

WILLMAR MUNICIPAL UTILITIES COMMISSION
MEETING MINUTES - FEBRUARY 14, 2022
11:45 AM - WMU AUDITORIUM

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting on Monday, February 14, 2022, at 11:45 a.m. in the WMU Auditorium with the following Commissioners present: Bruce DeBlieck, Cole Erickson, Kerry Johnson, Shawn Mueske, Dave Baumgart, and Carol Laumer.

Others present at the meeting were: General Manager John Harren, Director of Administration Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, IS Coordinator Mike Sangren, Executive Secretary Beth Mattheisen, Facilities & Maintenance Supervisor Kevin Marti, Staff Electrical Engineer Jeron Smith, City Attorney Robert Scott (via teleconference), City Councilman Michael O'Brien, and Aaron Backman (arriving at 12:21 pm).

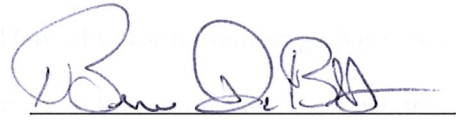
The meeting opened with reciting of the Pledge of Allegiance followed by Commissioner DeBlieck (President) asking if any revisions were needed to the presented agenda. There being none, a resolution to approve the Consent Agenda was requested. Following review and discussion, Commissioner Johnson offered a resolution to approve the Consent Agenda as presented. Commissioner Laumer seconded

RESOLUTION NO. 4

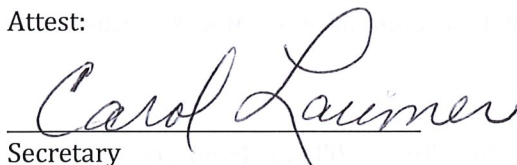
"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the consent agenda be approved as presented which includes:

- ❖ Minutes from the January 24, 2022, Commission meeting; and,
- ❖ Bills represented by vouchers No. 20220131 to No. 20220225 and associated wire transfers inclusive in the amount of \$640,943.81.

Dated this 14th day of February 2022.


President

Attest:


Secretary

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

Finance & Office Services Supervisor Prekker presented the Commission with the December 2021 Financial Reports along with a recap of the December 31, 2021 Investment Portfolio, and the December 2021 Cost of Power Report. The data presented included analyses of the Electric, Water, and Combined Divisions. Information contained in the reports reflect operating revenues & expenses, operating income, and retained earnings. Graphs depicting the 2020/2021 monthly year-to-date revenues, expenses, and retained earnings were also included with the financial data.

Facilities & Maintenance Supervisor Marti presented the Commission with the January 2022 Wind Turbine Report. Turbine availabilities for the month of January were at 67.8% (Unit #3) and 92.3% (Unit #4) with a total monthly production of 619,722 kilowatt hours. Marti noted that an issue with the contactor and oil cooling fan on Unit #3 which effected its availability has been resolved.

Staff Electrical Engineer Smith presented the bid award recommendations (2) for furnishing of materials for the new Power Plant Substation. DGR Engineering has received and reviewed the bids for accuracy and compliance and has made the following recommendations:


- 1) Bid #1: Furnishing Control Enclosure to Trachte, LLC in the amount of \$353,022.00; and,
- 2) Bid #2: Furnishing 15 kV Indoor Metalclad Switchgear to Harold K. Scholz Co. in the total bid amount of \$379,000.00 (\$339,000.00 base bid+ \$40,000.00 for alternate bid).

Smith informed the Commission that he was in complete agreement with the recommendations of DGR and that the recommended bid awards were within the required delivery timeframe for targeted completion date of the project. He also noted that the \$40,000.00 alternate bid for the switchgear was for two additional units. Following review and discussion, Commissioner Erickson offered a resolution to approve the first bid award recommendation to furnish the control enclosure for the new Power Plant Substation to Trachte, LLC, in the amount of \$353,022.00. Commissioner Johnson seconded.

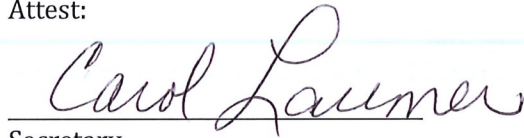
RESOLUTION NO. 5

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the contract bid for Furnishing of Control Enclosure for the new Power Plant Substation be awarded to Trachte, LLC, of Oregon, Wisconsin, in the amount of \$353,022.00."

Dated this 14th day of February 2022.


President

Attest:


Secretary

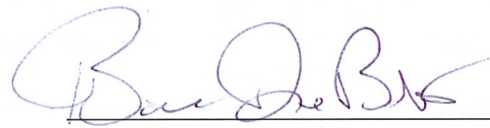
The foregoing resolution was adopted by a vote of six ayes and zero nays.

Commissioner Johnson continued by offering a resolution to approve the second bid award recommendation to furnish the 15 kV indoor metalclad switchgear for the new Power Plant Substation to Harold K. Scholz Company for the total bid amount of \$379,000.00. Commissioner Mueske seconded.


RESOLUTION NO. 6

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the contract bid for Furnishing of 15 kV Indoor Metalclad Switchgear for the new Power Plant Substation be awarded to Harold K. Scholz Company of Ralston, Nebraska, for their total bid of \$379,000.00 (\$339,000.00 base bid + \$40,000.00 alternate bid)."

Dated this 14th day of February 2022.


President

Attest:


Secretary

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

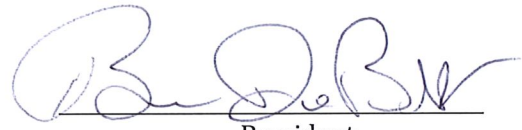
General Manager Harren presented the annual "Commissioner 101" data training and review. This information is presented to the governing board annually as a "refresher" to assist in promoting understanding of roles/responsibilities, address potential board conflicts, clarify member's expectations, and to assist in providing guidance and directive to meet the goals and expectations of the Commission and Utility. To ensure that all Commissioners are kept well-informed, Harren reviewed the information which is also available via the Utility-provided iPads. The topics highlighted for review included: 1) Commissioner Role & Duties; 2) Open Meeting Law; 3) Government Records & Data; and, 4) Conflict of Interest.

Director of Administration Johnson informed the Commission that two bids had been received to conduct the 2022 Water Rate Study. Dave Berg Consulting (DBC), LLC, submitted the low qualifying bid. Staff was recommending that the contract for the 2022 Water Rate Study be awarded to DBC in the amount of \$12,000.00. Following review and discussion, Commissioner Mueske offered a resolution to authorize DBC to conduct the 2022 Water Rate Study in the amount of \$12,000.00 as presented. Commissioner Baumgart seconded.

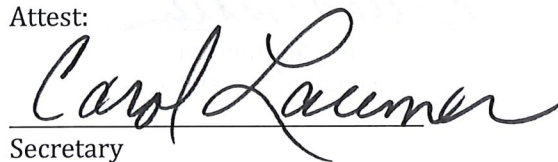
RESOLUTION NO. 7

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that Dave Berg Consulting of Rosemount, Minnesota, be approved to conduct the 2022 Water Rate Study in the amount of \$12,000.00 (DBC Service Agreement – Task Order #3)."

Dated this 14th day of February 2022.


President

Attest:


Secretary

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

As a member of Missouri River Energy Services (MRES), the Utility is provided a monthly update of the MRES and Western Minnesota Municipal Power Agency (WMMPA) Boards of Directors meeting. The update provides a brief overview of the topics discussed by the Boards and the actions taken. At this time, a video summary from the January 2022 MRES and WMMPA Boards of Directors meeting was presented.

Commissioners DeBlieck & Laumer and General Manager Harren provided a recap of their recent participation in the 2022 MMUA Legislative Conference. This virtual event was held on February 8 & 9. In conjunction with the annual conference, a virtual meeting with area legislators (Rep. Dave Baker and Sen. Andrew Lang) was held to further discuss issues directly affecting WMU. Among key legislative issues and talking points discussed during the conference were: cybersecurity/ransomware, third party sales (electricity), clean energy/fuel neutrality, EV, competitive bidding, lead pipe replacement, pay equity, bonding, and broadband.

General Manager Harren requested the Commission to consider rescheduling the May 9th MUC meeting to May 6th (Friday). Representative(s) from Missouri River Energy Services (MRES) will be in Willmar to provide a transmission presentation to our Utility. Following discussion, it was a consensus of the Commission to reschedule the first MUC meeting in May to Friday, May 6th to allow for the MRES presentation to be held during the regular meeting.

General Manager Harren informed the Commission that meetings of both the WMU Labor and Planning Committees would be forthcoming. Tentative future Labor Committee agenda item(s) will include software options for accounting & billing, new logo, and rate study. Tentative future Planning Committee agenda items will include water modeling & water treatment plant, Power Plant Substation, agreement with David Turch & Associates (DTA), and new building.

Area EDC Director Aaron Backman addressed the Commission regarding recent interaction with a potential new business customer. This unidentified business had shown interest in locating to the Willmar area and indicated this venture would require large volumes of power. Therefore, WMU informed reps of the unidentified business of a refundable financial obligation and that a transmission analysis will require 70 days to complete. Shortly thereafter (2 days), the business stated they would be locating elsewhere.

For information: Upcoming meetings/events to note include:

- APPA Legislative Rally: Feb. 28 through March 2 (Washington, DC) (Laumer/Harren)
- APPA National Conference (Nashville, TN) June 10-15

There being no further business to come before the Commission, Commissioner DeBlieck offered a motion to adjourn. Commissioner Johnson seconded the motion which carried by a vote of six ayes and zero nays, and the meeting was adjourned at 1:20 pm.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



Beth Mattheisen
Executive Secretary

ATTEST:



Carol Laumer, Secretary