



WILLMAR MUNICIPAL UTILITIES COMMISSION
Meeting Minutes – August 26, 2024
11:45 am – WMU Auditorium

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting on Monday, August 26, 2024, at 11:45 am in the WMU Auditorium with the following Commissioners present: Shawn Mueske, John Kennedy, Terrill Sieck, Carol Laumer, and Bruce DeBleck. Absent were Commissioners Dave Baumgart and Patricia Elizondo.

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

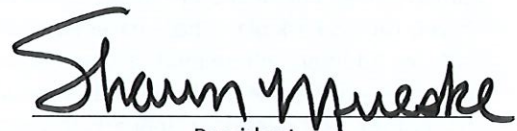
The meeting opened with the recitation of the Pledge of Allegiance. Due to the absence of Commission Secretary Baumgart, Commission President Mueske appointed Commissioner Sieck to serve as Acting Secretary. Following the appointment, Commissioner Mueske asked if any changes to the agenda were needed. Following review and discussion, Commissioner Kennedy offered a resolution to approve the consent agenda as presented. Commissioner Laumer seconded.

RESOLUTION NO. 30

“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 August 12, 2024, MUC Meeting; and,
- ❖ Bills represented by vouchers No. 20241143 to No. 20241196 and associated wire transfers inclusive in the amount of \$3,179,983.04.

Dated this 26th day of August 2024.


President

Attest:


Acting Secretary

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

General Manager Harren reviewed with the Commission minutes from the August 14th WMU/COW Joint Meeting (see attached). Following review and discussion, Commissioner Laumer offered a motion to approve the minutes as presented. Commissioner Kennedy seconded the motion which carried by a vote of five ayes and zero nays.

In conjunction with the approved Joint Meeting minutes, two additional items were being presented for approval. The first item was to approve the 2024 Swansson Field South of Willmar Avenue MOU. This agreement was mutually agreed upon by both parties and outlines the terms, costs, and responsibilities to protect Willmar’s water supply and maintain the Wellhead Protection Plan as mandated by MN Department of Health. Following review, Commissioner Kennedy offered a resolution to approve the 2024 Swansson Field South of Willmar Avenue MOU as presented. Commissioner Sieck seconded.

RESOLUTION NO. 31

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the 2024 Swansson Field South of Willmar Avenue Memorandum of Understanding between Willmar Municipal Utilities and the City of Willmar for joint land use while protecting and preserving Willmar's water supply be approved as presented."

Dated this 26th day of August 2024.


President

Attest:


Acting Secretary

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

The second item presented for Commission approval was the WMU/City of Willmar Sharing Listing. This document outlines collaborative agreements, projects, and practices shared between WMU and the City. This listing continues to grow positively, reflecting the strengthening partnership between the two entities. Following review, Commissioner DeBlieck offered a motion to approve the WMU/City of Willmar Sharing Listing as presented. Commissioner Kennedy seconded the motion which carried by a vote of five ayes and zero nays.

Commissioner Kennedy (PC Chair) reviewed with the Commission minutes from the August 21st WMU Planning Committee meeting (see attached). Following review and discussion, Commissioner Kennedy offered a motion to approve the minutes as presented. Commissioner Sieck seconded the motion which carried by a vote of five ayes and zero nays.

Staff Electrical Engineer Smith presented a request from the City to vacate old easements from the original Water View Business Park plat. These easements will be replaced with new ones in the replat for Water View Business Park 3rd Addition, where multiple parcels are being combined into one large parcel. Trident Development plans to build over portions of the former easements and has requested their removal for title purposes. After reviewing the request, Commissioner DeBlieck proposed a resolution to approve vacating the easements for Water View 3rd Addition and proceeding with the replat, provided that the required ten-foot utility easement size is maintained. Commissioner Kennedy seconded the resolution.

RESOLUTION NO. 32

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Petition to Vacate Under Section 9.01, Chapter 9 of the City Charter, and the replatting Water View Business Park 3rd Addition, be approved contingent upon providing the acceptable utility easements (10') as presented."

Dated this 26th day of August 2024.


President

Attest:


Acting Secretary

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

Commissioners Laumer and DeBlieck presented a recap of their recent attendance at the 2024 MMUA Summer Conference. Topics of discussion included: telling your public power story; protecting your utility from

buyout/sellout; PILOT (payment in lieu of taxes); improving customer communications; managing a utility crisis; federal & state legislative updates; transmission planning; solar & renewable projects; and cybersecurity. Laumer and DeBlieck expressed their appreciation to the Commission for allowing them the opportunity to attend the informational conference and highly encourage Commissioners to attend in the future.

American Public Power Association (APPA) has a 15-part on-demand training course entitled "*Public Power Governance Essentials*". This series offers a convenient way to get "up-to-speed" on governance requirements, such as complying with charters/bylaws, reporting conflicts of interest, understanding duties and legal obligations, and facilitating an effective board meeting. At this time, the final informational video entitled "*The Board's Role in Stakeholder Engagement*" (Lesson #15) was presented.

Commissioner Mueske provided an update on the ongoing search for the General Manager position. The Commissioners met at 11:00 am today with a Liza Donabauer from David Drown & Associates to select the finalists for the position. A total of five finalists were chosen. Informational packets will be sent to the Commissioners on September 6th, with the final interviews and additional activities with the candidates scheduled for September 13th. The specific details and times for these events are yet to be determined. It was also agreed that travel expenses, including mileage and possible hotel accommodations, will be provided as needed.

General Manager Harren Tentative future Labor Committee agenda items will include new building land acquisition and the MUC Self-Survey. Tentative future Planning Committee agenda items include new building, new generation, CMMPA transmission investment, and wind turbines.

Upcoming 2024 events to note:

- MUC Special Mtg.: Interview with GM finalists – September 13th (time TBD)
- MRES Municipal Power Leadership Academy (Sioux Falls, SD): September 18-19

There being no further business to come before the Commission, Commissioner DeBlieck offered a motion to adjourn. Commissioner Kennedy seconded the motion, which carried by a vote of five ayes and zero nays. The meeting was adjourned at 12:44 pm.

Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES


Beth Mattheisen, Executive Secretary

ATTEST:


Terrill Sieck, Acting Secretary



WMU COMMISSION/WILLMAR CITY COUNCIL JOINT MEETING
SUBJECT: ITEMS OF MUTUAL INTEREST
WMU Auditorium
Wednesday, August 14, 2024 - 12:00 PM

Administrative Staff Present: WMU - General Manager John Harren, Director of Administration Janell Johnson and Executive Secretary Beth Mattheisen. City – Operations Director Kyle Box and Planning & Development Director Christopher Corbett.

Municipal Utilities Commissioners: John Kennedy III, Terrill Sieck, Carol Laumer, and Bruce DeBlieck.

City Councilmembers: Michael O’Brien, Carl Shuldes, Julie Asmus, Vicki Davis, and Audrey Nelsen.

Others: WC Trib Journalist Jennifer Kotila and EDC Business Development Manager Michelle Marotzke

Commission Vice President Kennedy opened the meeting, followed by the reciting of the Pledge of Allegiance. General Manager Harren welcomed all attendees and expressed his gratitude for their participation in the joint informational meeting.

1. 2024 Swansson Field South of Willmar Avenue MOA

The first agenda was the joint-use agreement for Swansson Field South of Willmar Avenue. This MOU, developed in conjunction with previously approved agreements, aims to protect Willmar's water supply and maintain the Wellhead Protection Plan as mandated by the MN Department of Health. The agreement, which includes Exhibit 1 (showing well locations and water main casing), was created with input from both parties and outlines the terms, costs, and responsibilities. After review and discussion, both the WMU and City of Willmar agreed to recommend approval of the MOU to their respective governing boards.

2. Collaborating Agreements: WMU/City of Willmar Sharing Listing

Both a redlined and a clean copy of the WMU/City of Willmar Sharing Listing, originally created in 2012, were presented for review and discussion. This document outlines collaborative agreements, projects, and practices shared between WMU and the City. It was noted that the listing continues to grow positively, reflecting the strengthening partnership between the two entities.

It was a consensus of all to accept the listing as presented and complete the process to finalize. Upon formal approval of their governing boards, execution of the Sharing Listing would be completed by General Manager Harren and CA Valiant.

3. Annual WMU Update with Willmar City Council

General Manager Harren presented the 2024 WMU Update to the City Council in an effort to keep the City well-informed about projects and issues impacting the Utility. The update included details on current and upcoming projects (bulk water station, streetlighting, water treatment plant, new generation, new transmission investments, water transmission line, GIS mapping, City Franchise Fee, etc.), a graph of Willmar’s 100% carbon-free power supply mix, rate study insights, software conversion, the status of the new building, and the Wellhead Protection Plan. The status of the wind turbines was also addressed.

Additionally, the 2024 WMU Strategic Plan was presented for information. WMU’s Strategic Plan outlines core values, long-range goals, key performance indicators, and identifies five top strategic priorities: Electric Utility, Water Utility, Customer Experience, Utility Identity & Communication, and Leadership, along with the teams and timelines needed to achieve these goals.

It was requested that the City reciprocate in the future by providing updates to WMU on their projects and issues of interest. We believe that this exchange of information will foster continued positivity in our collaboration and help us achieve the goals that are in the best interest of our community.

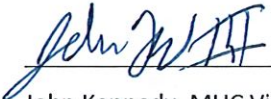
In closing, both the Commission and City Council expressed their sincere appreciation for the update that was presented. Additionally, Commissioner DeBlieck provided a brief status report on the current search process for a new General Manager (GM Harren is retiring on September 20th).

With no further business to discuss, Commissioner Kennedy offered a motion to adjourn the meeting, which was seconded by Commissioner Laumer. The meeting was officially adjourned at 1:20 pm.

Respectfully submitted,


Beth Mattheisen, Executive Secretary

Attest:


John Kennedy, MUC Vice President



WILLMAR MUNICIPAL UTILITIES
MUC Planning Committee Meeting Minutes
Wednesday, August 21, 2025
12:00 pm (WMU Conference Room)

Attendees: Commissioners John Kennedy and Terry Sieck, General Manager John Harren, Director of Administration Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, and Executive Secretary Beth Mattheisen.

Commissioner Kennedy (PC Chair) called the meeting to order at 12:00 pm.

1. **Proposed 2025 WMU Budget:** (Finance & Office Services Supervisor Prekker and General Manager Harren)
General Manager Harren opened discussion with the Planning Committee by presenting background information regarding the budgetary process followed to establish the annual WMU Budget.

Finance & Office Services Supervisor Prekker reviewed with the Committee the proposed 2025 WMU Budget for consideration and discussion. Departmental analysis and data included within the electric, water, and combined divisions reflect anticipated revenues, expenses, income, and retained earnings to create the 2025 WMU Budget. Included in the data were the Operating Budgets, Capital Budgets, and Statement of Cash Flows for the years 2025-2034. Prekker and Harren further provided individual line-item details along with bonding, principal payments, revenue neutrality, and investment data relating to the capital projects. Questions by the Committee regarding specific items were addressed with clarifications provided by staff. It was noted that internal funding will again be utilized by transferring funds from the Electric Division to the Water Division. The following is a recap of points of discussion regarding the proposed 2025 WMU Budget:

- 1) Total Projected Revenues: \$43.4 million
- 2) Total Operating Expenses: \$34.4 million
- 3) Largest Operating Expense is Purchased Power: \$18.2 million
 - a) Intragovernmental Transfer to the City: \$2.2 million
- 4) Total 2025 Capital Budget (Electric & Water): \$15.9 million
 - a) Largest Capital Projects is the new building project: \$12.7 million
- 5) Statement of Cash Flows: (2025 projected year-end Net Cash Balances)
 - a) Electric: \$31.0 million
 - b) Water: \$3.1 million
 - c) Combined: \$34.2 million

Additional items to note:

- Following thorough review of the proposed O&M Budgets, the 2025 Budget increases were modest, and per current union contract, the labor calculations were set at a 5% increase with no additional staffing included.
- The need for identifying an additional water supply site was raised during the recent WMU/City Joint Meeting. A directive was issued to incorporate the request to identify an additional well field location in a future Capital Budget.
- An additional \$30,000 will be added to the proposed budget for outsourcing of additional projects for the Electric/Line Dept.
- Meet Cash Balance threshold/goal is set at 50% of total revenues per Minimum Fund Balance goal.
- 10-year projections are based on varying factors including community growth, revenue, and expense assumptions.
- MRES recently conducted a 2024 Rate Study for WMU. Upon reconciliation of the proposed 2025 Budget and Rate Study projections, the Commission will be asked to approve both items at the September 9th MUC Mtg. including rate increases as required.

2. 2024 Rate Study review & discussion:

MRES is finalizing the Rate Study and will present it to the Commission at the September 9th MUC Mtg.

3. Adjournment:

There being no further business to come before the WMU Planning Committee, Commissioner Kennedy offered a motion to adjourn. Commissioner Sieck seconded the motion which carried, and the meeting was adjourned at 12:45 pm.

