

**WILLMAR MUNICIPAL UTILITIES COMMISSION**  
**MEETING MINUTES OF FEBRUARY 22, 2021**

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting on Monday, February 22, 2021 at 11:45 a.m. in the WMU Auditorium with the following Commissioners present: Justin Mattern, Abdirizak Mahboub, Nathan Weber, Bruce DeBlicek, Ross Magnuson, Cole Erickson and Kerry Johnson.

Others present at the meeting were: General Manager John Harren, Compliance/HR Manager Janell Johnson, Energy Safety Outreach Coordinator Chris Radel, Administrative Secretary Beth Mattheisen, IS Coordinator Mike Sangren, City Attorney Robert Scott, City Council Liaison Michael O'Brien, and WC Tribune Journalist Shelby Lindrud.

Commissioner Mattern (President) opened the meeting by reminding all attendees of the current masking requirements relating to the current virus pandemic. Mattern continued by asking if any revisions were needed to the agenda presented. There being none, a resolution was requested to approve the Consent Agenda. Following review and discussion, Commissioner Mahboub offered a resolution to approve the Consent Agenda as presented. Commissioner DeBlicek seconded.

**RESOLUTION NO. 9**

"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 February 8, 2021 Commission meeting; and,
- ❖ Bills represented by vouchers No. 20210168 to No. 20210228 and associated wire transfers inclusive in the amount of \$1,291,881.16.

Dated this 22<sup>nd</sup> day of February, 2021.

  
\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary

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

Energy Safety Outreach Coordinator Radel presented the Commission with an update of the financial impact the COVID-19 pandemic has had on our utility through December 2020. The information provided contained a high-level overview of the commodity sales/revenues as it correlates to the current pandemic. The data was originally presented to the Commission April with periodic updates following in May, July, and November. Among the data presented were: 1) late charges incurred from mid-February thru December of \$358,537; 2) past due history (both electric & water); 3) effect of COVID-19 on electric load (demand); 4) kWh sales (electric); 5) revenue data for both electric & water; 6) YTD water sales comparisons (Feb-Dec 2019 vs 2020); 7) potential financial losses through December; and, 8) budgeted amounts differed by delaying specific projects. Potential revenue losses were originally estimated at \$3.025 million with a current (thru December 2020) total loss of \$795,126 (projections consist of disconnect fees, late fees, bankruptcies, and reduced sales). The cost reduction of projects delayed (both Capital and O&M) is estimated at \$2.45 million. The difference of the loss in revenue versus delayed project costs would be made from the Catastrophic Fund Balance (\$572,350). WMU has received \$23,288 care dollars via the CARES ACT. Staff is also aware of the impact the pandemic may have on the 2021 WMU Budget (previously approved). Amendments have been proposed to the 2021 WMU Budget and will be addressed at the next WMU Planning Committee meeting. Staff will continue to monitor the situation and provide updates to the Commission as required.

Commissioner DeBlieck and General Manager Harren provided a recap of their recent participation in the 2021 MMUA Legislative Conference. This virtual event was held on February 10<sup>th</sup>. One of the key issues of discussion focused on clean energy including the reduction of carbon emissions and greenhouse gases with a goal of being 100% carbon-free by 2040. This would also include a significant increase in biofuels and electric vehicles to assist in reducing the carbon footprint. Further discussed were various legislative issues concerning the electric utility industry.

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 video summary from the January 14, 2021 MRES and WMMPA Board of Directors meeting was presented.

General Manager Harren informed the Commission that a meeting of the WMU Planning Committee has been scheduled for Thursday, March 4<sup>th</sup> beginning at 12:00 pm in the WMU Auditorium. Agenda topics will include: GRE Priam/Willmar Design & Construction Agreement, Open House, Water Treatment Plant funding/financing, and amended 2021 WMU Budgets including capital projects. A meeting of the WMU Labor Committee will be forthcoming with agenda items to include: pay equity, clothing policy (union), non-union market adjustments, employee survey (trending), succession plan, revised 2021 WMU Budgets, and Strategic Plan update.

General Manager Harren reported that the impact on WMU's operations during the recent cold snap was minimal. The type of devastation experienced in Texas due to the recent cold weather will be discussed at an upcoming Planning Committee meeting (i.e. scenario for catastrophic planning).

For information: Upcoming meetings/events to note include:

- 2021 APPA Legislative Rally (virtual event): March 1 & 2
- APPA webinar: "*Best Practices in Public Power Governance*" (virtual course)
  - March 11<sup>th</sup> (11:00 am - 2:30 pm) (Mattern/Johnson/DeBlieck/Harren)

There being no further business to come before the Commission, Commissioner Mattern offered a motion to adjourn. Commissioner DeBlieck seconded the motion which carried by a vote of seven ayes and zero nays, and the meeting was adjourned at 12:26 pm.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES

  
Beth Mattheisen  
Administrative Secretary

ATTEST:

  
Abdirizak Mahboub, Secretary