

**OFFICIAL PROCEEDINGS OF THE  
BOARD OF WATER, ELECTRIC,  
AND COMMUNICATIONS TRUSTEES  
OF THE CITY OF MUSCATINE, IOWA  
JULY 26, 2022 – 5:30 P.M.**

The Board of Trustees met in regular session at Muscatine Power and Water's Administration/Operations Building, 3205 Cedar Street, Muscatine, Iowa, on Tuesday, July 26, 2022 at 5:30 p.m.

Chairperson Kevin Fields called the meeting to order. Members of the Board were present as follows: Trustees Susan Eversmeyer, Tracy McGinnis, and Keith Porter. Trustee Steven Bradford was absent due to previously scheduled travel plans.

Also present were Gage Huston, General Manager of Muscatine Power and Water; Brenda Christensen, Board Secretary; Erika Cox, Brandy Olson, Ryan Streck, and Doug White of Muscatine Power and Water. Additional guests attending the meeting included Jessica Brackett, Charles Potter, Katie Rock, Michael Salino-Hugg, Linda Schmarje and Sandy Stanley.

Secretary Christensen asked if there was anyone in attendance who wished to make any public comments. Public comments were made by Jessica Brackett and Michael Salino-Hugg.

The minutes of the June 28, 2022 Board meeting were presented as previously submitted to all Board members. Trustee Eversmeyer moved, seconded by Trustee Porter, the minutes from the June 28, 2022 Board meeting be approved. All Trustees present voted aye. Motion carried.

The list of expenditures and transactions for June 2022 were presented. Mr. Huston reviewed the expenditures, and after additional discussion Trustee McGinnis moved, seconded by Trustee Eversmeyer, to ratify payment of \$10,378,131.57 for the Electric Utility, \$1,092,654.58 for the Water Utility, and \$1,581,374.69 for the Communications Utility, for a cumulative total of \$13,052,160.84. All Trustees present voted aye. Motion carried.

Mr. Huston introduced a Project Summary Form (PSF) for approval for the Unit 9 2022 Control Valve Overhaul Project. Routine inspection and overhaul of turbine control valves is standard industry practice and is essential to maintaining the safety and reliability of the Units. This expense budget item was originally approved in the Electric Utility 2022 Operating Budget at an estimated cost of \$117,800. In addition, the in-house labor estimate for this project was \$45,200, making the original project estimate \$163,000. He continued the work scope for this project has not changed, but the overall scope of the Unit 9 outage requires redirecting in-house labor resources to other areas, so it is necessary to contract the labor to complete this overhaul work. The shift from in-house labor to contract labor added \$43,800 to the estimated cost of the project, which was partially offset by a \$30,100 reduction in internal labor. Contingency and A&G were also added to the PSF, increasing the total estimated project cost to \$212,100. Management recommends Board approval of the revised PSF. Even with the increased costs, the importance of completing this work during the fall outage has not changed and Staff recommends proceeding with the work to ensure the safety and reliability of Unit 9. Trustee McGinnis moved, seconded by Trustee Porter, to approve the revised PSF for the Unit 9 2022 Control Valve Overhaul Project of \$212,100. All Trustees present voted aye. Motion carried.

Mr. Huston next introduced an agenda item to approve a revised PSF for the Unit 9 2022 Turbine Intercept and Stop Valve Overhaul Project. This PSF and project are very similar to the previous project. This project was originally approved with the Electric Utility 2022 Operating Budget for \$224,800. The revised PSF work scope has not changed except that now Staff is redirecting in-house labor resources to other areas, making it necessary to contract the labor to complete this overhaul work. Contractor labor costs of \$97,000 have been added to this PSF and are partially offset by a \$41,300 reduction in internal labor, increasing the total project costs to \$280,500. Trustee Eversmeyer moved, seconded by Trustee McGinnis, to approve the revised PSF for the Unit 9 2022 Intercept and Stop Valve Overhaul Project of \$280,500. All Trustees present voted aye. Motion carried.

The next agenda item was to authorize the General Manager to Enter into an Amendment to the Agreement for Voice Over Internet Protocol Services and Operational Support with ImOn Communications, LLC of Cedar Rapids, IA. Mr. Huston stated that MPW initially entered into a five-year service agreement with ImOn in 2017 with the contract to become effective with our first phone installation. MPW first launched phone services in April 2018, making the contract effective dates April 2018-March 2023. He continued costs under the new contract remain based on a fixed monthly fee for billing and regulatory services, as well as business and residential per subscriber line fees. However, the monthly minimum has been reduced to \$5,000 per month over the five-year term of the Amendment for an estimated savings of \$22,000 - \$27,000 between now and the end March 2023. Trustee Porter moved, seconded by Trustee Eversmeyer, to authorize the General Manager to Enter into an Amendment to the Agreement for Voice Over Internet Protocol Services and Operational Support with ImOn Communications, LLC of Cedar Rapids, IA All Trustees present voted aye. Motion carried.

The next agenda item was a recommendation to set a public hearing date on MISO Attachment O Annual Meeting – Transmission Rate Update. Mr. Huston stated as a Transmission Owner (TO) in MidContinent Independent System Operator (MISO), MPW must establish tariff rates for use of its transmission system by other market participants. The key component in establishing the formula rates is using MISO's Attachment O template. A step required by the Federal Energy Regulatory Commission (FERC) in this process is each TO must hold an annual public meeting regarding its transmission rate updates and submit an informational filing with FERC regarding its updated transmission rates. Management recommends the Board set a public hearing prior to its next regular Board Meeting on August 30, 2022 to receive any public comments regarding its annual transmission rate update (Attachment O). This public hearing will meet the requirement in MISO's revised formula rate protocols related to holding an annual public meeting. The following resolution was submitted:

#### **RESOLUTION 22-10**

WHEREAS, it is recommended that a public hearing be established for the review of MPW's annual Transmission Rate Update (Attachment O) to receive any public comments before submittal of this form to FERC; now therefore,

BE IT RESOLVED, by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa that a public hearing be held on the 30th day of August 2022, at 5:28 p.m. in the Auditorium of Muscatine Power and Water's Administration/Operations Building located at 3205 Cedar Street, Muscatine, Iowa, and the notice of said hearing shall be published once in the Muscatine Journal, a newspaper of general circulation

published daily in the City of Muscatine, Iowa, not less than four (4) nor more than twenty (20) days prior to said hearing, all as required by the Code of Iowa.

Trustee McGinnis moved, seconded by Trustee Eversmeyer, that said resolution be passed, approved, and adopted this 26<sup>th</sup> day of July 2022. On roll call Trustees Eversmeyer, McGinnis, Porter, and Fields voted aye. Voting nay, none. Trustee Bradford was absent. Resolution carried.

Mr. Huston stated at the June Board of Trustees meeting, the revised Board Policy Manual was presented in draft form for the Trustees input and comments. The manual has been finalized. It was recommended the Trustees approve the 2022 Board Policy Manual. Trustee Porter moved, seconded by Trustee Eversmeyer, the 2022 Board Policy Manual be approved. All Trustees present voted aye. Motion carried.

In the General Manager's report, Mr. Huston provided a recap to the Board about the June 24, 2022 Employee Recognition Lunch and Ms. Olson reviewed the previously submitted 2022 State Legislative session update and shared how some of the bills might affect MPW.

The June Financial Operating Statements and Balance Sheets were presented as previously submitted to all Board members. Mr. Huston reviewed the MPW dashboard, the Financial Results Summary for each Utility, and the Quarterly Investment Report.

There were no entries on the Competitive Quotes for Public Improvements Report.

Mr. Huston reviewed the Monthly Project Status Report and Variance Analysis report.

The 2022 2Q Strategic Plan Update and Key Performance Indicators for the Electric, Water, and Communications Utilities were reviewed.

The June Departmental Reports were presented as previously submitted to all Board members. Mr. Huston provided a high-level review.

Public comments were added by Sandy Stanley.

Trustee Porter moved, seconded by Trustee McGinnis to receive and place on file the July 2022 Utility Reports. All Trustees present voted aye. Motion carried.

The meeting was adjourned at 7:00 p.m.

BOARD OF WATER, ELECTRIC, AND  
COMMUNICATIONS TRUSTEES OF  
THE CITY OF MUSCATINE, IOWA



Brenda Christensen  
Board Secretary