

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
JUNE 26, 2018 – 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, June 26, 2018, at 5:30 p.m.

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

Also present were Sal LoBianco, General Manager of Muscatine Power and Water; Jerry Gowey, Board Secretary; Charles Potter, Muscatine Journal; Erika Cox, Brandy Olson, Tim Reed, Gage Huston, and Brenda Christensen of Muscatine Power and Water (MP&W).

Chairperson Tubandt asked if there was anyone in attendance who wished to make any public comments. There were no public comments.

The minutes of the May 29, 2018, public hearing and regular meeting were presented as previously submitted to all Board members. Trustee McGinnis moved, seconded by Trustee Eversmeyer, that the minutes from the May 29, 2018, public hearing and regular meeting be approved. All Trustees present voted aye. Motion carried.

The list of expenditures and transactions for May 2018 was presented as previously submitted to all Board members. Trustee Bradford moved, seconded by Trustee McGinnis, to ratify payment of \$9,353,341.90 for the Electric Utility, \$920,905.54 for the Water Utility, and \$1,068,449.89 for the Communications Utility, for a cumulative total of \$11,342,697.33. All Trustees present voted aye. Motion carried.

Mr. LoBianco stated at the June 7, 2018, City Council meeting, the Council re-appointed Tracy McGinnis to the MP&W Board of Trustees for a six-year term beginning July 1, 2018, through June 30, 2024. Trustee Bradford moved, seconded by Trustee Eversmeyer, to receive and place on file the Certificate of Appointment for Tracy McGinnis to the Board of Trustees for a period of July 1, 2018, through June 30, 2024. All Trustees present voted aye. Motion carried.

Mr. LoBianco introduced the next memo to the Board that was a recommendation for Baker Tilly Virchow Krause, LLP (BT) to continue to be retained as the auditors for the MP&W 2018 Audit. He explained that the Audit Finance (A/F) Committee had discussed BT performance and fees and the Committee was recommending the continued engagement. Trustee Bradford, Committee Chair for the Audit/Finance Committee, stated that the topic had been discussed in the A/F Committee meeting and the Committee was in agreement to continue the engagement of BT for the 2018 Audit. Trustee McGinnis moved, seconded by Trustee Eversmeyer, that Baker Tilly Virchow Krause LLP be retained as the Auditors for the 2018 Audit. Motion carried. All Trustees present voted aye.

Mr. LoBianco stated that the Board of Trustees usually elects new officers at the June meeting for the following year. It was recommended that Trustee Porter be elected Chairperson and

Trustee McGinnis be elected Vice-Chairperson for the 2018/2019 term, beginning July 1, 2018. As part of the process of electing new Board officers, the Board Secretary is also appointed; it was recommended Mr. Gowey continue as Board Secretary. Mr. LoBianco thanked Trustee Tubandt for his service as Chairperson. Trustee Eversmeyer moved, seconded by Trustee Bradford, that Trustee Porter be elected Chairperson, Trustee McGinnis be elected Vice-Chairperson, and that Secretary Gowey continue as Board Secretary for the 2018/2019 term. All Trustees present voted aye. Motion carried.

In the General Manager's report, Mr. LoBianco reviewed that staff from the U.S. Environmental Protection Agency (EPA) recently conducted an unannounced air compliance inspection at MP&W's Generation Site. The inspector completed spot checks on 38 different aspects of MP&W's Title V operating permit requirements – including boiler operation and emission limits, fugitive dust control procedures, combustion and dust control equipment operation, and recordkeeping. A 30-page report received after the inspection summarized the inspector's findings and indicated full compliance with all air permit requirements. He continued that MP&W is very proud of its culture of proactive environmental compliance and that this is just another example of MP&W employees demonstrating the Core Value of Environmental Stewardship. MP&W Staff are dedicated to their compliance activities and this successful inspection is a clear indication of that. Mr. LoBianco also shared that the project consultant, after initial inspection for the Round Reservoir Project, recommended that the additional work of priming before coating be completed on both the internal and external walls of the reservoirs. This caused a change order of approximately \$59,000 that Mr. LoBianco approved; even with additional cost, the project is still expected to be completed below budget.

The May 2018 Financial Summary, Operating Statements and Balance Sheets were presented as previously submitted to all Board members. After review and discussion, Trustee Eversmeyer moved, seconded by Trustee McGinnis, to receive and place on file the May 2018 Financial Operating Statements and Balance Sheets for the Water, Electric, and Communications Utilities. All Trustees present voted aye. Motion carried.

The Competitive Quotes for Public Improvements Report was presented as previously submitted to all Board members. There were no items for approval.

The May 2018 Departmental Reports were presented as previously submitted to all Board members. Trustee Bradford moved, seconded by Trustee Eversmeyer, to receive and place on file the May 2018 Departmental Reports. All Trustees present voted aye. Motion carried.

The meeting of the Board of Trustees was adjourned at 6:00 p.m.

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Jerry Gowey
Board Secretary