

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
JANUARY 30, 2024 – 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, January 30, 2024, at 5:30 p.m.

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

Also present were Gage Huston, General Manager of Muscatine Power and Water (MPW); Kelly Miller, Board Secretary; Erika Cox, Brandy Olson, Mark Roberts, Ryan Streck and Doug White of MPW. Additional guests included Niki Sink, Greg Slonka, and Jessica Brackett.

There were no public comments.

Mr. Huston introduced Greg Slonka from MPW.

Trustee Eversmeyer moved, seconded by Trustee McGinnis, to approve the December 21, 2023 regular meeting minutes. All Trustees present voted aye. Motion carried.

Discussion regarding the monthly expenditures was paused while Mr. Roberts researched a question about the listing. After completion of that review and later in the meeting, Trustee Eversmeyer moved, seconded by Trustee Bradford to ratify the December accounts payable expenditures in the cumulative total amount of \$10,662,654.44 for the Electric, Water, and Communications Utilities. All Trustees present voted aye. Motion carried.

Mr. Huston presented an agenda item for a recommendation to set dates for Receipt of Bids/Conduct a Public Hearing for the West Substation Utility Building Project. The project will cover furnishing of all labor, materials, tools, equipment, and supervision necessary to construct one metal storage building with four bays on the West Substation property. Management recommended Board approval for issuing plans and specifications for performing this work and that dates and times be established for a Competitive Bid. After discussion and review, the following resolution was submitted:

RESOLUTION 24-01

WHEREAS, plans and specifications have been prepared for the West Substation Utility Building 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 West Substation Utility Building Project is tentatively approved; and,

BE IT RESOLVED, that the date of February 27, 2024 at 2:00 p.m., is hereby set for receipt of bids on the West Substation Utility Building 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 March 28, 2024 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 Eversmeyer moved, seconded by Trustee McGinnis, the resolution be passed, approved, and adopted this 30th day of January 2024. On roll call Trustees Eversmeyer, McGinnis, Bradford, and Porter voted aye. Voting nay, none. Resolution carried.

Mr. White next presented updates regarding the Muscatine Solar 1 Power Purchase agreement.

At 5:44 p.m. Chairperson Porter stated the Board would be going into Closed Session to discuss competitive information related to Muscatine Solar 1 Power Purchase Agreement, in Accordance with Iowa Code 388.9. Trustee McGinnis moved, seconded by Trustee Eversmeyer to enter closed session in accordance with Iowa Code 388.9 (protecting competitive information). On roll call, Trustees Eversmeyer, McGinnis, Bradford, and Porter, voted aye. Voting nay, none. Motion carried.

At 6:01 p.m. the meeting was reconvened to open session.

Mr. Huston asked the Board to Authorize the General Manager to Enter into an Amended and Restated Power Purchase Agreement and Amended and Restated Solar Site Lease and Easement Agreement with MPW Solar 1, LLC for the Muscatine Solar 1 Project. Trustee McGinnis moved, seconded by Trustee Bradford to authorize the General Manager to Enter into an Amended and Restated Power Purchase Agreement and Amended and Restated Solar Site Lease and Easement Agreement with MPW Solar 1, LLC for the Muscatine Solar 1 Project. All Trustees present voted aye. Motion carried.

Mr. White next presented updates regarding the CHP Unit Engineering Preliminary Design.

At 7:01 p.m. Chairperson Porter stated the Board would be going into Closed Session to discuss competitive information related to the CHP Unit and Associated Potential Steam Sales Agreement, in Accordance with Iowa Code 388.9. Trustee Eversmeyer moved, seconded by Trustee McGinnis to enter closed session in accordance with Iowa Code 388.9 (protecting competitive information). On roll call, Trustees Eversmeyer, McGinnis, Bradford, and Porter, voted aye. Voting nay, none. Motion carried.

At 7:20 p.m. the meeting was reconvened to open session.

Mr. Huston asked the Board to Approve the Revised Project Summary Form for CHP Unit – Engineering Preliminary Design Outline/Project Definition with a Total cost of \$1,430,400. Trustee Eversmeyer moved, seconded by Trustee McGinnis to Approve the Revised Project Summary Form for CHP Unit – Engineering Preliminary Design Outline/Project Definition with a total cost of \$1,430,400. All Trustees present voted aye. Motion carried.

Mr. Huston next asked the Board to direct MPW Staff to commence project-related activities for air and regulatory permitting, MISO interconnection studies, natural gas supply arrangements, project financing activities, and steam sales agreement negotiations. Trustee Bradford moved, seconded by Trustee McGinnis to direct MPW Staff to commence project-related activities for air and regulatory permitting, MISO interconnection studies, natural gas supply arrangements, project financing activities, and steam sales agreement negotiations. All Trustees present voted aye. Motion carried.

Mr. Huston introduced the next item on the agenda as approval of Reimbursement Resolutions for all three Utilities, as recommended by Bond Counsel on an annual basis. The recommended Resolutions presented are similar to what the Board has adopted on an annual basis each January and are established to comply with the requirements of Treasury Regulation 1.150-2 (proceeds of bonds used for reimbursement). The Reimbursement Resolutions do not obligate the Board to undertake a borrowing or to include all qualifying capital projects in any given debt issuance, but it does give the Board the ability to include those projects if they qualify and the economics warrant. After discussion and review, the following resolutions were submitted:

RESOLUTION 24-02

DECLARATION OF OFFICIAL INTENT OF THE CITY OF MUSCATINE, IOWA,
ACTING BY AND THROUGH ITS BOARD OF WATER, ELECTRIC, AND
COMMUNICATIONS TRUSTEES OF THE CITY OF MUSCATINE, IOWA TO
REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS FOR
THE **ELECTRIC UTILITY**

WHEREAS, the City of Muscatine, Iowa, (the "Issuer") acting by and through its Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa (the "Board") intends to acquire land; construct, improve, furnish, and equip extensions; make improvements; and commit to other capital projects related to the Electric Utility (collectively the "Projects"); and

WHEREAS, the Issuer expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects prior to the issuance of indebtedness for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, the Issuer reasonably expects that debt obligations in an amount not expected to exceed \$170,000,000 will be issued with respect to financing of the Projects and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, the Issuer desires to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Projects;

NOW THEREFORE, it is hereby resolved by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, as follows:

- Section 1. The Issuer finds and determines that the foregoing recitals are true and correct.
- Section 2. This declaration is made solely for the purpose of establishing compliance with the requirements of Section

1.150-2 of the Treasury Regulations. This declaration does not bind the Issue to make any expenditure, incur any indebtedness, or proceed with the Projects.

Section 3. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures with respect to the Projects.

Section 4. This declaration shall take effect from and after its adoption.

Trustee McGinnis moved, seconded by Trustee Bradford, the resolution be passed, approved, and adopted this 30th day of January 2024. On roll call Trustees Eversmeyer, McGinnis, Bradford, and Porter voted aye. Voting nay, none. Resolution carried.

RESOLUTION 24-03

DECLARATION OF OFFICIAL INTENT OF THE CITY OF MUSCATINE, IOWA, ACTING BY AND THROUGH ITS BOARD OF WATER, ELECTRIC, AND COMMUNICATIONS TRUSTEES OF THE CITY OF MUSCATINE, IOWA TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS FOR THE WATER UTILITY

WHEREAS, the City of Muscatine, Iowa, (the "Issuer") acting by and through its Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa (the "Board") intends to acquire land; construct, improve, furnish, and equip extensions; make improvements; and commit to other capital projects related to the Water Utility (collectively the "Projects"); and

WHEREAS, the Issuer expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects prior to the issuance of indebtedness for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, the Issuer reasonably expects that debt obligations in an amount not expected to exceed \$8,000,000 will be issued with respect to financing of the Projects and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, the Issuer desires to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Projects;

NOW THEREFORE, it is hereby resolved by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, as follows:

Section 1. The Issuer finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for the purpose of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the Issue to make any expenditure, incur any indebtedness, or proceed with the Projects.

- Section 3. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursements Expenditures with respect to the Projects.
- Section 4. This declaration shall take effect from and after its adoption.

Trustee Eversmeyer moved, seconded by Trustee McGinnis, the resolution be passed, approved, and adopted this 30th day of January 2024. On roll call Trustees Eversmeyer, McGinnis, Bradford, and Porter voted aye. Voting nay, none. Resolution carried.

RESOLUTION 24-04

DECLARATION OF OFFICIAL INTENT OF THE CITY OF MUSCATINE, IOWA,
ACTING BY AND THROUGH ITS BOARD OF WATER, ELECTRIC, AND
COMMUNICATIONS TRUSTEES OF THE CITY OF MUSCATINE, IOWA TO
REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS
FOR THE **COMMUNICATIONS UTILITY**

WHEREAS, the City of Muscatine, Iowa, (the "Issuer") acting by and through its Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa (the "Board") intends to acquire land; construct, improve, furnish, and equip extensions; make improvements; and commit to other capital projects to the Communications Utility (collectively the "Projects"); and

WHEREAS, the Issuer expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects prior to the issuance of indebtedness for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, the Issuer reasonably expects that debt obligations in an amount not expected to exceed \$12,000,000 will be issued with respect to financing of the Projects and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, the Issuer desires to comply with the requirements of Treasury Regulation 1.150-2 (the "Regulations") with respect to the Projects;

NOW THEREFORE, it is hereby resolved by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, as follows:

- Section 1. The Issuer finds and determines that the foregoing recitals are true and correct.
- Section 2. This declaration is made solely for the purpose of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the Issue to make any expenditure, incur any indebtedness, or proceed with the Projects.

- Section 3. The Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursements Expenditures with respect to the Projects.
- Section 4. This declaration shall take effect from and after its adoption.

Trustee Eversmeyer moved, seconded by Trustee McGinnis, the resolution be passed, approved, and adopted this 30th day of January 2024. On roll call Trustees Eversmeyer, McGinnis, Bradford, and Porter voted aye. Voting nay, none. Resolution carried.

Mr. Huston next recommended the regularly scheduled Board meetings in March 2024 and December 2024 be moved due to scheduling conflicts. Staff is asking that the March 2024 Board Meeting date of Tuesday, March 26, 2024 be rescheduled to Thursday, March 28, 2024, and the December 2024 Board Meeting date of Tuesday, December 24, 2024 be rescheduled to Thursday, December 19, 2024. Trustee McGinnis moved, seconded by Trustee Eversmeyer, that the March 2024 and December 2024 Board Meetings be moved to March 28, 2024, and December 19, 2024. All Trustees voted aye. Motion carried.

In the January GM Report, Mr. Huston updated the Board on the following topics:

- Update Unit 9 CWP PSF – (9B). Mr. Huston explained that at the December 2023 Board meeting, the Board approved an off-cycle Project Summary Form (PSF) to complete an overhaul of a Circulating Water Pump at Unit 9. It was discovered shortly after that meeting there had been a clerical error related to that PSF. The PSF and associated Board memo referenced pump “9A” when it should have referenced pump “9B.”
- Mr. Huston next spoke to MPW service reliability remaining strong through the latest winter weather in mid-January. While some challenges were certainly encountered, the MPW system fared very well overall in keeping MPW’s electric, water and communications services available to customers.
- Mr. Huston spoke about the MPW Martin Luther King Day volunteer event held on January 15, 2024. The event was a remarkable success thanks to the dedicated staff who generously contributed their time and efforts. The event this year was held at MCSA.

The December Financial Dashboard and Financial Results Summaries and Statements were reviewed by Mr. Roberts. He also reviewed 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.

Progress on the 2021-23 Strategic Plan, as well as Key Performance Indicators, for the Electric, Water, and Communications Utilities were reviewed.

Mr. Huston reviewed the January 2024 Departmental Reports.

No public comments were made.

Trustee McGinnis moved, seconded by Trustee Eversmeyer, to receive and place on file the January 2024 Utility Reports. All Trustees present voted aye. Motion carried.

At 8:13 p.m. Chairperson Porter stated the Board would be going into Closed Session to discuss the corporate network outage, in Accordance with Iowa Code 21.5(1)(k) and 22.7(50). Trustee McGinnis moved, seconded by Trustee Eversmeyer to enter closed session in Accordance with Iowa Code 21.5(1)(k) and 22.7(50) (security matters). On roll call, Trustees Eversmeyer, McGinnis, Bradford, and Porter, voted aye. Voting nay, none. Motion carried.

At 9:04 p.m. the meeting was reconvened to open session.

The board formally expressed their thanks and trust that the staff is taking care of the security issue.

The meeting of the Board of Trustees was adjourned at 9:04 p.m.

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

A handwritten signature in cursive script, appearing to read "Kelly Miller".

Kelly Miller
Board Secretary