

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
May 30, 2023 – 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, May 31, 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, Keith Porter, Tracy McGinnis and Steven Bradford.

Also present were Gage Huston, General Manager of Muscatine Power and Water; Kelly Miller, Board Secretary; Erika Cox, Mark Roberts, Doug White, Brandy Olson, and Ryan Streck of MPW. Additional attendees were Niki Sink, Charles Potter, and Jessica Brackett.

There were no public comments.

Trustee Eversmeyer moved, seconded by Trustee Bradford to approve the April Public Hearing and regular Board meeting minutes. All Trustees present voted aye. Motion carried.

Trustee McGinnis moved, seconded by Trustee Eversmeyer, to ratify payment of \$8,353,612.05 for the Electric Utility, \$581,737.63 for the Water Utility, and \$1,058,318.32 for the Communications Utility for a cumulative total of \$9,993,668.00. All Trustees present voted aye. Motion carried.

Mr. Huston introduced a recommendation to Set Dates for Receipt of Bids/Conduct a Public Hearing for the 2023 Window Replacement Project (1C-AD230449). The scope of this project involves the replacement of the existing, original aluminum framed glazing windows/doors at the Administrative Office building with modern, higher insulating windows.

Management recommends Board approval for issuing of plans and specifications for performing this work, and that dates and times be established for a Competitive Bid as follows:

Receipt of Bids: June 27, 2023, at 3:00 p.m.

Public Hearing: July 25, 2023, at 5:28 p.m.

Recommendation for Award: July 25, 2023, at 5:30 p.m.

After some additional discussion, the following resolution was submitted:

RESOLUTION 23-18

WHEREAS plans and specifications have been prepared for the 2023 Window Replacement Project and,

WHEREAS, said proposed plans and specifications and proposed form of contract are now on file with the Secretary of the Board and the Board finds

the same are in substantial conformity with the requirements necessary to carry out said plans; now therefore, the 2023 Window Replacement Project is tentatively approved; and,

BE IT RESOLVED, that the date of June 27, 2023 at 3:00 p.m., is hereby set for receipt of bids on the 2023 Window Replacement Project at which time the Board's duly appointed representatives are hereby authorized, empowered and directed to receive, open and read aloud all sealed bids, and receive and record all oral bids, and keep a written record of said proceedings and notice of receipt of bids to bidders is published not less than thirteen (13) days nor more than forty-five (45) days prior to said date for receipt of bids all as required by the Code of Iowa; and,

BE IT FURTHER RESOLVED, that the hearing on said plans and specifications and proposed form of contract as provided by statute, be held at the office of the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa on July 25, 2023 at 5:28 p.m., and notice of public hearing to bidders be published not less than four (4) days nor more than twenty (20) days prior to said hearing all as required by the code of Iowa.

Trustee Steven Bradford moved, seconded by Trustee Porter, that said resolution be passed, approved, and adopted this 30th day of May 2023. On roll call, Trustees Eversmeyer, Porter, Bradford, McGinnis, and Fields voted aye. Voting nay, none. Resolution carried.

Mr. Huston next introduced a recommendation to award a contract for the Construct West Hill Pump Station – Exterior Improvements Project (2C-WD230288). The project contract will cover furnishing of all labor, materials, tools, equipment, and supervision necessary to complete exterior improvements on the West Hill Pumping Station. Mr. Huston stated this project was approved with the 2023 Operating Budget for a total expenditure of \$206,400. A total of two bids were received, opened publicly, and read aloud on May 2, 2023, at 3:00 p.m. Management reviewed the bids and established conformance to the specifications by the evaluated low bidder JB Robertson Construction, Inc. of Davenport, Iowa. It is recommended that award of the contract be made to JB Robertson Construction, Inc. of Davenport, Iowa for a total price of \$150,540. After additional discussion, the following resolution was submitted:

RESOLUTION 23-19

WHEREAS, it appears in a written report from Muscatine Power and Water Management that the bid to Construct West Hill Pump Station – Exterior Improvements Project as submitted by JB Robertson Construction, Inc., of Davenport, Iowa, for a total price of \$150,540 was the best and lowest bid received; now therefore,

BE IT RESOLVED, by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, that the proposal from JB Robertson Construction, Inc., of Davenport, Iowa, for a total price of \$150,540 to

Construct West Hill Pump Station – Exterior Improvements Project was hereby accepted and submitted; and,

BE IT FURTHER RESOLVED, that the General Manager and Secretary of the Board were hereby authorized, empowered, and directed to execute a contract in the sum approved by the Board of Water, Electric, and Communications Trustees.

Trustee Eversmeyer moved, seconded by Trustee Porter, that said resolution be passed, approved, and adopted this 30th day of May 2023. On roll call, Trustees Eversmeyer, Bradford, McGinnis, Porter, and Fields voted aye. Voting nay, none. Resolution carried.

Mr. Huston introduced the recommendation to approve a revised Project Summary Form (PSF) for the West Hill Sewer Separation Project (WHSSP) Water Main Replacement Project – Phase 6A & 6B. The overall scope of this project is to upgrade the Water Utility's facilities as needed in conjunction with the City's WHSSP. This revision results from the City of Muscatine combining their WHSSP Phase 6A & Phase 6B projects to leverage economies of scale during bid processes. The City's strategy was successful, and the resulting bids were very favorable for MPW and the City. Staff recommends combining Phase 6A & Phase 6B water projects under this PSF, which will increase the amount of the PSF but significantly reduce the combined cost of the two phases. The Phase 6A water project was approved in the 2023 budget at a total cost of \$449,600. The Phase 6B water project was included in year 2024 of the 10-Year Projection at an estimated cost of \$339,000. The combined estimated total of the two phases was \$788,600. This revision combines the Phase 6A & Phase 6B water projects at a total of \$565,000, yielding an estimated savings of \$223,600. Trustee McGinnis moved, seconded by Trustee Porter, to approve the revised Project Summary Form for the West Hill Sewer Separation Project Water Main Replacement – Phase 6A & 6B with a total cost of \$565,000. All Trustees present voted aye. Motion carried.

The next agenda item was to approve the Revised Section of MPW's Electric Service Rules Related to Service Line Extensions and Contributions in Aid of Construction. Mr. Huston explained MPW Staff has had discussions with two potential large new customers. The cost of interconnecting electric customers of this scale can be significant. Millions of dollars can be required for substation design, new transformers, new circuit breakers, line extensions and more. Adding new customer load is important not only to MPW but also the Muscatine community (for example, new jobs and new tax revenue). He continued the cost of electricity can be a key factor in decisions to locate new facilities in MPW's service area. MPW's current rules do not accommodate well extensions of new service of this scale. As a result, Staff is proposing a revision to the Electric Service Rules to be put in place to provide better clarity on how large extensions will be handled that better limits risk to MPW's other customers. Trustee Porter moved, seconded by Trustee Bradford, to approve the Revised Section of MPW's Electric Service Rules Related to Service Line Extensions and Contributions in Aid of Construction. All Trustees present voted aye. Motion carried.

The next item on the agenda was the General Manager Report. Mr. Huston announced to the Board that MPW received two key program recognitions from American Public Power Association (APPA) for Best-in-class Electric System Reliability. Mr. Huston stated that for the

fourth consecutive year, Muscatine Power and Water received national recognition in March from APPA for achieving exceptional electric reliability in 2022. Mr. Huston continued that MPW also received the Top-level Designation as a Reliable Public Power Provider, the APPA's RP₃ (Reliable Public Power Provider) award. The Reliable Public Power Provider designation, which lasts for three years, recognizes public power utilities demonstrating proficiency in four disciplines: reliability, safety, workforce development, and system improvement. Criteria include sound business practices and a utility-wide commitment to safe and reliable delivery of electricity. Mr. Huston noted MPW is thrilled to celebrate that it has achieved the Diamond level designation for the fourth consecutive application cycle. He stated that these awards demonstrate MPW's commitment to serving our customers reliably and are in direct alignment with MPW's Strategic Plan.

Mr. Huston next provided a brief update on being awarded the Excellence in Safety Award from APPA for 2022 results. This is the second time MPW has been recognized for its safety culture. He continued that this recognition was achieved by staff prioritizing our safety core value, where safety is everyone's responsibility, and we share the belief that all accidents are preventable.

Ms. Olson provided an update on the recent Employee Engagement Survey that was administered to all employees in February 2023. MPW received a 97% response rate from our employees, which impressed the Gallup representatives. She continued that the rate of response shows our employees care enough to provide feedback. The results gave us a reasonably accurate picture of our employee engagement, including areas where we have some opportunities.

Mr. Streck next provided an update on the MISO Capacity Auction Results. He stated that prices continue to experience high volatility. While prices cleared at record high levels in 2022, this year's prices snapped back to near zero. He stated that while this year's auction showed a reasonable amount of reserve capacity, MISO was clear in its ongoing concerns on resource adequacy in the years to come.

The April Financial Operating Statements and Balance Sheets were presented as previously submitted to all Board members. Mr. Roberts reviewed the MPW dashboard and the April Financial Results Summary for each Utility. Mr. Roberts noted that the March financials were restated as a result of two billing errors.

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

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

Mr. Huston provided a high-level review of the May Departmental Reports, and Mr. White provided a Power the Future status report.

Jessica Brackett provided public comments.

Trustee Eversmeyer moved, seconded by Trustee Bradford to receive, and place on file the May 2023 Utility Reports. All Trustees present voted aye. Motion carried.

The meeting was adjourned at 7:42 p.m.

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COMMUNICATIONS TRUSTEES OF
THE CITY OF MUSCATINE, IOWA

A handwritten signature in cursive script that reads "Kelly Miller".

Kelly Miller
Board Secretary