

**WILLMAR MUNICIPAL UTILITIES MINUTES**  
**MUNICIPAL UTILITIES AUDITORIUM**  
**AUGUST 14, 2017**

The Municipal Utilities Commission met in its regular meeting on Monday, August 14, 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, Bruce DeBlicek, and Ross Magnuson.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Power Resources Analyst Michelle Marotzke, Facilities & Purchasing Supervisor Kevin Marti, Staff Electrical Engineer Jeron Smith, Customer Service Supervisor Stacy Stien, Energy Services/Marketing Rep Mary Kosbab, Water & Heating Supervisor Joel Braegelman, Administrative Secretary Beth Mattheisen, City Councilmember Shawn Mueske, WC Tribune Journalist Shelby Lindrud, and Attorney Robert Scott (via teleconference).

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 DeBlicek seconded.

**RESOLUTION NO. 26**

“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 24, 2017 Commission meeting; and,
- ❖ Bills represented by vouchers No. 171315 to No. 171428 and associated wire transfers inclusive in the amount of \$1,305,041.50.

Dated this 14<sup>th</sup> day of August, 2017.

\_\_\_\_\_  
President

Attest:

\_\_\_\_\_  
Secretary

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

Commissioner Weber (Vice Chair) reviewed with the Commission the minutes from the July 24<sup>th</sup> WMU Labor Committee meeting (see attached). The main topic of discussion focused on a recent discovery concerning the application of summer commodity charges. Following a review of the minutes, Commissioner Weber offered a motion to approve the minutes of the July 24<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.

General Manager Harren informed the Commission that a meeting to discuss various issues of interest between WMU and the City of Willmar staff members had been conducted on July 20<sup>th</sup>.

Harren provided a recap of the discussion held between the two entities. Topics discussed included: 1) Utility Improvement Charge Fee; 2) water main replacement costs; 3) City of Willmar Water Management Plan; 4) WMU utility rates; 5) Intragovernmental Transfer (PILOT); 6) electric, water and wastewater billing descriptions; 7) distributed generation; 8) pole attachments; and, 9) downtown street lighting. The meeting proved to be both informative and beneficial in planning for future projects and needs (i.e. budgeting). City Councilmember Mueske commented on the positive direction these meetings/communications have on current and future coordinated efforts by the two entities. As a reminder, Mueske further stated that any future revisions related to the City Charter would need to be presented to the City Charter Commission.

Facilities & Purchasing Supervisor Marti reviewed with the Commission the updated Strategic Planning Progress Report (SWOT Analysis). This newly approved (May 22<sup>nd</sup>) SWOT Analysis includes action items required to achieve the goals of each entry. This analysis is an organized list of WMU's strengths, weaknesses, opportunities, and threats. The components of the listing are: 1) Customer Relations; 2) Facility; 3) Financial Policies; 4) Operations; 5) Organization; and, 6) Power Supply. The analysis also lists departmental assignments, target completion dates, and additional notes. The Commission will be provided periodic (quarterly) updates. Following discussion, Commissioner Laumer expressed the Commission's appreciation to Staff for their time and efforts spent in keeping the Strategic Plan moving forward in a positive manner. Marti further acknowledged the efforts of Power Resources Analyst Marotzke for her expertise in documenting and presenting of the analysis.

Following the SWOT Analysis discussion, Commissioner Holtz requested staff to provide the web site information to obtain audio recordings of MUC meetings. Energy Services/Marketing Rep Kosbab informed the Commission that the audio recordings are available on the City of Willmar's website. Further instructions will be provided.

Facilities & Purchasing Supervisor Marti requested input from the Commission regarding the upcoming WMU Facilities Tour/MUC Meeting scheduled for August 28<sup>th</sup> (i.e. scheduling preference, route selection, timeline, etc.). A preliminary tour route was reviewed. In the past, the tours have proven beneficial for the Commissioners to get both a visual and hands-on insight when addressing issues of concerns regarding current and future Utility projects.

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

1. June 2017 Financial Reports (Director of Finance Runge)
2. May & June 2017 Power Supply Report (Power Resources Analyst Marotzke)
3. July 2017 Wind Turbine Report (Staff Electrical Engineer Smith)

General Manager Harren requested the Commissioners to provide input regarding their intentions for reappointment to the Commission. Currently, two Commissioners' terms which will expire at the end of 2017 (both terms are eligible for reappointment). Commissioners were requested to provide their intentions to either Commissioner Laumer or General Manager Harren.

Commissioner Laumer presented the Commission with a recap of her recent attendance at the APPA Policy Makers Council (PMC) Summer Meeting in Washington, DC (July 17-19). The PMC assists in maintaining strong relationships with the congressional delegation (i.e. legislative/regulatory issues related to public power). Among the topics of discussion were: 1) tax exempt municipal bonds; 2) Federal Power Program; 3) salty/chloride discharge (possible grants available?); and, 4) pole attachment issues. Laumer expressed her appreciation to the Commission

for allowing her the opportunity to attend and meet with congressional staff members and delegates.

General Manager Harren informed the Commission that meetings of both the WMU Planning and Labor Committees have been scheduled. The Planning Committee will meet on Monday, August 21<sup>st</sup> @ 11:30 a.m. with the main focus of discussion to be a review of the preliminary 2018 WMU Budget. The Labor Committee will meet on Thursday, August 31<sup>st</sup> @ 9:00 a.m. to discuss the following topics: 1) Employee Performance Policy; 2) Power Plant staffing; and, 3) Power Plant operations.

General Manager Harren informed the Commission that employee Cultural/Diversity Training will be held for all MUC employees on Tuesday, August 15<sup>th</sup> (WMU Auditorium). Two sessions will be held (10:00 a.m. and 1:00 p.m.) to allow for all employees to attend.

For information: Upcoming meetings/events to note include:

- WMU Planning Committee Meeting – August 21 @ 11:30 a.m.
- MMUA Summer Conference – August 21-23 (Madden’s Resort – Brainerd)
- WMU Labor Committee Meeting – August 31 @ 9:00 a.m.
- Public Power Week – Oct. 1-7
  - Annual WMU Open House – Oct. 3 @ Willmar Civic Center (4:30-6:00 p.m.)

There being no further business to come before the Commission, Commissioner Laumer declared the meeting adjourned at 12:32 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

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Beth Mattheisen  
Administrative Secretary

ATTEST:

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Abdirizak Mahboub, Secretary



## WILLMAR MUNICIPAL UTILITIES

### MUC Labor Committee Meeting Minutes Monday, July 24, 2017 – 12:02 p.m.

Attendees: Commissioners Nathan Weber & Ross Magnuson, General Manager John Harren, Director of Finance Denise Runge, and Administrative Secretary Beth Mattheisen.

Committee Vice Chair Weber called the meeting to order at 12:02 p.m.

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#### **AGENDA ITEMS:**

##### ➤ **Discussion regarding billing issue:**

General Manager Harren informed the Committee of a recent discovery with the application of the summer commodity charges to the water customers. Five billing cycles were process with the winter rate which resulted in reduced charges to the customer or a reduction in revenue to the water department of approximately \$50,000. It was the consensus that the utility will absorb the reduction in revenue. Director of Finance Runge presented a recap of the investigation of the recent incident and actions within the department which resulted in a negative impact on the Utility. Considerable discussion ensued regarding functions and activities within the department, including further limiting access to specific (restricted) areas and checks and balances.

##### **Action:**

Following discussion, it was the consensus of the Labor Committee to direct General Manager Harren to contact Attorney Frank Madden (WMU Labor Attorney) to request his input and recommendations related to this situation. Upon receipt of the information supplied by Attorney Madden, the Labor Committee will be asked to meet to readdress the matter and to determine the best direction to pursue.

##### **Adjournment:**

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