

WILLMAR MUNICIPAL UTILITIES COMMISSION
MEETING MINUTES – APRIL 10, 2023
11:45 AM – WMU AUDITORIUM

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting on Monday, April 10, 2023, at 11:45 am in the WMU Auditorium with the following Commissioners present: Shawn Mueske, Dave Baumgart, Carol Laumer, John Kennedy, Patricia Elizondo, and Terrill Sieck. Absent was Commissioner Bruce DeBlick.

Others present at the meeting were: General Manager John Harren, Director of Administration Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, Facilities & Maintenance Supervisor Kevin Marti, Information Systems Coordinator Mike Sangren, Executive Secretary Beth Mattheisen, City Councilman Michael O'Brien, City Attorney Robert Scott (via teleconference), and WC Tribune Journalist Jennifer Kotila.

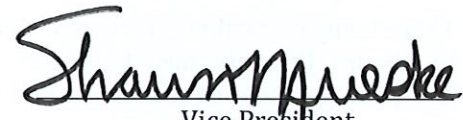
The meeting opened by reciting the Pledge of Allegiance. Commission Vice President Mueske continued by asking if any revisions were needed to the presented agenda. There being none, a resolution to approve the consent agenda was requested. Following review and discussion, Commissioner Laumer offered a resolution to approve the consent agenda as presented. Commissioner Baumgart seconded.

RESOLUTION NO. 14

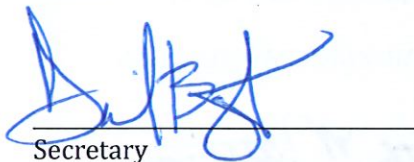
“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the consent agenda be approved as presented which includes:

- ❖ Minutes from the March 27, 2023, Commission meeting; and,
- ❖ Bills represented by vouchers No. 20230404 to No. 20230461 and associated wire transfers inclusive in the amount of \$966,069.45.

Dated this 10th day of April, 2023.


Vice President

Attest:


Secretary

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

Commissioner Baumgart (LC Chair) reviewed with the Commission the minutes from the March 28th WMU Labor Committee meeting (see attached). Following review, Commissioner Baumgart offered a motion to approve the minutes of the March 28th WMU Labor Committee meeting as presented. Commissioner Kennedy seconded the motion which carried by a vote of six ayes and zero nays.

Finance & Office Services Supervisor Prekker reviewed with the Commission the February 2023 Financial Reports along with a recap of the February 28, 2023 Investment Portfolio, and February 2023 Cost of Power Report. The data presented included analyses of the Electric, Water, and Combined Divisions. Information contained in the reports reflects operating revenues & expenses, operating income, and retained earnings. Graphs depicting the 2022/2023 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 March 2023 Wind Turbine Report. Due to the current breaker failures on both turbines, there was no production for either unit for the month. Therefore, the 2023 total production through March remains at 326,050 kilowatt hours. Marti stated delivery of the new breakers continues to be a significant issue, but staff anticipates delivery in the next few weeks. In the interim, two breakers have been rebuilt to temporarily support the operations of the two units.

General Manager Harren informed the Commission of a recent fee/charge waiver request received from the area National Guard. The Guard requested assistance by the WMU Line Dept. to help restring the flagpole rope located at the Armory. The total cost associated with the task is in the amount of \$325.00 (includes labor and equipment). Per WMU Policy, all fee waiver requests require Commission approval. Following review, Commissioner Laumer offered a motion to approve the fee/charge waiver request in the amount of \$325.00 for the restringing of the flagpole rope at the National Guard Armory. Commissioner Sieck seconded the motion which carried by a vote of six ayes and zero nays.

General Manager Harren recapped for the Commission two weekly updates provided by Jacobson Law Group on their continued legislative efforts to secure financial assistance for the NE Water Treatment Plant Project (March 24th and April 6th).

General Manager Harren informed the Commission that meetings of both the WMU Labor and Planning Committees will also be forthcoming. Tentative future Labor Committee agenda item(s) will include union negotiations. Tentative future Planning Committee agenda items will include generation, new building, water treatment plant funding, and SunRay Water System.

For information: Upcoming 2023 events to note include:

- MRES Annual Meeting: May 10-11 (Sioux Falls, SD)
- APPA National Conference: June 18-21 (Seattle, WA)
- MMUA Summer Conference: August 21-23 (Duluth)

There being no further business to come before the Commission, Commissioner Mueske offered a motion to adjourn. Commissioner Baumgart seconded the motion which carried by a vote of six ayes and zero nays, and the meeting was adjourned at 12:05 pm.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



Beth Mattheisen
Executive Secretary

ATTEST:



Dave Baumgart, Secretary



**WILLMAR MUNICIPAL UTILITIES
MUC Labor Committee Meeting Minutes
Tuesday, March 28, 2023
12:00 pm (WMU Conference Room)**

Attendees: Commissioners Dave Baumgart, John Kennedy & Patricia Elizondo, General Manager John Harren, Director of Administration Janell Johnson, Facilities & Maintenance Supervisor Kevin Marti, and Executive Secretary Beth Mattheisen.

Commissioner Baumgart (2022 LC Chair) called the meeting to order at 12:00 pm. The first order of business was to establish the 2023 Chair and Vice Chair positions for the WMU Labor Committee. Commissioner Kennedy nominated Commissioner Baumgart to serve as Chair for the Labor Committee for 2023. Commissioner Elizondo seconded the motion which carried by vote of three ayes and zero nays. Commissioner Kennedy next nominated Commissioner Elizondo to serve as Vice Chair for the Labor Committee for 2023. Commissioner Baumgart seconded the motion which carried by vote of three ayes and zero nays.

1) Sale of WMU Property:

Facilities & Maintenance Supv. Marti presented the Labor Committee with background information on WMU-owned property located at 810 Litchfield Ave SW (formerly Gerry's Liquor/Taco John's). The main/ground level of this property is currently leased by a commercial business with four 2-bedroom apartment rentals occupying the upper level. In the past, the main floor tenant has expressed their interest in purchasing the property. Marti stated that a property appraisal had been completed in January 2023. Along with the appraisal, confidential information regarding the property was shared with the Committee (i.e. WMU investment, income data). After vetting various options for the property, it was determined that it was in the best interest of the Utility to proceed with selling the property (4 parcels). The process and timelines to execute the sale were reviewed.

A recommendation and method of reaching a satisfactory fair-market value based on 2020-2022 data was presented. It was further noted that per Municipal Code Section 4.02, WMU would appear before the City Planning Commission and Council for approval to conduct the sale. It was also noted that WMU will request input from City Attorney Robert Scott to ensure the current renters' rights are protected within a future purchase agreement.

Following discussion by the Labor Committee, the current business tenant will be presented an option to purchase the entire property for a pre-determined amount (confidential). If, however, the tenant does not meet the threshold amount required, the property would then be sold via public sale.

Recommendation:

It was a consensus of the Labor Committee to negotiate with the current tenant on the sale of the WMU-owned property to achieve a fair market value for the four-parcel property. The recommendation will be presented to the Commission for approval at the April 10th MUC meeting. The sale would be contingent on approval by the City Planning Commission/City Council.

2) Update of land purchase for new WMU facility:

Facilities & Maintenance Supv. Marti opened discussion with the Committee on the process to acquire property for a new WMU facility. Marti provided background information and criteria that assisted in identifying the most desirable property options that would meet the requirements of a future WMU facility site. Following vetting of the sites, the first-choice priority was established. This top selection is state-owned property. The process and timelines for selling a state-owned property were presented.

As a reminder, this was the first-choice site selected by the Commission. It is recommended that this property remains our top priority with Staff recommending that we proceed with this option even though it could be a lengthier process than privately-owned properties.

After reviewing options and timelines, the Committee concurrent with the recommendation to pursue the state-owned property as previously established and move forward with the process.

Recommendation:

It was a consensus of the Labor Committee to recommend proceeding with the process to acquire the state-owned property identified as the preferred site location for the new WMU facility. This recommendation will be presented to the Commission for approval at the April 10th MUC meeting.

Following discussion, the Labor Committee agreed to temporarily postpone the process to acquire the state-owned property until May 15, 2023, as requested by the City. (This will allow additional time for the City to establish the criteria needed for their own facility.)

3) Termination of Sprint Site Lease Agreement:

General Manager Harren informed the Committee that a Termination of Occupancy Notice of Site Lease Agreement between Willmar Municipal Utilities and Sprint Spectrum Realty Company had been received. The removal of its equipment and vacating of the property (Willmar Avenue Water Tower) will be completed on or around June 30, 2023.

(This was for information only with no action required.)

4) Adjournment:

There being no further business to come before the WMU Labor Committee, Commissioner Baumgart offered a motion to adjourn. Commissioner Kennedy seconded the motion which carried, and the meeting was adjourned by a vote of three ayes and zero nays at 1:11 pm.