

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
August 26, 2025 – 4:03 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, August 26, 2025 at 4:03 p.m.

Chairperson Susan Eversmeyer called the meeting to order. Members of the Board were present as follows: Trustees Kelly McGriff, Tammi Drawbaugh, and Keith Porter. Trustee Kevin Fields was absent due to previously planned travel. Also present were Gage Huston, General Manager of Muscatine Power and Water; Kelly Miller, Board Secretary; Erika Cox, Brandy Olson, Mark Roberts, and Greg Slonka of Muscatine Power and Water. Guests attending the meeting were Chance Back, Jean Brewster, Britt Jameson, and Jessica Brackett.

Public comments were made by Mr. Huston.

Trustee Porter moved, seconded by Trustee Drawbaugh, to approve the July 29, 2025 regular Board meeting minutes be approved. All Trustees present voted aye. Motion carried.

The list of expenditures and transactions for July 2025 were presented. Mr. Huston reviewed the expenditures, and after additional discussion Trustee McGriff moved, seconded by Trustee Porter to ratify payment of \$8,606,278.07 for the Electric Utility, \$668,824.49 for the Water Utility, and \$1,092,643.96 for the Communications Utility, for a cumulative total of \$10,367,746.52. All Trustees present voted aye. Motion carried.

Mr. Huston next introduced the 2025 Power Supply Study results and recommendations. Mr. Slonka provided a presentation on the Power Supply Study results and reviewed the recommendations with the Board. The Staff made the following recommendations: continue development of Small-scale CHP Unit; continue to Evaluate Power Supply Options; keep Unit 9 as a coal-fired electric generation unit (EGU) and pursue Effluent Limit Guidelines (ELG) compliance; keep Unit 7 EGU as capacity asset but fired with natural gas; pursue Muscatine Solar 2 to optimize replacement of Unit 8 interconnection when Unit 8 is retired; further research battery storage performance in energy/capacity markets. After further review and discussion, Trustee McGriff moved, seconded by Trustee Drawbaugh, to approve the strategic direction of MPW's Powering The Future initiative, including the strategic recommendations presented to the Board during the August 2025 Board meeting. All Trustees present voted aye. Motion carried.

Next on the agenda Mr. Huston introduced a recommendation to approve three project summary forms for ELG rule compliance. Following the 2025 power supply study recommendation to maintain the existing Unit 9 as a pulverized coal-fired EGU, it is imperative to pursue the necessary engineering and construction activities to comply with the applicable wastewater and air emission standards set forth by EPA regulatory actions in recent years – most notably the 2020 and 2024 versions of the ELG rule. After further review and discussion, Trustee Drawbaugh moved, seconded by Trustee McGriff, to approve the Project Summary Form (PSF) for the Unit 9 ELG – Ground Floor BATW Capture Sump and Return System, for a total cost of \$441,100. All Trustees present voted aye. Motion carried. Trustee McGriff moved, seconded by Trustee Porter, to approve the PSF for the Unit 9 ELG – Front-End Engineering Design Project, for a total cost of

\$900,000 All Trustees present voted aye. Motion carried. Trustee Porter moved, seconded by Trustee Drawbaugh, to approve the PSF for the Combustion Residual Leachate – Landfill Rain Cover, for a total cost of \$409,500. All Trustees present voted aye. Motion carried.

The next agenda item was a recommendation to set a public hearing date for the Electric Utility Bond Issuance for EcoGen 10 project costs and other Utility needs. Mr. Huston stated that upon receipt of the final permit for the EcoGen 10 project (new gas-fired combined heat and power unit), MPW will actively pursue the issuance of bonds to finance this and other Electric Utility projects. In addition, MPW is recommending the Board set the maximum amount MPW's Electric Utility may seek to finance to accommodate other Electric Utility needs. Management recommends that the Board set a public hearing prior to its next regular Board Meeting on September 30, 2025 to receive any public comments from the public on issuance of Electric Utility Revenue Bonds up to \$168 million. The following resolution was submitted:

RESOLUTION 25-14

***Resolution to fix a date for a public hearing on a proposal to
issue electric utility system revenue bonds thereunder
in a principal amount not to exceed \$168,000,000***

WHEREAS, the City of Muscatine (the "City"), in Muscatine County, State of Iowa, did heretofore establish the Muscatine Electric Utility System (the "Electric Utility") of the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa (doing business as "Muscatine Power and Water") and for which the Electric Utility provides electricity and electric services in and to the City and to its inhabitants since its establishment; and

WHEREAS, the management and control of the Electric Utility are vested in the Board of the Water, Electric, and Communications Trustees of the City of Muscatine, Iowa (the "Board"); and

WHEREAS, Muscatine Power and Water acting with respect to the Electric Utility now proposes to issue indebtedness in a principal amount not to exceed \$168,000,000 (the "Bonds") pursuant to the provisions of Chapter 384 of the Code of Iowa, as amended, for the purpose of paying the cost, to that extent, of (i) constructing any and all necessary improvements and extensions to the municipal electric systems of the Electric Utility, including but not limited to constructing its EcoGen 10 generation project, (ii) funding a debt service reserve fund and any other necessary reserves, (iii) funding capitalized interest during construction, (iii) various other Electric Utility projects that include a solar project, Unit 9 effluent limit guidance compliance work, Grandview substation, Unit 9 feedwater heater and Grandview corridor overhead-to-underground work, and (iv) paying for costs of issuance of the Bonds (collectively the "Project"), and it is necessary to fix a date of meeting of the Board at which it is proposed to take action to issue the Bonds, payable from the net revenues of the Electric Utility, and to give notice thereof as required by such law;

NOW, THEREFORE, Be It Resolved by the Board of Muscatine Power and Water acting with respect to the Electric Utility, as follows:

Section 1. This Board shall meet on September 30, 2025, at the Muscatine Power and Water Administration Offices, 3205 Cedar Street, in the City of Muscatine,

at 3:58 p.m., at which time and place a hearing will be held and proceedings will be instituted and action necessary to issue electric utility revenue bonds and to enter into a loan agreement.

Section 2. The Board Secretary is hereby directed to give notice of the proposed action on the Bonds setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once, not less than four (4) and not more than twenty (20) days before the meeting, in a legal newspaper which has a general circulation in the City.

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the "Regulations") of the Internal Revenue Service, the Board declares (a) that it intends to undertake the Project that is reasonably estimated to cost approximately \$168,000,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of the bond, notes or other indebtedness, or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the Board, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the Board and no expenditures will be made by the Board until after the date of this Resolution or a prior intent resolution of the Board, and (c) that the Board reasonably expects to reimburse the expenditures made for costs of the Board out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Trustee Drawbaugh moved, seconded by Trustee Porter, that said resolution be passed, approved, and adopted this 26th day of August 2025. On roll call Trustees Drawbaugh, Porter, McGriff, and Eversmeyer voted aye. Voting nay, none. Resolution carried.

Mr. Huston next introduced a recommendation to Approve Internet Product Adjustments effective September 1, 2025. Staff continues to assess market penetration and customer favorability towards MPW's internet services. To remain competitive, additional restructure is recommended for MPW's internet packages to provide more value to our customers. This restructure was anticipated for a November "Black Friday" launch; however, staff feels it is prudent to make the change effective September 1, 2025 to capture those households looking for a back-to-school internet package or other budget-friendly options. The following resolution was submitted:

RESOLUTION 25-16

WHEREAS, review of the financial condition of the Communications Utility has been completed and reviewed with the Board of Water, Electric, and Communications Trustees for its consideration; and,

WHEREAS, the Board has reviewed this information and determined that a revenue adjustment is necessary to keep the Communications Utility in a sound financial condition; now therefore,

BE IT RESOLVED, by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, that effective September 1, 2025, MPW will offer a 100/100Mbps package at \$30.99 and adjust the 5Gbps/5Gbps package price to \$110.99; and

BE IT FURTHER RESOLVED, that the current 150/150 internet package be changed to speeds of 250/250; and

BE IT FURTHER RESOLVED, that the existing 15/5 and 2Gig/2Gig packages be eliminated; and

BE IT FURTHER RESOLVED, that proper notice be given to consumers in accordance with the terms of the contracts, Federal Communications Commission (FCC) and Iowa State Code.

Trustee Porter moved, seconded by Trustee McGriff, that said resolution be passed, approved, and adopted this 26th day of August 2025. On roll call Trustees Drawbaugh, Porter, McGriff, and Eversmeyer voted aye. Voting nay, none. Resolution carried.

The next agenda item was a recommendation to Authorize the General Manager to Accept NOFA 9 Grants. Ms. Cox reviewed that MPW has applied for four Notice of Funding Availability (NOFA) 9 rural broadband expansion grants through the State of Iowa. The federal Infrastructure and Investment Jobs Act authorized \$42.45B for the Broadband Equity Access and Deployment (BEAD) Program. The State of Iowa was awarded \$400M to complete broadband buildouts to remaining unserved and underserved homes and businesses. NOFA 9 utilizes that funding, and award announcements are expected in September. After further review and discussion, Trustee Drawbaugh moved, seconded by Trustee Porter, to authorize MPW to accept NOFA 9 grant awards with potential total grant-related project costs up to \$1,749,851 and programmatic reimbursements up to \$1,312,389. All Trustees present voted aye. Motion carried.

Mr. Huston reviewed the previously submitted memorandum to all Trustees regarding designating the week of October 5-11, 2025 as Public Power Week. To support and increase awareness of the public to the benefits of public power, MPW would like to have the City of Muscatine designate this week to celebrate public power and recognize the important contributions MPW provides to the community. The following resolution was submitted:

RESOLUTION 25-17
PUBLIC POWER WEEK
October 5-11, 2025

WHEREAS, the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa wishes to recognize its customers and employees during Public Power Week; and,

WHEREAS, the citizens of Muscatine, place high value on a community-owned, not-for-profit utility and, as both customers and owners of the utility, have chosen local control over operations and policies through their City-appointed Board of Trustees; and,

WHEREAS, the MPW electric system is a community asset that contributes to the well-being of the local citizens through things such as energy efficiency, customer service, environmental protection, and economic development; and

WHEREAS, MPW employees are neighbors serving neighbors, providing homes, businesses, schools, and local government agencies with not-for-profit electric services while considering these four important factors: Reliability, Affordability, Flexibility and Sustainability, making our community the best place to live, stay, work, and play, and;

WHEREAS, Muscatine Power and Water is a dependable and trustworthy institution whose local operation provides many consumer protections, provides prompt service during emergencies, and contributes to protecting the environment;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees request that the Mayor and City Council designate the week of October 5 – October 11, 2025 as Public Power Week in Muscatine, in order to honor Muscatine Power and Water, its customers, policy makers, and its employees, who work together to provide the best possible services; and,

BE IT FURTHER RESOLVED, that Muscatine has joined hands with other communities across the nation in this celebration of the many benefits of the public power model.

Trustee McGriff moved, seconded by Trustee Porter, that said resolution be passed, approved, and adopted this 26th day of August 2025. On roll call, Trustees Drawbaugh, Porter, McGriff, and Eversmeyer voted aye. Voting nay, none. Resolution carried.

In the General Manager's report, Mr. Huston updated the Board on the Iowa Sunshine Law training for new board members. Earlier this year, the Legislature passed HF 706 addressing training and compliance requirements for elected and appointed public officials with Iowa's open meetings (Chapter 21) and open records (Chapter 22) laws. It went into effect on July 1. These two Chapters are often called the "Sunshine" laws for shining light on the operation of public entities. The Iowa Public Information Board (IPIB) recently issued an advisory opinion on the topic and started training sessions to support the new law. Mr. Huston next reviewed the H.R. 1 impacts related to MPW solar projects. The IRS issued guidance on August 15 related to tax incentive qualification for solar and wind projects. The biggest impact of that guidance is the elimination of the 5% safe harbor threshold for projects that do not meet that spend level by September 2, 2025. The guidance also clarifies how projects could meet start-of-construction requirements, which is a qualitative, not quantitative, process.

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

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 August Departmental Reports were presented as previously submitted to all Trustees. Mr. Huston provided a high-level review, and Mr. Slonka provided a Powering the Future status report. Public comments were made by Jessica Brackett.

Trustee Porter moved, seconded by Trustee McGriff to receive and place on file the August 2025 Utility Reports. All Trustees present voted aye. Motion carried.

The meeting of the Board of Trustees was adjourned at 6:10 p.m.

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

A handwritten signature in cursive script, reading "Kelly Miller".

Kelly Miller
Board Secretary