

WILLMAR MUNICIPAL UTILITIES MINUTES
MUNICIPAL UTILITIES AUDITORIUM
JULY 9, 2018

The Municipal Utilities Commission met in its regular scheduled meeting on Monday, July 9, 2018 at 11:45 a.m. in the Municipal Utilities Auditorium with the following Commissioners present: Carol Laumer, Justin Mattern, Abdirizak Mahboub, Nathan Weber, Bruce DeBlieck, Ross Magnuson and Brendan MacDonald.

Others present at the meeting were: General Manager John Harren, Director of Finance Denise Runge, Power Supply Manager Chris Carlson, Customer Service Supervisor Stacy Stien, Staff Electrical Engineer Jeron Smith, Water & Heating Supervisor Joel Braegelman, Facilities & Maintenance Supervisor Kevin Marti, Compliance & Human Resource Manager Janell Johnson, Energy Services/Marketing Rep Mary Kosbab, Administrative Secretary Beth Mattheisen, City Attorney Robert Scott (via teleconference), and WC Tribune Journalist Shelby Lindrud.

Commission President Laumer opened the meeting by asking if any revisions were needed to the presented agenda. There being none, Commissioner Laumer continued by requesting a resolution to approve the Consent Agenda. Commissioner Mahboub offered a resolution to approve the Consent Agenda as presented. Commissioner DeBlieck seconded.

RESOLUTION NO. 34

“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 June 25, 2018 Commission meeting; and,
- ❖ Bills represented by vouchers No. 181014 to No. 181135 and associated wire transfers inclusive in the amount of \$5,003,641.74.

Dated this 9th day of July, 2018.

President

Attest:

Secretary

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

Staff Electrical Engineer Smith reviewed with the Commission the bid results and award recommendation for the construction of the Priam Substation. Four bids were received for the project. Conductor Power, LLC of Brainerd (MN) submitted the low bid on the project in the amount of \$1,904,383.62 along with a price of \$125,280.00 for optional work. Conductor Power has successfully completed similar substation projects elsewhere in the area. It was the recommendation of DGR Engineering (project consultant) and Staff to award the bid to construct the Priam Substation to Conductor Power, LLC. Following review and discussion, Commissioner DeBlieck offered a resolution to award the bid for the construction of the Priam Substation to

Conductor Power, LLC, for their bid of \$1,904,383.62 along with potential optional work in the amount of \$125,280.00. Commissioner Mattern seconded.

RESOLUTION NO. 35

“BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the contract bid for the construction of the Priam Substation be awarded to Conductor Power, LLC, of Brainerd, Minnesota, in the amount of \$1,904,383.62 along with a price of \$125,280.00 for optional work be approved.”

Dated this 9th day of July, 2018.

President

Attest:

Secretary

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

Power Supply Manager Carlson informed the Commission of the opportunity to sell the Utility’s coal inventory (coal pile) which is approximately 3,200 tons of coal. Due to staffing and air permitting requirements and the established firm gas pricing in place, it is in the best interest of the WMU to sell to a potential buyer. Based on 2017 summer LMP pricing, it would be a break-even opportunity to sell the coal rather than to burn it. As a reminder, Carlson noted that it is more economical to purchase energy on the market than to self-generate energy at the Power Plant. Following discussion, it was the consensus of the Commission to concur with the Staff’s recommendation and to proceed with the process to sell the coal inventory.

Water & Heating Supervisor Braegelman presented the Commission with a request to authorize submission of a Point Source Implementation Grant (PSIG) program application to the Minnesota Public Facilities Authority (PFA) for the Northeast Water Treatment Plant Improvements for WWTF Salty Discharge Compliance. The grant application would be for funds to be used for eligible costs for the project. Following review, Commissioner Laumer offered a resolution to authorize submitting the application form for the PSIG to assist with the NEWTP Improvements for WWTF Salty Discharge Compliance Project. Commissioner Magnuson seconded.

RESOLUTION NO. 36

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

General Manager Harren informed the Commission that a meeting of the WMU Planning Committee will be forthcoming. Agenda items will include: new generation; consideration to reallocate funds (diesel generators to GIS); and, Customer Appreciation Open House (2019).

For information: 2018 Upcoming meetings/events to note include:

- APPA Policymakers Council – July 23-25 (Washington, DC)
- Customer Appreciation Open House – Thursday, August 2nd (Civic Center)
- MMUA Summer Conference – August 20-22 (Alexandria)
- Annual MUC Mtg./Facilities Tour – August 27 @ 3:00 p.m.

There being no further business to come before the Commission, Commissioner Laumer declared the meeting adjourned at 12:05 p.m.

Respectfully Submitted,
WILLMAR MUNICIPAL UTILITIES

Beth Mattheisen
Administrative Secretary

ATTEST:

Abdirizak Mahboub, Secretary

**MINNESOTA PUBLIC FACILITIES AUTHORITY
Point Source Implementation Grant
Form Application**

Resolution No. 36

RESOLUTION AUTHORIZING THE WILLMAR MUNICIPAL UTILITIES TO SUBMIT A POINT SOURCE IMPLEMENTATION GRANT APPLICATION TO THE MINNESOTA PUBLIC FACILITIES AUTHORITY (PFA) AND TO AUTHORIZE CITY OFFICIALS TO EXECUTE A GRANT AGREEMENT ON BEHALF OF THE WILLMAR MUNICIPAL UTILITIES FOR THE NORTHEAST WATER TREATMENT PLANT IMPROVEMENTS FOR WWTF SALTY DISCHARGE COMPLIANCE.

WHEREAS, the Point Source Implementation Program, established in Minnesota Statutes 446A.073, as amended provides funds for construction projects; and

WHEREAS the Willmar Municipal Utilities is hereby applying to the Minnesota Public Facilities Authority for funds to be used for eligible costs for the Northeast Water Treatment Plant Improvements for WWTF Salty Discharge Compliance.

BE IT RESOLVED that the Willmar Municipal Utilities has the legal authority to apply for the grant, and the financial, technical, and managerial capacity to ensure proper construction, operation and maintenance of the project for its design life.

BE IT FURTHER RESOLVED, that upon approval of its application by the PFA, Willmar Municipal Utilities may enter into an agreement with the PFA for the above referenced project, and that Willmar Municipal Utilities certifies that it will comply with all applicable laws and regulations as stated in all contract agreements described in the compliance listing of the grant application.

NOW, THEREFORE BE IT FURTHER RESOLVED, that Willmar Municipal Utilities Commission President and Willmar Municipal Utilities Commission Secretary, or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the above project on behalf of the Willmar Municipal Utilities.

I CERTIFY THAT the above resolution was adopted by the Willmar Municipal Utilities Commission on July 9, 2018.

Commission President – Carol Laumer

Commission Secretary – Abdirizak Mahboub

(Seal)