

WILLMAR MUNICIPAL UTILITIES COMMISSION
MEETING MINUTES OF FEBRUARY 8, 2021

The Municipal Utilities Commission (MUC) met in its regular scheduled meeting on Monday, February 8, 2021 at 11:45 a.m. in the WMU Auditorium with the following Commissioners present: Justin Mattern, Abdirizak Mahboub, Nathan Weber, Bruce DeBlieck, Cole Erickson and Kerry Johnson. Absent was Commissioner Ross Magnuson.

Others present at the meeting were: General Manager John Harren, Compliance/HR Manager Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, Facilities & Maintenance Supervisor Kevin Marti, Staff Electrical Engineer Jeron Smith, Line Foreman Zachary Larson, Administrative Secretary Beth Mattheisen, IS Coordinator Mike Sangren, City Attorney Robert Scott, City Council Liaison Michael O'Brien, and WC Tribune Journalist Shelby Lindrud.

Commissioner Mattern (President) opened the meeting by introducing newly appointed Commissioner Kerry Johnson and City Council Liaison Michael O'Brien. Johnson who is the Market President at United Prairie Bank (Spicer) shared with the Commission a brief background summary of herself including numerous civic and area organizations which she has served on (HRA, EDC, Willmar Lakes Area Chamber, etc.). Councilman O'Brien who represents Ward 1 on the City Council continued by presenting a brief bio of his own associations including being a current member of the Intergovernmental Planning & Communications Committee. On behalf of the Commission, President Mattern expressed his appreciation to Commissioner Johnson and Council Liaison O'Brien for their commitment to serve as members of the Commission and City Council.

Commissioner Mattern continued by asking if any revisions were needed to the agenda presented. There being none, a resolution was requested to approve the Consent Agenda. Following review and discussion, Commissioner Mahboub offered a resolution to approve the Consent Agenda as presented. Commissioner DeBlieck seconded.

RESOLUTION NO. 4

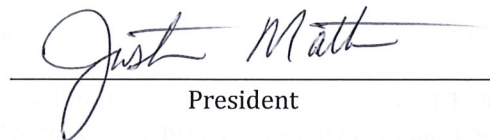
"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Consent Agenda be approved as presented which includes:

- ❖ Minutes from the January 25, 2021 Commission meeting; and,
- ❖ Bills represented by vouchers No. 20210116 to No. 20210167 and associated wire transfers inclusive in the amount of \$114,847.12.

Dated this 8th day of February, 2021.

Attest:


Secretary


President

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

Commissioner Mattern informed the Commission that the next order of business was to appoint members to serve on the both the Labor and Planning Committees for 2021. Prior to initiating the appointments, Commissioner Mattern expressed his appreciation to the Committee members for their additional time and efforts required to serve as members of the Labor and Planning Committees. Following Commission input, Commissioner Mattern offered a motion to designate Commissioners Weber, Mahboub, and Erickson to continue their service on the WMU Labor Committee. Commissioners DeBlieck, Magnuson, and Johnson will serve on the WMU Planning Committee. Commissioner DeBlieck seconded the motion which carried by a vote of six ayes and zero nays.

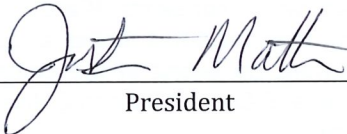
Commissioner DeBlieck (PC Chair) reviewed with the Commission minutes from the January 28th WMU Planning Committee meeting (see attached). Following review, Commissioner DeBlieck offered a motion to approve the minutes as presented. Commissioner Weber seconded the motion which carried by a vote of six ayes and zero nays.

Following approval of the minutes, four associated items were presented to the Commission for consideration and approval. First, Commissioner DeBlieck requested the Commission to approve the proposed revisions to the WMU Operations Policies as presented which include the following: Operations Policy Manual, Purchasing Policy, Investment Policy, and Schedule of Charges. Following review and discussion, Commissioner Mahboub offered a resolution to approve the 2021 WMU Operations Policies incorporating the requested revisions as stated. Commissioner Mattern seconded.

RESOLUTION NO. 5

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the proposed revisions to the 2021 WMU Operations Policies be approved in their entirety as presented incorporating the amending changes as identified."

Dated this 8th day of February, 2020.


President

Attest:


Secretary

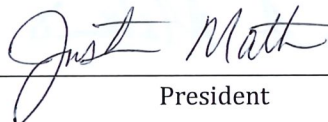
The foregoing resolution was adopted by a vote of six ayes and zero nays.

The second item being requested for approval was the adoption of the Willmar Water Supply Plan. This plan is required by utilities with a population greater than 1,000 to assist with implementing long-term sustainability and conservation measures, and to develop critical emergency preparedness procedures. These procedures are intended to assist in meeting and/or exceeding the water supply needs of the City of Willmar. This plan was originally submitted to the Minnesota Department of Natural Resources, and approved in January 2021. Following discussion, Commissioner DeBlieck offered a resolution to approve the Willmar Water Supply Plan as presented. Commissioner Erickson seconded.

RESOLUTION NO. 6

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Willmar Water Supply Plan be approved as presented."

Dated this 8th day of February, 2020.


President

Attest:


Secretary

The foregoing resolution was adopted by a vote of six ayes and zero nays. (Note: Commissioner Johnson did not view the plan prior to the vote.)

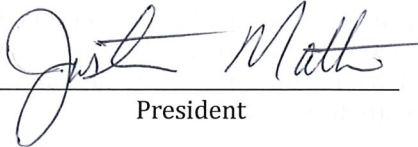
The third item to be considered for approval was the Memorandum of Agreement (MOA) between WMU and the City of Willmar addressing underground pipe bedding material and future street projects. Following the

environmental studies conducted by Wenck & Associates (Power Plant area) it was determined that granular material surrounding the water/steam lines may contain a hazardous material. Currently, the cost to abate this material and remove the piping in its entirety is estimated at \$820,000. WMU Staff and City Staff together created an MOA to address these issues in the future on an as-needed basis. Following discussion, Commissioner Mahboub offered a resolution to approve the MOA regarding underground pipe bedding in conjunction with future street projects as presented. Commissioner Weber seconded.

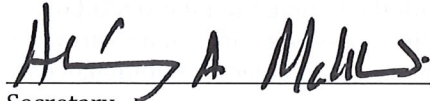
RESOLUTION NO. 7

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Memorandum of Agreement: District/Steam Heating Underground Piping with Regard to Street Projects between the Willmar Municipal Utilities and the City of Willmar be approved as presented."

Dated this 8th day of February, 2020.


President

Attest:


Secretary

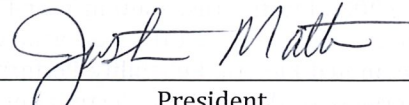
The foregoing resolution was adopted by a vote of six ayes and zero nays. (Note: Commissioner Johnson did not view the agreement prior to the vote.)

The fourth item to be considered for approval was Task Order No. 8 with DGR Engineering for the Downtown Substation Modifications Project. Due to the retirement of the WMU Power Plant and its potential demolition, various equipment and controls within the structure will require relocating. Consideration had been given to conduct this project in phases, but it was determined that due to various challenges and additional expenses that would entail, the project would be complete at the same time (not in phases). Following review, Commissioner Mahboub offered a resolution to approve Task Order No. 8 with DGR Engineering to provide professional services for the Downtown Substation Modifications Project for the estimated cost of \$5.3 million. Commissioner DeBlieck seconded.

RESOLUTION NO. 8

"BE IT RESOLVED, by the Municipal Utilities Commission of the City of Willmar, Minnesota, that the Task Order No. 8 with DGR Engineering to provide professional services for the Downtown Substation Modifications Project be approved as presented for estimated amount of \$5.3 million."

Dated this 8th day of February, 2020.


President

Attest:


Secretary

The foregoing resolution was adopted by a vote of six ayes and zero nays. (Note: Commissioner Johnson did not view the agreement prior to the vote.)

Commissioner Mattern reviewed with the Commission minutes from the February 3rd WMU/City/Wenck Work Session (see attached). The purpose of the Work Session was to provide information to assist in determining the future of the Power Plant site (demolition vs. renovation). Following review, Commissioner

Mattern offered a motion to approve the minutes as presented. Commissioner Erickson seconded the motion which carried by a vote of six ayes and zero nays.

Following approval of the minutes along with Commission input based on thorough discussions and comprehensive data (i.e. cost options, environmental studies, etc.), Commissioner Mattern offered a motion to proceed with the demolition option of the Power Plant. Mattern further stated that it was in the best interest of the Utility and the City of Willmar to move forward with the demolition process of the facility unless a buyer (with confirmed purchase agreement) has been identified prior to Sept. 1, 2021, and a security deposit has been validated in the amount of \$2-\$4 million. Commissioner DeBlieck seconded motion which carried by a vote of six ayes and zero nays.

Finance & Office Services Supervisor Prekker presented the Commission with the preliminary December 2020 Financial Reports along with a recap of the December 31, 2020 Investment Portfolio. The data presented included analyses of the Electric, Water, Heating and Combined Divisions. Information contained in the reports reflect operating revenues & expenses, operating income, and retained earnings. Graphs depicting the 2019/2020 monthly year-to-date revenues, expenses, and retained earnings were also included with the financial data.

Finance & Office Services Supervisor Prekker continued by reviewing with the Commission the WMU Cost of Power Report for December 2020. This report is illustrated using a rolling year-to-date format and provides the overall cost of power for the year (.065 per kWh twelve-month rolling average). Additional data reflecting the month-to-date cost (.058 per kWh) was also presented for review.

Facilities & Maintenance Supervisor Marti presented the Commission with the January 2021 Wind Turbine Report. Turbine availabilities for the month of January were at 98.1% (Unit #3) and 99.2% (Unit #4) with a total monthly production of 551,509 kilowatt hours.

Staff Electrical Engineer Smith and Line Foreman Zachary Larson presented the 2020 Engineering and Line Department Updates. The annual data presented was comprised of the following components: 1) Engineering Year-End Review; 2) Electric Distribution Year-End Review; and, 3) Miles of Electrical Distribution & Transmission Line Report. The Engineering and Line Department summaries contained status updates of capital projects, purchases, and underground construction along with their expenditures.

The 2020 Engineering Year-End Review was presented by Staff Electrical Engineer Smith. Components of the summary contained: transmission & distribution systems; Capital Improvement Projects (CIP); suspended CIP; transmission/substation maintenance; Power Plant shutdown; Willmar WYE Project; and, 2021 preview. Smith added that due to the COVID-19 outbreak, \$315,000 transmission and \$132,100 distribution CIP had been suspended in 2020. Smith further stated that projects scheduled for 2021 include: 4 substation projects; Pleasant View u/g cable replacement; substation communications upgrades; and, relocation of SCADA equipment & controls.

The 2020 Electric Distribution Year-End Review was presented by Line Foreman Larson. Components of the summary contained: CIP; goals achieved; mutual aid to Granite Falls; 2021 preview & department goals; and the annual Electric Reliability Performance Report. The Electric Reliability Performance Report reflects an overview of the Utility's electrical outages (duration of outage, frequency, and customers effected) for the past year. Also included in the report are various system average indicators for comparison. Per national IEEE data, WMU received a 99.9957% ranking for the Average System Availability Index (ASAI) which indicates an extremely high percentage for availability of Willmar's electrical service. Also contained in the review were various graphs illustrating outage causes (i.e. electrical failure, animal/squirrels, construction, equipment damage, trees) and the duration of the identified causes.

Following the annual updates, Commissioner Mattern expressed his appreciation on behalf of the Commission for the thorough presentation and staffing efforts of both the Engineering and Line Departments for their projects and achievements throughout the year.

City Attorney Scott 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, Scott reviewed the information which is also available via the Utility-provided iPads. The 2021 topics highlighted for review included: 1) Commissioner Role & Duties; 2) Open Meeting Law; 3) Government Records & Data; and, 4) Conflict of Interest.

General Manager Harren informed the Commission that in the past APPA has offered two webinar series regarding Public Power Governance and Electric Utility 101. In place of the webinar series, this year APPA is offering two courses that will contain pertinent information for Commission members. These courses are entitled, "*Best Practices in Public Governance*" March 11th, 12:00-3:30 pm, and "*Electric Utility Course*" April (additional details TBD). Anyone interested in participating in either/or both of the courses is asked to contact the WMU Office (Beth) so registrations can be made.

General Manager Harren informed the Commission that Committee meetings will be scheduled in the near future. A meeting of the WMU Planning Committee will be forthcoming with agenda items to include: revised budgets & CIP, and GRE Priam/Willmar design & construction agreement. A meeting of the WMU Labor Committee would be forthcoming with agenda items to include: pay equity, clothing policy (union), non-union market adjustments, and employee survey (trending).

For information: Upcoming meetings/events to note include:

- 2021 MMUA Legislative Conference (virtual event): Feb. 10th (9:00 am-12:00 pm) (Attending: DeBlieck/ Mahboub/Harren)
- 2021 APPA Legislative Rally (virtual event): March 1 & 2

There being no further business to come before the Commission, Commissioner Mattern offered a motion to adjourn. Commissioner Mahboub seconded the motion which carried by a vote of six ayes and zero nays, and the meeting was adjourned at 1:30 pm.


Respectfully Submitted,

WILLMAR MUNICIPAL UTILITIES



Beth Mattheisen
Administrative Secretary

ATTEST:


Abdirizak Mahboub, Secretary

WILLMAR MUNICIPAL UTILITIES

WMU PLANNING COMMITTEE MEETING MINUTES

Thursday, January 28, 2021 – 12:00 p.m.

WMU Auditorium

Present: Commissioners Bruce DeBlieck, Ross Magnuson & Carol Laumer, General Manager John Harren, Compliance/HR Manager Janell Johnson, Finance/Office Services Supervisor Andrea Prekker, Facilities & Maintenance Supervisor Kevin Marti, Staff Electrical Engineer Jeron Smith, Water Department Supervisor Alan Neer, and Administrative Secretary Beth Mattheisen.

Commissioner DeBlieck (PC Chair) called the meeting to order at 12:00 p.m.

AGENDA ITEM(S):

1. Annual review of Operations Policies: (Janell Johnson)

General Manager Harren introduced Compliance/HR Manager Johnson who reviewed with the Committee annual updates proposed for the Operations Policies including the Schedule of Charges. Johnson provided a step-by-step review of the proposed revisions. Further noted that Liens and Assessments language had been reviewed and vetted by City Attorney Scott. The following amendments were being recommended by Staff for consideration:

Operations Policy Manual:

- “Liens and Assessments” title change from previous “Lien Ordinance”; which was previously approved by the MUC;
- Proposed 4.4 transfer of ownership be set at the curb stop to provides clarity
- Minor clarifications of “Conditions of Water Service” and “Water Service”;
- Minimal grammatical changes; and,
- Updated appendixes.

Purchasing Policies:

- Addition of new section “Capital Assets”;
- Consulting and Engineering Services threshold for commission approval to \$10,000 and,
- Minimal changes of title changes and updated limit on consulting/engineering services.

Schedule of Charges:

- Adjustment to labor charges (due to wage adjustments);
- Addition of “Bulk Water Service Fees” ;
- “Utility Deposit – Commercial/Industrial” fee set at \$1,000;
- Lien Administration Charge increase;
- New Assessment and Waiver Agreement Interest Rate remain at 9%; and,
- WMU property @ 810 Litchfield Ave SW – rental potential of main floor retail space & parking lot (amount TBD).

Investment Policy:

- Title changes

Recommendation:

Following review and discussion, Commissioner Laumer offered a motion to recommend approval of the proposed revisions to the 2021 WMU Operations Policies as presented. Commissioner Magnuson seconded the motion which carried by a votes of three ayes and zero nays. This recommendation will be presented to the Commission for consideration and approval at the February 8th MUC meeting.

Relating to the above recommended Operations Policies revisions, General Manager Harren informed the Committee of a situation in which a property owner has requested consideration for reimbursement of a recent water line service repair. Following review and discussion, it was consensus of the Committee that the newly approved operational change relating to this topic will provide additional clarification for cost responsibilities for this and all future situations to come.

2. Minnesota Dept. of Natural Resources Water Supply Plan: (Alan Neer)

Water Department Supervisor Neer reviewed with the Committee the goals of the Water Supply Plan formerly entitled "Water Emergency and Conservation Plan". This plan is required for utilities with a population greater than 1,000 to assist with implementing long-term sustainability and conservation measures, to develop critical emergency preparedness procedures to meet and/or exceed the water needs of their community, and contingency for wellhead protection. This plan was originally submitted to the Minnesota DNR in 2018, and approved in January 2021. Neer further stated that due to the previous measures taken by our Utility in the past, Willmar's wells and aquifers remain solid and well-sustained.

Action:

Following discussion and review, Commissioner Magnuson offered a motion to recommend that the Commission adopt the Willmar Water Supply Plan as presented. Commissioner Laumer seconded the motion which carried by a vote of three ayes and zero nays. This recommendation will be presented to the Commission for consideration and approval at the February 8th MUC meeting.

3. Power Plant Substation Control Building: (Jeron Smith)

Staff Electrical Engineer Smith provided background information regarding the Power Plant Substation Relocation Project with an estimated cost of \$5,333,000. The question of conducting the project in phases rather than as one project was investigated. Challenges along with additional costs associated with conducting the project in phases were presented. Existing equipment is nearing its life expectancy along with significantly higher costs would be realized through a phased approach. Due to the various challenges and expenses that it would entail, Staff is concurring with DGR's recommendation to complete all the work at the same time (not in phases). It was further noted that this project is in conjunction with the asbestos abatement at the Power Plant.

Action:

Following discussion, Commissioner Laumer offered a motion to concur with Staff and DGR's recommendation to complete the Power Plant Substation Relocation work at the same time (not in phases). Commissioner DeBlick seconded the motion which carried by a vote of three ayes and zero nays. Staff will notify DGR Engineering to proceed with the design portion of the project.

4. MRES Reserved Capacity Agreement (RCA): (Kevin Marti)

Facilities & Maintenance Supervisor Marti provided background information regarding changes proposed by MRES to the Reserved Capacity Agreements. Key changes to note include: no change in pricing; term extended to 5/31/2052; failure to follow dispatch instruction can result in a penalty if MRES is penalized; additional non-substantive changes to provide clarity; and, coordination of planned outages with MRES including 150-day notice (currently at 30 days). Marti continued by reviewing the timeline for finalization of the agreement. If warranted, legal counsel will be contacted to review the document. Staff has no changes/questions to the document as presented.

This item was for information only with the final document to be presented directly to the Commission for approval in April (2021).

5. District Heat U/G Piping Agreement with City: (Kevin Marti)

Facilities & Maintenance Supervisor Marti informed the Committee that during the recent environmental study work conducted by Wenck & Associates, it was discovered that granular bedding material surrounding the hot water and steam lines may contain a hazardous substance (tremolite asbestos). The cost to abate this material and remove the piping is estimated at \$820,000. Staff has been in contact with City reps and it is a consensus to create a Memorandum of Agreement (MOA) to address this issue on an as-needed basis.

A review of the proposed "MOA between WMU and City of Willmar: District/Steam Heating Underground Piping with Regard to Street Projects" was presented for review. This agreement was created at the recommendation of Wenck and vetted by WMU, City reps, and the City Attorney.

Action:

Following discussion, Commissioner Laumer offered a motion to approve the MOA between WMU and the City of Willmar regarding underground pipe bedding material on an as-needed basis be approved as presented. Commissioner Magnuson seconded the motion which carried by a vote of three ayes and zero nays.

6. Miscellaneous:

The Planning Committee inquired about the financial standing of WMU regarding the Capital Improvement Projects. General Manager Harren presented a brief overview of the current financial status of the Utility. Harren noted that relating to the current pandemic and timing of capital projects, adjustments had been made to the previously approved 2021 WMU Budgets. These modifications along with significant operational cost savings would allow for a number of the projects to proceed. Updated financial data will be presented to the Planning Committee at a future meeting (TBD). Also discussed was low-interest loans and/or bonding options to provide financial assistance for the capital projects.

7. Adjournment:

There being no further discussion to come before the WMU Planning Committee, Commissioner Mattern made a motion adjourn. Commissioner DeBlieck seconded the motion which carried by a vote of three ayes and zero nays, and the meeting was adjourned at 1:50 pm.

WILLMAR MUNICIPAL UTILITIES
WMU/City/Wenck Work Session Minutes
Wednesday, February 3, 2021
12:00 pm via Zoom

Participants:

MUC/Staff: Commissioners Justin Mattern, Nathan Weber, Bruce DeBlieck, Cole Erickson & Kerry Johnson, General Manager John Harren, Facilities & Maintenance Supervisor Kevin Marti, Compliance/HR Manager Janell Johnson, Finance & Office Services Supervisor Andrea Prekker, Staff Electrical Engineer Jeron Smith, IS Coordinator Mike Sangren, and Administrative Secretary Beth Mattheisen.

City of Willmar: Mayor Marv Calvin, Councilmembers Audrey Nelson, Julie Asmus, Justin Ask, Michael O'Brien, Vicki Davis, City Administrator Brian Gramentz, Planning & Development Director David Ramstad, City Planner Sarah Swedburg, and Economic Development Director Aaron Backman.

Wenck Engineers: Erik Sundbo and Eric Stommes.

Commission President Mattern called the meeting to order at 12:00 pm.

Commissioner Mattern presented an opening greeting to all attendees including recently appointed Commissioner Kerry Johnson and MUC Council Liaison Michael O'Brien. Mayor Calvin extended his appreciation for the opportunity for all to participate in the informational Work Session and also for the walk-throughs that have been provided to bring additional understanding of the Power Plant facility itself.

General Manager Harren provided brief historic data regarding the Power Plant's purpose and its operational status. Harren continued by thanking the Commission and WMU Staff for their continued support and efforts to provide a thorough understanding of the Power Plant and the factors associated with it. This understanding will assist in deciding the future of the facility.

At this time, Facilities & Maintenance Supervisor Marti gave a presentation which covered the environmental findings, estimated costs and associated data regarding the WMU Power Plant. The compiled information is being utilized to help select the best option for the facility that is not only cost-effective, but feasible/practical for the Utility and City of Willmar. Marti stated that a number of attendees had participated in recent walk-throughs of the Power Plant. These tours provided a complete perspective of the facility and the concerns relating to the site. The presentation including the following data:

Background/History:

- Originally constructed in 1925, expansion in 1938, major addition in 1949; and, additional equipment/additions until 1991.
- All operations ended June 30, 2020.
- City's Opportunity and Renaissance Zones (2019) prompted the completion of the Environmental Studies (Wenck & Associates).

Environmental Studies & Material Survey:

- Wenck completed Phase I & II Environmental Studies along with a pre-Demolition Hazardous Materials Survey and Cost Opinion.
 - Study included: sub-grade steam and hot water lines under city streets and right-of-ways.
- Wenck's opinion: Abatement and/or demolition should be done sooner rather than later due to degradation from not being operational and unheated.

Cost Opinion: Demolition

➤ Task 1: Specs, bid admin, abatement monitoring	\$ 162,960
➤ Task 2: Asbestos-containing material removal & disposal	\$2,358,720
➤ Task 3: Regulated material removal & disposal	\$ 82,500
➤ Task 4: Demolition and site stabilization	<u>\$ 970,000</u>
Subtotal:	\$3,574,180
Less sub-grade lines:	<u>- 820,000*</u>
TOTAL COST:	\$2,754,180

*to be addressed as City Street Projects require per WMU/City MOA

Cost Opinion: Renovation

➤ Task 1: Specs, bid admin, abatement monitoring	\$ 229,165
➤ Task 2: Asbestos-containing material removal & disposal	\$1,796,335
➤ Task 3: Lead paint & regulated material removal & disposal	\$ 112,500
➤ Task 4: Equipment demolition, removal & disposal	\$ 950,000

TOTAL COST: \$3,088,000

- Completes required abatement & removal of equipment to an empty building in prep for renovation by another party.
- If buyer defaults on the property, City may end up with the property and potential demolition costs.
 - Additional demo costs of empty building: \$1.1 million

Renovation Cost Concerns:

- Unknowns moving forward –
 - Who is responsible for costs? WMU or buyer?
 - \$3.1 million for abatement/equipment removal
 - \$1.1 million additional demo cost if buyer defaults on project
 - Structural stability of building after equipment removal –
 - Engineer estimate of \$40,000+ for determination of structural stability
 - Costs to repair the building after equipment removal (walls, roof, windows, etc.) and construct load bearing structure within the existing structure before any new internal work is started.

Renovation Environmental Concerns:

- Regardless of purchase agreements, contracts, or solicited indemnifications, WMU will likely remain the MPA's designed "Responsible Party" of the subsurface releases to soil, soil gas, and groundwater based on the WMU duration of ownership and operation. WMU will be responsible for additional investigation, management, and ultimate remediation, if required by the MPCA.
- Coverage or capping (i.e. paving, soil buffer, etc.) of the site for selective industrial reuse, under the direction of an approved MPCA Response Action Plan, may significantly defer costs and short-term cleanup responsibilities for WMU.

Options:

- Demolition:
 - WMU retains property.
- Renovation:
 - Purchase agreement with buyer by September 1, 2021 including a \$2-\$4 million security deposit.

Recommendations:

- Based on environmental studies conducted and financial impact associated with the findings, WMU Staff recommends to proceed with demolition, and retain ownership of the site.
- Finalize MOA between WMU and City of Willmar regarding underground steam lines and future street projects.

Next Steps:

- WMU & City:
 - Concur with Staff recommendation to demo; or,
 - Consider the renovation option and find a buyer by September 1, 2021.
- WMU Commission and City Council to take action accordingly at their regularly-scheduled meetings.

Following the presentation, Commissioner Mattern opened a Q & A period for all participants. Wenck Engineers Sundbo & Stommes provided additional clarity regarding the findings of the environmental studies conducted. Additional points of discussion included:

- Power Plant Substation Relocation Project (relocating of controls & equipment)
- Options for financial assistance to fund Power Plant project (DEED, grant options, etc.)
- Pacific Avenue use (portion already abandoned)

Facilities & Maintenance Supervisor Marti informed the attendees that he has been working with the Kandiyohi Historical Society to assist in preserving historic data/items for future use and displays. Representatives of the Historical Society have participated in tours of the Plant and will return to provide additional insight and ideas for the preservation of various items as they evaluate their historic value. Marti further added that anyone interested in touring the facility may contact him to schedule a walk-through (keeping in mind the facility is unheated, so dress accordingly).

There being no further discussion, Commissioner Mattern thanked all for their time and effort in participating in the Work Session, and offered a motion adjourn. Commissioner Laumer seconded the motion which carried, and the Work Session was adjourned at 12:56 pm.

