

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
NOVEMBER 25, 2019

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, November 25, 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 DeBlicck, and Ross Magnuson.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Facilities & Maintenance Supervisor Kevin Marti, Administrative Secretary Beth Mattheisen, IS Coordinator Mike Sangren, Energy Services & Marketing Rep Michelle Marotzke, City Attorney Robert Scott (via teleconference), City Councilman Shawn Mueske, WC Tribune Journalist Shelby Lindrud, and Ridgewater College Vice President of Finance & Operations Dan Holtz.

President Laumer opened the meeting by asking if 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 Mattern seconded.

RESOLUTION NO. 45

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

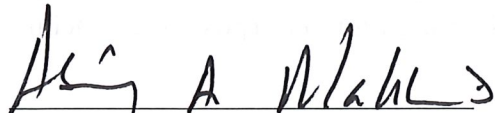
- ❖ Minutes from the November 12, 2019 Commission meeting; and,
- ❖ Bills represented by vouchers No. 191784 to No. 191866 and associated wire transfers inclusive in the amount of \$2,136,040.46.

Dated this 25th day of November, 2019.



President

Attest:



Secretary

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

At this time Commissioner Laumer was honored to introduce Dan Holtz, Vice President of Finance and Operations at Ridgewater College, who was in attendance to be the recipient of a rebate check on behalf of the college. Ridgewater recently installed a new chiller at their Willmar campus. Because the equipment installed is highly energy efficient, it qualifies for a \$10,000 rebate through the Bright Energy Solutions program offered by WMU and Missouri River Energy Services. This project represents an annual energy savings of 21,980 kWh and 29.37 kW in demand energy. Laumer noted WMU utilizes Bright Energy Solutions rebate programs for residential, commercial and industrial electric customers and that all customers

are encouraged to check out the rebate program offered at *Brightenergysolutions.com*. Following the presentation, Mr. Holtz addressed the Commission and expressed his appreciation for the opportunity to accept the rebate check on behalf of Ridgewater College.

Commissioner Weber (LC Chair) reviewed with the Commission minutes from the November 12th WMU Labor Committee meeting (see attached). The topics of discussion focused on: Grievance #7452, and health insurance. Following review of the minutes, Commissioner Weber offered a motion to approve the minutes as presented. Commissioner Mahboub seconded the motion which carried by a vote of six ayes and zero nays.

Director of Finance Runge presented the Commission with the October 2019 Financial Reports along with a recap of the October 31, 2019 Investment Portfolio. The data presented included analyses of the Electric, Water, Heating and Combined Divisions. Information contained in the reports reflect operating revenues & expenses, operating income, and retained earnings. The Investment Portfolio presented a summary of WMU's securities and associated brokerage firms/agencies to date. Runge noted that also included with the financial data were graphs depicting the 2018/2019 monthly year-to-date revenues, expenses, and retained earnings.

Director of Finance Runge reviewed with the Commission the WMU Cost of Power Report for September 2019. This report is illustrated using a rolling year-to-date format and provides the overall cost of power for the year (0.068 per kWh year-to-date). Also reflected in the analysis is the total year-to-date cost.

Facilities & Maintenance Supervisor Marti presented the Commission with the latest updates and developments to the 2019 WMU Strategic Initiatives. As a reminder, the WMU Strategic Initiatives are divided into the following six categories: 1) Admin & Operations Bldgs.; 2) Financial Position; 3) Generation: Gas/Diesel & Power Plant; 4) Generation: Renewable Energy; 5) Substations/Transmission; and, 6) Water Treatment Plant. The WMU Strategic Initiatives received Commission approval on May 13, 2019, and staff had developed tasks and timelines to assist in achieving these initiatives which were approved on September 9, 2019.

General Manager Harren informed the Commission that at their November 18th meeting, the City Council approved the minutes from the November 12th MUC meeting. Included in the minutes was Resolution#43 approving the decommissioning of the Power Plant effective June 30, 2020. Staff will proceed with the development of a plan to execute the decommissioning process. Commissioner Laumer further stated that possible uses for repurposing the facility are continuing to be investigated (City, EDC, etc.).

General Manager Harren informed the Commission that WMU Committee meetings would be forthcoming (TBD). Agenda items for a future Labor Committee meeting will include the annual review of Personnel Policies, and non-union wages. Agenda item(s) to date for a future Planning Committee meeting will include the annual review of Operations Policies.

For information: Upcoming meetings/events to note include:

- Joe Schmit's "IMPACT Leadership Workshop" – Friday, Dec. 13th (7:30 a.m.-12:00 p.m.)
- Employee/MUC Safety Luncheon- Friday, Dec. 13th (12:00 p.m.)
- 2020 APPA Legislative Rally – February 24-26 (Washington, DC)

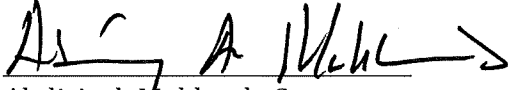
There being no further business to come before the Commission, Commissioner Laumer declared the meeting adjourned at 12:10 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES


Beth Mattheisen
Administrative Secretary

ATTEST:


Abdirizak Mahboub, Secretary



WILLMAR MUNICIPAL UTILITIES
MUC Labor Committee Meeting Minutes
Tuesday, November 12, 2019
12:26 p.m.

Attendees: Commissioners Nathan Weber, Ross Magnuson & Abdirizak Mahboub, General Manager John Harren, Director of Finance Denise Runge, HR Manager Janell Johnson, Water & Heating Supervisor Joel Braegelman, Administrative Secretary Beth Mattheisen, and Attorney Brandon Fitzsimmons of Flaherty & Hood, P.A.

Commissioner Weber called the meeting to order at 12:26 p.m.

AGENDA ITEM(s):

➤ **Grievance #7452 Settlement Offer Discussion:**

Prior to discussion relevant to the Grievance #7452 settlement offer, introductions of all attendees were provided to assist Attorney Fitzsimmons who was attending via teleconference. Following the introductions, General Manager Harren read the disclaimer provided by Fitzsimmons regarding attorney-client privileged, private, and protected nonpublic data to be discussed today (MN Government Data Practice Act, Minn. Stat. §§ 13.01 et seq.). Therefore, the private data in this matter cannot be disclosed or discussed with anyone regarding this matter (excluding those in attendance today). This matter involves a grievance under the labor agreement between WMU and IBEW, Local 160 (Union).

Attorney Fitzsimmons provided the Labor Committee with a thorough review of the background and timeline related to this matter. Fitzsimmons continued by providing action options for consideration by the Committee.

Recommendation/Action:

Following extensive input and discussion by the Committee, Commissioner Magnuson offered a motion to reject the settlement offer and associated agreements (MOA and Separation & Release Agreements) as proposed. Commissioner Mahboub seconded the motion which carried by a vote of three ayes and zero nays.

(Attorney Fitzsimmons departed the meeting at 1:08 p.m.)

➤ **Health Insurance Update:**

General Manager Harren and Director of Finance Runge informed the Committee that they had met with insurance agents earlier today to discuss health insurance. The insurance providers indicated that due to various factors (i.e. larger than usual claims), the Utility would be receiving a substantial increase in their monthly health insurance premiums. Due to the anticipated increase, our insurance provider went on the market and received three competitive bid options for health insurance of comparable coverage.

Following consideration of the options provided, Staff was recommending that the Utility remain with their current provider (Health Partners) which will include a 17.4% increase in monthly premiums for 2020.

Recommendation/Action:

Following discussion, it was the consensus of the Labor Committee to continue the Utility's health insurance coverage with Health Partners and to proceed forward with the renewal process.

➤ **Adjournment:**

There being no further business to come before the Labor Committee, Commissioner Weber offered a motion to adjourn the meeting. Commissioner Magnuson seconded the motion which carried by a vote of three ayes and zero noes, and the meeting was adjourned at 1:16 p.m.