

WILLMAR MUNICIPAL UTILITIES COMMISSION
MEETING MINUTES – JULY 24, 2023
11:45 AM – WMU AUDITORIUM

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting on Monday, July 24, 2023, at 11:45 am in the WMU Auditorium with the following Commissioners present: Bruce DeBlieck, Dave Baumgart, Carol Laumer, Terrill Sieck, and Patricia Elizondo. Absent were Commissioners Shawn Mueske and John Kennedy.

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

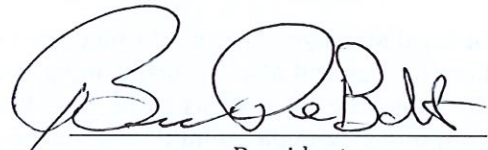
The meeting opened by reciting the Pledge of Allegiance. Commission President DeBlieck continued by asking if any revisions were needed to the presented agenda. There being none, a resolution to approve the consent agenda was requested. Following review and discussion, Commissioner Laumer offered a resolution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

RESOLUTION NO. 23

“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 July 10, 2023, Commission meeting; and,
- ❖ Bills represented by vouchers No. 20230850 to No. 20230908 and associated wire transfers inclusive in the amount of \$2,541,166.79.

Dated this 24th day of July, 2023.



President

Attest:



Secretary

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

Staff Electrical Engineer Smith presented the Commission with an overview of the Infrastructure Investment and Jobs Act (IIJA) grant funding. IIJA is a federal grant program that provides much needed funding to update and improve our country's infrastructure. Although most of that funding was originally dedicated to roadway and bridge reconstructions, there are some funds available for other types of infrastructure programs. The IIJA provides \$973 billion over the course of 5 years (2022 through 2026). The bill also includes \$550 billion in new investments for power and energy, public lands, environmental remediation, broadband and resilience, and all transportation modes. Minnesota's allocation of funds is estimated at \$6.8 billion. Smith provided a summary of the grant application process.

Willmar has completed the lengthy IIJA grant application process in the past to no avail. To improve funding opportunities, WMU has joined a state project team consisting of MMUA, MREA, MN Dept. of Commerce, Power System Engineering, and STAR Energy Services. By collaborating with these entities on state projects, prospects for grant funding assistance increase. A summary of the next steps in the process was presented.

Staff Electrical Engineer Smith continued by presenting capital improvement summaries and cost estimates for the projects included in the IJA grant funding application. WMU's five projects included are: RTU Improvements (\$170,000), Relay Improvements (\$1,026,000), SCADA Replacement (\$326,000), VAR Correction (\$187,000), and Underground Conversion(\$2,506,000). Total cost estimate of the projects is \$4,294,000 with IJA grant funding 50%. WMU's portion of the total cost is estimated at \$2,147,000. It was further noted that with or without the IJA funding assistance, completion of these capital projects would be required in the future.

Staff Electrical Engineer Smith presented the 2022 NERC Compliance Year-End Review. This summary included an overview of the activities for compliance with the North American Electric Reliability Corp. (NERC) and enforcement by the Midwest Reliability Organization (MRO). NERC is a non-profit regulatory authority whose mission is to assure the reliability and security of the bulk power system in North America. Due to WMU's ownership at the Willmar Substation and Priam Substation, WMU is registered and actively monitored as a Transmission Owner and subject to NERC compliance regulations. Compliance Standards along with additional compliance activities and a 2023 preview were reviewed.

General Manager Harren informed the Commission of actions items taken by the City Council at their July 17th meeting. First, the Council approved WMU to proceed with the process to acquire property for a new stand-alone facility. Previously, the City had requested WMU to delay the process until May 15th to allow additional time for the City to explore options for their own facility project. WMU complied with the request. Due to the current uncertainty of the City's own site selection, WMU will move forward with the process to purchase state-owned property previously established as the 1st choice site selection. The second item of interest was the approval of the City's 10-Year Street Capital Improvement Plan. This plan will impact WMU's construction and water budgetary requirements for the ten-year span which may include rate increases as warranted.

General Manager Harren informed the Commission that meetings of both the WMU Labor and Planning Committees will also be forthcoming. A Planning Committee meeting is scheduled for Tuesday, August 29th with the main focus to be a review of the proposed 2024 WMU Budget. Tentative future Labor Committee agenda item(s) will include new building, union negotiations, and Juneteenth holiday. Tentative future Planning Committee agenda items will include new building, water treatment plant funding, new generation, and rates.

For information: Upcoming 2023 events to note include:

- MMUA Summer Conference: August 21-23 (Duluth)

There being no further business to come before the Commission, Commissioner DeBlieck offered a motion to adjourn. Commissioner Baumgart seconded the motion which carried by a vote of five ayes and zero nays, and the meeting was adjourned at 12:21 pm.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



Beth Mattheisen
Executive Secretary

ATTEST:


Dave Baumgart, Secretary