

WILLMAR MUNICIPAL UTILITIES COMMISSION
MEETING MINUTES OF APRIL 27, 2020

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting via Zoom (teleconference service) on Monday, April 27, 2020 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Justin Mattern, Carol Laumer, Nathan Weber, Abdirizak Mahboub, Bruce DeBlicke, Ross Magnuson and Cole Erickson.

Others present at the meeting were: General Manager John Harren, Staff Electrical Engineer Jeron Smith, Facilities & Maintenance Supervisor Kevin Marti, Energy Services & Marketing Rep Michelle Marotzke, Compliance/HR Manager Janell Johnson, IS Coordinator Mike Sangren, City Council Liaison Shawn Mueske, and City Attorney Robert Scott.

Commission President Mattern opened the meeting by presenting a statement prepared by City Attorney Scott regarding the current COVID-19 health pandemic, the peacetime emergency declared by Governor Walz pursuant to MN Statutes, Chapter 12, and the need to conduct our current meetings by telephone or other electronics pursuant to MN Statutes § 13D.021, until such time it is no longer impractical or imprudent for the Commission to resume in-person meetings. As a matter of procedure, let the minutes reflect that all resolutions and motions were conducted by verbal roll call.

Commissioner Mattern continued by asking if any revisions were needed to the agenda presented. General Manager Harren made a request to add an office status/work environment update as it relates to the COVID-19 outbreak. Commissioner Mattern concurred and asked that General Manager Harren present the update at this time prior to the regular business portion of the meeting. Yesterday, General Manager Harren received a call from an office employee who was experiencing a high temperature, and that this individual had contacted the area clinic and would be tested today (Monday) for COVID-19. As a precautionary measure to ensure the safety of our employees, Harren asked that office personnel able to work from home should do so. Those employees who were unable to work from home were instructed to remain at home, and they would receive full pay for their day. Staff contacted our regular office cleaning professionals who performed a "deep clean" of the entire office area today as recommended by the CDC. All employees will return on Tuesday with the exception of the initial employee (awaiting test results). As the COVID-19 becomes more prevalent in our community, further staffing separations may be warranted as previously set in place with our outside staff 2-3 weeks ago (Line Dept. and Water Dept. have each been divided into separate units). The additional precautions would be established to assist with maintaining operations while maneuvering through the current virus outbreak. Moving forward, limited office staffing may be required to achieve the most favorable outcome. The Commissioners will be kept informed of any new developments.

Commissioner Mattern thanked General Manager Harren for the update and provided well wishes on behalf of the Commission to all staff members during these precarious times. (General Manager Harren reiterated that no confirmation of COVID-19 by any WMU employee has been determined at this time.)

Commissioner Mattern next requested a resolution to approve the Consent Agenda. Following review and discussion, Commissioner Laumer offered a resolution to approve the Consent Agenda as presented. Commissioner DeBlicke seconded.

RESOLUTION NO. 11

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

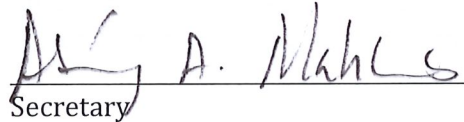
- ❖ Minutes from the April 13, 2020 Commission meeting; and,
- ❖ Bills represented by vouchers No. 20200527 to No. 20200595 and associated wire transfers inclusive in the amount of \$1,755,458.52.

Dated this 27th day of April, 2020.



President

Attest:



Secretary

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

General Manager Harren presented the Commission with the March 2020 Financial Reports along with a recap of March 31, 2020 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. Harren noted that as previously indicated by past trending data, the electrical sales/commodities are significantly down for the month and will continue to be monitored. This decrease is also reflected in our retained earnings. The Investment Portfolio presented a summary of WMU's securities and associated brokerage firms/agencies to date. Harren noted that also included with the financial data were graphs depicting the 2019/2020 monthly year-to-date revenues, expenses, and retained earnings.

General Manager Harren reviewed with the Commission the WMU Cost of Power Report for February 2020. This report is illustrated using a rolling year-to-date format and provides the overall cost of power for the year (0.07 per kWh year-to-date). Also reflected in the analysis is the total year-to-date cost.

On behalf of the entire Utility staff, Energy Services & Marketing Rep Marotzke was pleased to share with the Commission that the Willmar Municipal Utilities had recently be named recipients of four awards for their continued dedication to reliability and safety. These 2019 achievement awards are as follows:

- 1) *APPA Reliable Public Power Provider (RP₃) – Diamond Designation (highest honors)*
 - a. Recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workplace development, and system improvements. This designation is awarded every 3 years. This is the second time that WMU has been recognized (previously in 2017).
- 2) *APPA Certificate of Excellence in Reliability*
 - a. Award is based on System Average Interruption Duration Index (SAIDI), which measures the average length of outages for the year. In 2019, WMU was in the top 25% for the least amount of outage time (4.595 minutes/outage).
- 3) *APPA Safety Award of Excellence*
 - a. Based on the number of work-related injuries or illnesses and the number of worker-hours during the year as defined by OSHA.
- 4) *Minnesota Safety Council's Meritorious Award in Occupational Safety*
 - a. Presented to show incidence rates better than the industry average for at least three years. (Also received for exemplary workplace safety efforts in 2018.)

On behalf of the Commission, Commissioner Mattern expressed his appreciation to staff for all the achievements and for retaining the Diamond Level status of the RP₃ designation. These are no

small feats and speak highly of the continued efforts and dedication of staff and their emphasis to both reliability and safety in our community. Thank you to all!

Staff Electrical Engineer Smith provided the Commission with insight and data as it relates to solar energy. Smith provided an overview of ten items for consideration prior to choosing to “going solar”. It was further noted that additional information relating to solar energy can be found on the Missouri River Energy Services (MRES) website. Among the key items discussed were:

- 1) Before investing in solar, make your home more energy efficient;
- 2) Study technology;
- 3) Understand your electric usage and production capability of the solar system;
- 4) Research potential incentives and tax credits;
- 5) Understand your public power utility’s rate structure;
- 6) Ensure reliability & safety by knowing your utility’s interconnection requirements;
- 7) Obtain needed permits & inspections;
- 8) Do a cost-benefit analysis;
- 9) Choose a reputable vendor; and,
- 10) Check your enthusiasm. Do your conclusions make sense? Have your local utility review your analysis.

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, a summary of the April 16, 2020 MRES and WMMPA Board of Directors meeting was reviewed.

General Manager Harren stated that as part of the Silent Impact Workshop presented by Joe Schmit in December, monthly video updates based on input from WMU employees are being conducted throughout the year. The fourth video topic addressed by Mr. Schmit is entitled “*Cope and Hope*”. At this time, the informational video was viewed. Compliance/HR Manager Johnson added her appreciation to the Commission for allowing Mr. Schmit to provide these important and timely messages. The response from staff has been very positive, and we continue to receive words of appreciations for the monthly words of wisdom and encouragement.

General Manager Harren provided the Commission with a monthly District Heating (DH) status report. While 87 customers remain active on the DH system. Of the 87, 15 customers are currently working with contractors on their service transition. Additional correspondences continue to be sent to the remaining customers reminding them of their need to convert. The next letter will state that their DH equipment will be removed effective July 1st (2020); therefore, the service would be rendered inoperable. Staff continues to work with the customers to assist with their transition. Those customers needing to convert are encouraged to take the required steps to complete this process at this time. Harren noted that all remaining customers are aware of the deadline approaching.

General Manager Harren informed the Commission of the need to revise the current listing of signatories for WMU’s official depositories for 2020 (i.e. daily financial transactions and checking accounts). At this time, Harren requested the Commission to add Compliance/HR Manager Johnson as an interim signatory. These financial institutions include (but not limited to): US Bank, Heritage Bank, Bremer Bank, RBC, and the 4M Fund. Following discussion, Commissioner Mattern offered a resolution to approve the inclusion of Compliance/HR Manager Janell Johnson with General Manager John Harren and the temporary removal of the current Director of Finance as official signatories of the Willmar Municipal Utilities effective immediately. Commissioner Erickson seconded the resolution.

RESOLUTION NO. 12


"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that in the interim Compliance/HR Manager Janell Johnson be designated as an official signatory (joining General Manager John Harren) for all matters of financial concerns and to temporarily remove the current DOF as a signatory effective immediately."

Dated this 27th day of April, 2020.



President

Attest:



Secretary

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

General Manager Harren informed the Commission that future Committee meetings would be forthcoming (TBD). Tentative items for discussion by the WMU Planning Committee will include: update of commodity sales/revenues; delayed CIP/O&M projects; possible donations to UCAP/Salvation Army/Willmar Food Shelf, Willmar/Priam Ownership & Construction Agreement; Water Treatment Plant; and, Power Plant Substation Control Building. Tentative item(s) for discussion by the WMU Labor Committee will include: labor issues, and introduce the new Water Supervisor (current Water Supervisor Joel Braegelman will be retiring effective July 31, 2020).

General Manager Harren presented a brief update of the current financial impact of the COVID-19 outbreak on the Utility. Periodic updates will continue to be presented to the Commission in the future.

For information: 2020 Upcoming meetings/events to note include:

- Red Rock Hydroelectric Project Dedication Ceremony: August 19 (near Pella, IA)
- MMUA Summer Conference: August 24-26 @ Cragun's Resort (Brainerd)

There being no further business to come before the Commission, Commissioner Mahboub offered a motion to adjourn the meeting. Commissioner DeBlieck seconded the motion which carried by a vote of seven ayes and zero nays, and the meeting was adjourned at 12:31 p.m.


Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



John Harren, General Manager

ATTEST:



Abdirizak Mahboub, Secretary