the topics of discussion would be: 1) Annual Performance

Review Policy (new); 2) staffing issues (re decommissioning transition); 3) Pay Equity Report; and, 4) General Manager's 6-month performance review.

For information: Upcoming meetings/events to note include:

- MRES Annual Meeting – May 10-11 (Sioux Falls, SD)
- APPA National Conference - June 19-21, 2017 (Orlando, FL)
- APPA Webinar Series: Public Utility Governance & Electric Utility 101 (1:00-2:30 p.m. in the WMU Conference Room)
 - Electric Utility 101: Substations – March 30
 - Overview of Utility Financial Operations – April 6
 - Electric Utility 101: Transmission – April 13
 - Board Policy Development & Policy Compliance – May 2
 - Electric Utility 101: Distribution – May 11
 - Strategic Planning for Long-Term Effectiveness – May 30
 - Board-Driven Performance Evaluation: Governance & Management – July 5

There being no further business to come before the Commission, Commissioner Holtz offered a motion to adjourn the meeting. Commissioner Mahboub seconded the motion which carried, and the meeting was adjourned at 12:54 p.m. by a vote of six ayes and zero nays.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

Beth Mattheisen
Administrative Secretary

ATTEST:

Abdirizak Mahboub, Secretary