

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
APRIL 8, 2019

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, April 8, 2019 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Carol Laumer, Justin Mattern, Abdirizak Mahboub, Nathan Weber, Bruce DeBlieck and Brendan MacDonald. Absent was Commissioner Ross Magnuson.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Facilities & Maintenance Supervisor Kevin Marti, Energy Services & Marketing Rep Michelle Marotzke, Customer Service Supervisor Stacy Stien, Information Systems Administrator Mike Sangren, Administrative Secretary Beth Mattheisen, City Councilman Shawn Mueske, City Attorney Robert Scott (via teleconference), and WC Tribune Journalist Shelby Lindrud.


Commission President Laumer opened the meeting by asking if any revisions were needed to the presented agenda. There being none, Commissioner Laumer 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. 13

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

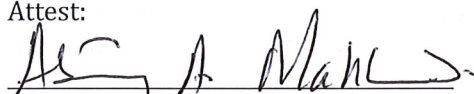
- ❖ Minutes from the March 25, 2019 Commission meeting; and,
- ❖ Bills represented by vouchers No. 190463 to No. 190540 and associated wire transfers inclusive in the amount of \$663,637.81.

Dated this 8th day of April, 2019.



President

Attest:



Secretary

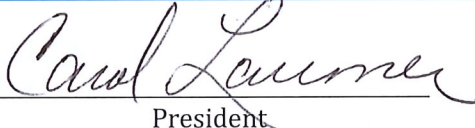
The foregoing resolution was adopted by a vote of six ayes and zero nays.

Power Supply Manager Carlson reviewed with the Commission the Western Area Power Administration (WAPA) Contract No. 18-UGPR-30. The proposed contract is between Willmar Municipal Utilities, Missouri River Energy Services (MRES), and WAPA. This contract provides for administrative services between Willmar and MRES. Upon execution of the contract, Willmar would allow MRES to administer payment to WAPA on its behalf, and to participate in bill crediting and net billing as outlined in the contract. Staff requested the Commission to consider approval of the proposed contract. Following review and discussion, Commissioner DeBlieck offered a resolution to approve WAPA Contract No. 18-UGPR-30 as presented. Commissioner Mahboub seconded.

RESOLUTION NO. 14

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that Contract No. 18-UGPR-30 between the City of Willmar (by and through the Willmar Municipal Utilities), Missouri Basin Municipal Power Agency dba Missouri River Energy Services, and Western Area Power Administration, to provide administrative services between Willmar and MRES, be approved as presented.”

Dated this 8th day of April, 2019.


President

Attest:


Secretary

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

Power Supply Manager Carlson reviewed with the Commission the WMU Cost of Power Report for February 2019. This report is illustrated using a rolling year-to-date format and provides the overall cost of power for the month (0.061 per kWh for February). Also reflected in the analysis is the total year-to-date cost for the power.

Director of Finance Runge informed the Commission that the Utility had recently received a requested Sales Tax Refund for the years 2016, 2017 and 2018. The refund was in the amount of \$77,149.95. This refund is for incorrectly charged Minnesota sales tax related to capital equipment purchases. In the future, the Utility will file for exemptions (eliminating the need to file for refunds).

Facilities & Maintenance Supervisor Marti presented the Commission with the March 2019 Wind Turbine Report. Turbine availabilities for the month of March were at 99.1% (Unit #3) and 99.8% (Unit #4) with a monthly total production of 656,272 kWh. Marti noted that later this year, additional blade repairs will be scheduled on the units.

Energy Services & Marketing Rep Marotzke informed the Commission that the Utility had recently been named as recipients of two safety awards. Willmar Municipal Utilities has earned the American Public Power Association's (APPA) Safety Award of Excellence for safe operating practices in 2018. Furthermore, the Utility will be recognized for excellence in workplace safety and health during the Minnesota Safety Council's upcoming Governor's Safety Awards (May 7-8). Marotzke stated that these safety awards are due to the safe work culture our employees have embraced, and that the team works continually to ensure safe working conditions while performing their duties. On behalf of the Commission, Commissioner Laumer expressed her appreciation to the Utility staff for their continued emphasis on safety in the workplace. The safety award recognitions serve as testament to the total team effort and support of management and staff. Thank you to all.

General Manager Harren reviewed with the Commission a number of Missouri River Energy Services (MRES) items of interest. First, the Utility has been recognized as one of twelve MRES member utilities to earn national recognition for achieving exceptional electric reliability in 2018. Certificates of Excellence in Reliability were awarded by American Public Power Association. APPA helps member municipal utilities track power outage and restoration data through its services and compares the data to national statistics. "This recognition demonstrates public power's exceptional reliability," said MRES CEO Tom Heller. "It is a testament to the hard work of line workers in each of these communities to ensure that the lights stay on for all of their customers. Reliable electric service is a top priority for MRES and every member." Commissioner DeBlieck commended the Utility staff on the hard work reflected in achieving this designation.

General Manager Harren informed the Commission that every three years, MRES offers its members the opportunity to tour the Laramie River Station (LRS), a coal-fired power plant near Wheatland, WY. LRS is the primary source of power for MRES. Participants will tour the LRS plant along with the coal mine. Space is limited for the tour scheduled for August 27-28. If you would like to attend, please contact Admin. Secretary Mattheisen so the necessary arrangements can be made.

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

update provides a brief overview of the topics discussed by the Boards and the actions taken. At this time, the March 2019 MRES and WMMPA Board of Directors Meeting audio update was presented.

General Manager Harren reminded the Commission of the upcoming WMU Labor Committee meeting to be held tomorrow (April 9th) at 12:00 pm. The focal point of the meeting will be to continue discussion regarding the newly formatted 2019 WMU Strategic Plan.

General Manager Harren informed the Commission that Rep. Dave Baker is scheduled to attend the April 22nd MUC meeting. Rep. Baker will provide a legislative update concerning energy policies.

General Manager Harren informed the Commission that additional WMU Committee meetings will be forth coming. Agenda items for the next Planning Committee Meeting will include: Water Treatment Plant analysis; generation study analysis; and, rate study (electric & water). This meeting will be scheduled in the near future due to a recent development regarding potential future generation. Agenda item(s) for a future Labor Committee Meeting will include: succession planning for the General Manager position.

General Manager Harren shared with the Commission an upcoming event being presented by the Willmar Area Lakes Chamber. Speaker Doug Griffiths will deliver a presentation entitled "*13 Ways to Kill Your Community*". The presentation provides a sarcastic approach to ensuring ways our communities can thrive. The **free** May 16th event will be offered at two times; noon-1:30 pm at the Willmar Conference Center; and, 6:30-8:00 pm at Little Crow Resort. If you are interested in attending, please RSVP directly to the Wilmar Lakes Area Chamber by calling 235-0300 or email to chamber@willmarareachamber.com.

For information: Upcoming meetings/events to note include:

- APPA Governance Webinar Series: Webinars are held @ 12:30 pm (1 hr.). Attending (to date): Commissioners Laumer & Mattern (DeBlieck tentative)
 - April 19th: "*A Board's Legal & Fiduciary Responsibilities*"
 - May 3rd: "*A Board's Responsibility for an Effective Chief Executive*"
 - May 17th: "*A Board's Responsibility for Effective Governance*"
 - May 31st: "*A Board's Role in Setting & Achieving Long-Term Success*"
- APPA Electric Utility Industry 101 Webinar: Webinar to be held @ 10:00 am (1.5 hrs.), Attending (to date): Commissioner Laumer
 - April 19th: "*Keeping Pace with Utility Trends & Technologies*"
- MRES Annual Meeting – May 8th (Sioux Falls Convention Center)
- Reminder: "MRES 101" (extended regular MUC Mtg.) – May 13th
- APPA National Conference – June 7-12 (Austin, TX)
- WMU Annual Open House – Thurs., August 15th (4:00-6:30 pm)
- MMUA Summer Conference – August 19-21 (Breezy Point)
- MRES Legal Seminar "*Staying Current: Emerging Issues for Utilities*" – Oct. 4th (Sioux Falls, SD)

There being no further business to come before the Commission, Commissioner Laumer declared the meeting adjourned at 12:17 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



Beth Mattheisen

Administrative Secretary

ATTEST:



Abdirizak Mahboub, Secretary

