

WILLMAR MUNICIPAL UTILITIES COMMISSION
MEETING MINUTES OF DECEMBER 28, 2020

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting via Zoom (teleconference service) on Monday, December 28, 2020 at 11:45 a.m. with the following Commissioners present: Justin Mattern, Carol Laumer (joining @ 12:03 pm), Nathan Weber, Bruce DeBlieck, Ross Magnuson and Cole Erickson. Absent was Commissioner Abdirizak Mahboub

Others present at the meeting were: General Manager John Harren, Compliance/HR Manager Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, Facilities & Maintenance Supervisor Kevin Marti, Staff Electrical Engineer Jeron Smith, IS Coordinator Mike Sangren, Administrative Secretary Beth Mattheisen, City Councilmember Shawn Mueske, and Attorney Robert Scott.


Due to the absence of Commission Secretary Mahboub, Commissioner Mattern opened the meeting by appointing Commissioner Magnuson to serve as Acting Secretary. Following the appointment, Commissioner Mattern continued by asking if any revisions were needed to the presented agenda. There being none, Commissioner Mattern requested a resolution to approve the Consent Agenda. Following review and discussion, Commissioner DeBlieck offered a resolution to approve the Consent Agenda as presented. Commissioner Magnuson seconded. (Note: Due to the teleconference format being used for today's meeting, all resolutions and motions were conducted by verbal rollcall.)

RESOLUTION NO. 46

"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 December 14, 2020 Commission meeting;
- ❖ Minutes from the December 14, 2020 Work Session; and,
- ❖ Bills represented by vouchers No. 20201745 to No. 20201790 and associated wire transfers inclusive in the amount of \$1,648,557.13.

Dated this 28th day of December, 2020.



President

Attest:



Acting Secretary

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

Commissioner Weber (LC Chair) reviewed with the Commission minutes from the December 22nd WMU Labor Committee meeting (see attached). Following review, Commissioner Weber offered a motion to approve the minutes as presented. Commissioner DeBlieck seconded the motion which carried by a vote of five ayes and zero nays.

In conjunction with the Labor Committee meeting, Commissioner Weber presented the Commission with two items for consideration and approval. The first item was a request to approve the updated Personnel Policies. Following the annual review of the policies, only minor revisions were proposed to bring the policies up to date (i.e. language, name/title updates). Following discussion and review, Commissioner Weber offered a motion to approve the proposed updates to the 2021 Personnel Policies as presented. Commissioner Magnuson seconded the motion that carried by a vote of five ayes and zero nays.

The second item being presented for approval was the 2021 COLA/wage adjustment for all non-union employees. It was noted that at their December 14th meeting, the Commission approved a three-year labor agreement with WMU's union employees. The agreement included a 3% COLA/wage adjustment in 2021, 2022, and 2023 along with specified market adjustments. It was noted that as part of the General Manager's

annual performance review, an updated 2020 Goals Listing along with the 2021 Goals Listing were available for review. As in the past, Attorney Scott had assisted in conducting a Commission survey regarding the General Manager's performance review. The results were compiled by Attorney Scott and once again reflected favorable results of General Manager Harren's performance. Following review and discussion, Commissioner Mattern offered a resolution to approve a 3% COLA/wage adjustment for 2021 for all non-union employees. Commissioner Weber seconded.

RESOLUTION NO. 47

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that a 3% COLA/wage adjustment be implemented for all WMU non-union employees including the General Manager effective January 1, 2021."

Dated this 28th day of December, 2020.



President

Attest:



Acting Secretary

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

Staff Electrical Engineer Smith informed the Commission of several reporting requirements for Distributed Generation. One such report requires that it be filed with the WMU Commission by January 1, 2021. Per state requirements, WMU is required to report on energy generation, tariffs and interconnection status for our customer-owned distributed generation facilities. The purpose of the report is to ensure WMU has updated rates on file for customers who have distributed generation resources. Smith provided additional data regarding the reporting requirements for the 2021 Electric Distributed Generation Reporting.

Staff Electrical Engineer Smith reviewed with the Commission the WMU Emergency Generation Response Plan (2021). The response plan was created with the intent of supplying electric service during a catastrophic event in which the 69 kV transmission system is completely unavailable. Included in the response plan developed are rental generation data and procedural steps/data for specific areas including switching procedures.

For information and review, two departmental updates were presented to the Commission for discussion and review. Each report included an update of both current and completed Capital Improvement Projects. The departmental reports and items of interest were:

- 1) 2020 Year-in-Review: Information & Technology Dept. (IS Coordinator Mike Sangren)
 - a. Capital Projects:
 - i. Replaced Storage Area Network (SAN) and host server
 1. Hardware: budgeted \$39,520; actual \$34,662
 2. Labor: budgeted \$5,100; actual \$1,443
 3. Total project cost: \$36,105
 - ii. Reduced O&M IT Budget by nearly \$18,000 due to COVID-19
 1. Budgeted: \$236,7820; actual \$218,025
 - b. Workforce Management:
 - i. Mobilized Service Orders to digitally streamline the process
 - ii. Utilizes tablets & smartphones in the field to complete the process
 - c. Cooperative Response Center (CRC):
 - i. CRC integration with NISC iVUE Customer Care and Billing software
 - ii. Created distribution groupings for SCADA alarms to be received by field personnel
 - iii. Reconfigured phone system to route to CRC
 - iv. Installation of IRIX server for field personnel to enable access to SCADA
 - d. Added security enhancements at Service Center

- e. Cybersecurity:
 - i. Pen Test to be conducted by Dept. of Homeland Security in 2021 (delayed from 2020 due to COVID-19)
 - ii. Installed multi-factor authentication for VPN access
 - iii. Continue to educate/train staff on cybersecurity (i.e. KnowBe4, "Scam of the Week")
- 2) 2020 Year-in-Review: Facilities & Maintenance Department (Facilities & Maintenance Supervisor Kevin Marti)
 - a. Power Plant:
 - i. June 30th: Decommissioned District Heating System and Power Plant
 - ii. Completed Phases I & II Environmental Studies & Hazardous Materials Inventory \$75,405 (est. at \$59,310)
 - iii. Conducted online auction of excess equipment was held nearly \$60,000 in proceeds
 - iv. Sold trackmobile, payloader & carhoe
 - v. \$291,000 recouped from sale of excess equipment
 - b. Wind Generation:
 - i. Renew Energy completed T3 blade repairs
 - ii. WMU Maintenance Staff completed hub repairs to T3 & blade bearing stud repair to T4
 - iii. Completed annual maintenance & weekly maintenance inspections
 - iv. July 2009-November 2020: total costs/total KWh produced - \$0.1745 KWh
 - v. YTD 2020 cost of power: total costs/total KWh produced - \$0.020/KWh
 - c. Diesel Generation:
 - i. Ziegler completed annual maintenance in January, re-tested cooling systems
 - ii. Ziegler repaired 4 additional service issues
 - iii. Staff completed monthly maintenance checks/runs & quarterly URGE tests
 - d. Facilities:
 - i. Installed inventory barcoding system
 - ii. Renewed 3-yr. farm lease (69 kv property adjacent to Menards)
 - iii. Gerry's Liquor property: no longer needed for storage; potential to rent out
 - iv. Working on City's Opportunity/Renaissance Zones
 - v. Completed multiple security upgrades
 - e. Capital Improvement Projects:
 - i. Downtown street lights:
 - 1. Completed updated Streetlight Agreement with City
 - 2. Installed demo lights (4) downtown (positive feedback)
 - ii. Building Project:
 - 1. MUC approved staff to develop site criteria & list of potential sites. (Delayed due to COVID budget constraints.)
 - 2. HVAC conversions at WMU Office & Service Center
 - a. \$110,000 budgeted, came in below budget at \$73,781
 - iii. Delayed Capital Improvement Projects (due to COVID):
 - 1. Toolcat utility vehicle replacement (\$50,000 budgeted)
 - 2. Building Project including land purchase & architect/design work (\$805,000 budgeted)

General Manager Harren expressed his appreciation to staff for their support and efforts in adjusting the Capital Improvement Projects contained in the approved 2020 Budget in response to COVID-19. Adjustments were made not only to these projects but also to the O&M Budget.

As part of the Silent Impact Resolution Workshop presented by Joe Schmit, Compliance/HR Manager Johnson presented to the Commission the December video update entitled "*Mindset*". This is the final video from the year-long series presented by Mr. Schmit. This series was initially conducted to provide motivation while improving communications among staff. Topics presented throughout the series have proven to be relevant, timely and thought-provoking for all. At this time, the informational video was viewed. Johnson thanked the Commission for allowing Mr. Schmit the opportunity to present this inspirational series to the WMU staff which has left a positive impact on all. Johnson further noted that input from the recent 2020 Employee

Survey (conducted by WMU Energy Safety Outreach Coordinator Radel) reflected positive results in all areas of communications and morale among the management/employees.

At this time, Commissioner Mattern presented (virtually) Commissioner Laumer with a plaque in honor of her years of service and dedication to the Willmar Municipal Utilities (2012-2020). While serving on the Commission, Laumer has also served on the MMUA Board of Directors and the APPA Policy Makers Council along with additional civic and utility-related organizations. Carol has been instrumental in lobbying at city, state and national levels to advance the Willmar Municipal Utilities and the electric power industry. Her enthusiasm and tireless efforts are to be commended. At this time, Commissioner Laumer accepted the honor and spoke of the pride she has for her years of service. She also thanked her fellow Commissioners, WMU Management and support staff for their continued support throughout the years and closed by stating that it has truly been an honor for her to serve on the Commission. Congratulations and best wishes on a job well done, Carol!

General Manager Harren informed the Commission that at the first meeting of the new year (Jan. 11th), the appointments will be made to both the Labor and Planning Committees. In the past, it was determined that it is beneficial for Committee members to rotate to keep Commissioners well-informed of projects and issues relating to both the Planning and Labor Committees. Harren continued by stating that a meeting of the Planning Committee would be forthcoming. Tentative agenda item(s) would include: Power Plant Substation Control Building and Operations Policies (annual review).

General Manager Harren along with Facilities & Maintenance Supervisor Marti provided the Commission with an update on the former Gerry's Liquor property. The lower level has been emptied (previously housed district heating parts/equipment) and consideration has been given to the possibly renting the main floor space. (The second story is occupied with four, two-bedroom rental units.)

For information: Upcoming meetings/events to note include:

- Joint MUC/City/Wenck Work Session (mid/late January, date TBD)
- 2021 APPA Legislative Rally (virtual): March 1 & 2

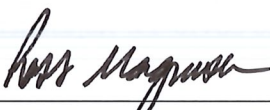
There being no further business to come before the Commission, Commissioner Mattern offered a motion to adjourn. Commissioner Magnuson seconded the motion which carried by a vote of six ayes and zero nays, and the meeting was adjourned at 1:04 p.m.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES


Beth Mattheisen
Administrative Secretary

ATTEST:


Ross Magnuson, Acting Secretary



WILLMAR MUNICIPAL UTILITIES
MUC Labor Committee Meeting Minutes
Tuesday, December 22, 2020
8:00 am via Zoom

Attendees: Commissioners Nathan Weber & Cole Erickson, General Manager John Harren, Compliance/HR Manager Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, and Administrative Secretary Beth Mattheisen. Absent was Commissioner Abdirizak Mahboub.

Commissioner Weber called the meeting to order at 8:04 am

AGENDA ITEMS:

1) Annual review of WMU Personnel Policies:

As part of the annual review of WMU Personnel Policies, Compliance/HR Manager Johnson presented the Committee with proposed revisions for a number of Personnel Policies. The majority of proposed changes were for minor revisions including language, name, and title updates. Johnson provided a step-by-step review of the proposed revisions to the 2021 Personnel Policies as follow:

a. WMU Personnel Policies:

1. Data Practices Policies*
2. Information Technology (IT) Policy*
3. Tablet Policy*
4. Personnel Policy Manual*
5. Cell Phone Policy
6. DOT Drug & Alcohol (CDL) Testing Policy V3
7. Dress Code Policy
8. Drug & Alcohol Free Workplace
9. Employee Performance Review
10. FMLA Policy
11. Fraud Policy
12. Identity Theft Prevention
13. Internship Policy
14. PTO Donation Policy
15. Social Media Policy
16. Workers Comp Policy

*policy contains proposed revision(s)

Recommendation:

Following discussion, it was the consensus of the Labor Committee to recommend approval of the proposed revisions to the WMU Personnel Policies as presented. This recommendation will be presented to the Commission for consideration and approval at the December 28th MUC meeting.

2) 2021 Wage Adjustment (COLA) for Non-Union Personnel :

General Manager Harren and Compliance/HR Manager Johnson opened discussion with the Labor Committee for consideration of a wage adjustment for all non-union employees for 2021. In reviewing job wage and market information (including City of Willmar and MMUA wage data), it was determined that a number of non-union positions are currently under market value and adjustments considered. It was noted that a three-year wage adjustment for union employees had been formally approved by the Commission on December 14th which includes a 3% wage adjustment for each year 2021, 2022, and 2023 plus market adjustments as presented. Based on the data provided, staff was requesting the Committee to consider a 3% wage adjustment plus market adjustments as required for non-union employees for 2021.

Action:

Following review and discussion, it was the consensus of the Labor Committee to recommend approval

of a 3% wage adjustment for all non-union employees along with market adjustments as appropriate for 2021. The recommendation would be presented to the Commission for consideration and approval at their December 28th meeting.

4) General Manager Year-End Review:

An annual review of the General Manager's position was conducted to assist in assessing management/leadership performance and to establish future goals for the position. As part of the review, General Manager Harren presented the Committee with a step-by-step update of the previously established 2020 Goals along with a listing of proposed 2021 Goals. Labor Committee concurred with the proposed 2021 Goals as presented.

Following review of the 2020 and 2021 Goals, staff members Johnson, Prekker and Mattheisen were excused from the meeting at this time.

It was noted that Attorney Robert Scott had once again assisted in the review process by requesting all Commissioners to participate in an annual survey of the General Manager's performance. The surveys were submitted directly to Attorney Scott who compiled the data and created a summary of the findings received. The evaluation results were reviewed by the Labor Committee and General Manager

Commissioner Weber stated that following a step-by-step assessment of the General Manager's positive performance evaluation, the Labor Committee was recommending a 3% wage increase plus market adjustment effective January 1, 2021. The recommendation will be presented to the Commission for approval at the December 28th MUC meeting.

5) Adjournment:

There being no further business to come before the WMU Labor Committee, Commissioner Weber offered a motion to adjourn. Commissioner Erickson seconded the motion which carried, and the meeting was adjourned by a vote of two ayes and zero nays at 10:30 am.