

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
SEPTEMBER 27, 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, September 27, 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; Kelly Miller, Brandy Olson, Mark Roberts, Ryan Streck, and Doug White of Muscatine Power and Water. Additional guests attending the meeting included Jessica Brackett, Charles Potter, Michael Salino-Hugg, and Linda Schmarje.

Secretary Christensen asked if there was anyone in attendance who wished to make any public comments. No public comments were made.

The minutes of the August 30, 2022 Audit/Finance Committee meeting, Public Hearings and Board meeting were presented as previously submitted to all Board members. Trustee McGinnis moved, seconded by Trustee Eversmeyer, the minutes from the August 30, 2022 Audit/Finance Committee, Public Hearings and Board meeting be approved. All Trustees present voted aye. Motion carried.

The list of expenditures and transactions for August 2022 were presented. Mr. Huston reviewed the expenditures, and after additional discussion Trustee Eversmeyer moved, seconded by Trustee McGinnis, to ratify payment of \$6,961,836.10 for the Electric Utility, \$467,186.89 for the Water Utility, and \$941,056.99 for the Communications Utility, for a cumulative total of \$8,370,079.98. All Trustees present voted aye. Motion carried.

The next agenda item was to approve Project Summary Forms (PSFs) for the Advance Purchase of Long Lead Time Vehicles for 2023. Mr. Huston explained that Management is requesting approval to place orders now in an effort to receive the vehicles in 2023. All four vehicles were previously included in last year's 10-year financial projections and will be included in the 2023 budget. The total amount requested is \$541,900 and includes two Ford Lightning trucks, one new Freightliner cab with a Henderson dump body, and one Ford F750 cab with a Knapheide crane service body. Mr. Huston continued upfront costs are still a bit higher for the all-electric option, but Ford has priced the Lightnings to be quite competitive. With the reduced "fuel" cost and lower anticipated maintenance costs, staff estimates the 10-year total cost of ownership of the Lightning EV to be 13.6% less than that of a gasoline-powered alternative. The analysis also indicates a simple payback in Year 6. He continued pursuit of the all-electric alternatives aligns with MPW's strategic plan, serving Objective 5.1 – Electrify Muscatine 2.0. In addition to encouraging and incentivizing our customers to adopt electric vehicles, it is important for MPW to continue to "walk the talk." Several Trustees shared they are happy MPW is pursuing EV options. Trustee Porter moved, seconded by Trustee Eversmeyer, to approve the Project Summary forms and expenditures for V551, V606, V661, and V664 in the total amount of \$541,900. All Trustees present voted aye. Motion carried

Mr. Huston stated that the negotiations with the International Brotherhood of Electrical Workers, Local 55.10, were held September 12, 2022 and a tentative agreement was reached after one day of negotiations. Both sides focused solely on negotiating wages for the remaining two years of the Collective Bargaining Unit Agreement. Management's goal was to obtain agreement on wage increases that were reasonable considering the national inflationary conditions, ongoing workforce challenges, comparison to market, and the need to keep Utility rates reasonable for the Muscatine community. A tentative agreement was reached on the wage changes with the understanding that the Board of Trustees and Union membership must vote to accept/ratify the tentative agreement. The Union vote was held on September 21, 2022, and the ratification vote passed. After additional discussion, Trustee Eversmeyer moved, seconded by Trustee Porter, to approve the two-year wage agreement with International Brotherhood of Electric Workers Local 55.10 as previously outlined and discussed. Motion carried. All Trustees present voted aye.

In the General Manager's report, Mr. Huston shared that MPW has received a mutual aid request and a volunteer line crew and equipment will be leaving for New Smyrna Beach, Florida to assist with any power restoration efforts after Hurricane Ian. He continued at the Audit Finance Committee meeting in August, Eide Bailly (MPW's auditor) asked that a summary representation letter be shared with the full Board, which was included in the Board packet. Next Mr. Huston provided a recap of the Line 106 Ribbon Cutting and discussed MPW's all-employee meetings that were held to review progress on MPW's Strategic Plan initiatives. He ended by stating the Professional Developers of Iowa (PDI) conference is being held at The Merrill Hotel in Muscatine, and MPW will be participating as a sponsor and exhibitor and will be providing a speaker.

The August Financial Operating Statements and Balance Sheets were presented as previously submitted to all Board members. Mr. Roberts reviewed the MPW dashboard and the Financial Results Summary for each Utility.

Mr. Huston stated that 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 September Departmental Reports were presented as previously submitted to all Board members. Mr. Huston provided a high-level review of the reports and then shared a CIS Project update. Mr. White reviewed the Powering the Future Monthly Status Report.

Jessica Brackett of Cedar Rapids, Iowa made a public comment.

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

The meeting of the Board of Trustees was adjourned at 6:15 p.m.

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Brenda Christensen
Board Secretary