

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
FEBRUARY 11, 2019

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, February 11, 2019 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Justin Mattern, Abdirizak Mahboub, Nathan Weber, Bruce DeBlicek, Ross Magnuson and Brendan MacDonald. Absent was Commissioner Carol Laumer.

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, Facilities & Maintenance Supervisor Kevin Marti, Administrative Secretary Beth Mattheisen, City Attorney Robert Scott (via teleconference), and WC Tribune Journalist Shelby Lindrud.

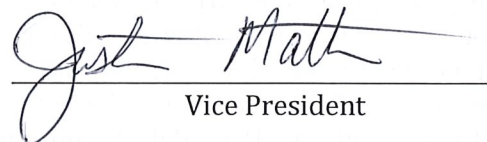
Due to the absence of President Laumer, Commission Vice President Mattern opened the meeting by asking if any revisions were needed to the presented agenda. There being none, Commissioner Mattern continued by requesting a resolution to approve the Consent Agenda. Commissioner Mahboub offered a resolution to approve the Consent Agenda as presented. Commissioner Weber seconded.

RESOLUTION NO. 4

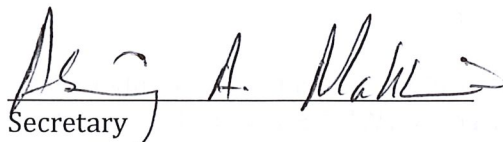
“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Consent Agenda be approved as presented which includes:

- ❖ Minutes from the January 28, 2019 Commission meeting; and,
- ❖ Bills represented by vouchers No. 190172 to No. 190237 and associated wire transfers inclusive in the amount of \$752,865.45.

Dated this 11th day of February, 2019.


Vice President

Attest:


Secretary

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

Power Supply Manager Carlson presented the Commission with the annual 2018 Power Supply Year-End Review. One of the key components of the presentation was a review of the process and agreements required to attain membership with the joint action agency Missouri River Energy Services (MRES), which was made official in May of 2018. Additional power supply items to note included: upgraded diesel units to be NESHAP compliant; implementation of the Load Share Program (twice) to assist with load reduction (summer weather related); and, renewal of the 2018-2019 gas contract. Staff will continue to work with MRES to ensure a smooth transition in preparation of MRES assuming power supply responsibilities for WMU beginning June 1, 2019.

In conjunction with the Power Supply review, Carlson reviewed with the Commission the WMU Cost of Power Report for December 2018. The report provides the overall cost for the month which corresponds with the financial report for the same month. Also reflected in the analysis is the total year-to-date cost, and total kWhs purchased and generated year-to-date. Carlson further stated that due to the recent Polar Vortex (extreme cold), CenterPoint Energy had implemented a gas curtailment on the Utility (January 29-31). A curtailment is necessary when customer demand exceeds the amount of gas/capacity for which the company has contracted (typically during the coldest days of the year). In response to the curtailment, staff initiated slight changes in the system (i.e. lowering temperatures temporarily) in order to sustain the District Heating System as needed. (It was also noted that the extreme cold would not allow for normal operation of the diesels units.) Following the 48-hour gas curtailment, operations were back to "normal". A full report of the costs associated with the curtailment will be provided at a later date.

Customer Service Supervisor Stien presented the Commission with the 2018 Year-End Review of the Meter and Customer Service Department. Components of the PowerPoint presentation were a number of analytical graphs and data including: overall network performance (Sensus); historic five-year consumption and revenue totals; annual MN analytic data reporting; growth of paperless customers; and, continuation of staff participation in educational programs (workshops, training, conference, etc.).

Facilities & Maintenance Supervisor Marti presented the Commission with the January 2019 Wind Turbine Report. Turbine availabilities for the month of January were at 94.2% (Unit #3) and 88.6% (Unit #4) with a monthly total production of 624,884 KWH. Marti stated that while production numbers were strong, the availability of the units reflect a slight decrease due to the effects of the recent Polar Vortex (temps of -20 degrees or greater).

Commissioner DeBlieck and General Manager Harren presented the Commission with a recap of their recent attendance at the 2019 MMUA Legislative Conference (Jan. 29-30). Key issues, position statements and talking points presented included: 1) sustainable CIP improvements for consumer-owned utilities (i.e. additional electric charging stations); 2) renewable energy standards (i.e. more solar/wind, less coal); 3) broadband funding; 4) bonding to fund grants (reduction due to many stipulations attached to grant funding); and, 5) salary cap & pay equity relief. Both DeBlieck and Harren expressed their appreciation to the Commission for the opportunity to attend and encouraged others to attend in the future. Meeting with our local legislators (Senator Andrew Lang and Representative Dave Baker) and attending the conference is highly beneficial and provides a valuable resource for networking with others in the Utility arena.

As a member of Missouri River Energy Services (MRES), the Utility is provided a monthly update from the MRES and Western Minnesota Municipal Power Agency (WMMPA) Board of Directors meeting. The video update provides a brief overview of the topics discussed by the Boards and the actions taken. At this time, the January 10th MRES and WMMPA Board of Directors Meeting update video was viewed.

General Manager Harren shared with the Commission a recent correspondence received from MRES offering a "MRES 101" meeting for management and policymakers. The meeting would assist by providing information about the relationship between MRES and our community while providing insight on the various services/resources available through the Utility's membership. The informal meeting would be approximately 1 hour and could be held at the Utility office. Following discussion, it was the consensus of the Commission that the MRES 101 meeting would be beneficial for the Utility to participate in. Staff will contact MRES to schedule the meeting to be held in conjunction with a future MUC meeting.

General Manager Harren informed the Commission that WMU Committee meetings would be forthcoming in the near future. Agenda items for the WMU Planning Committee would include: revenue neutrality update; generation study analysis; banking change; and Wye Project costs. Agenda items for the WMU Labor Committee meeting would include: MOA with IBEW Local 160 (including job description and pay); and, succession plan for the General Manager position.

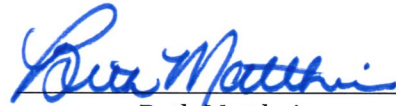
FYI: Upcoming meetings/events to note:

- APPA webinars:
 - Public Power Governance Series
 - Electric Utility Industry 101 Series
- 2019 APPA Legislative Rally: February 25-27 (Washington, DC)
- 2019 MMUA Summer Conference: August 19-21 (Breezy Point)

There being no further business to come before the Commission, Commissioner Weber offered a motion to adjourn the meeting. Commissioner Mahboub seconded the motion which carried by a vote of six ayes and zero nays, and the meeting was adjourned at 12:29 p.m.

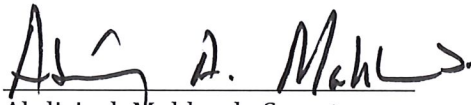
Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



Beth Mattheisen
Administrative Secretary

ATTEST:



Abdirizak Mahboub, Secretary

