

## **PRESS RELEASE**

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Muscatine Power and Water  
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### **FOR IMMEDIATE RELEASE**

The Muscatine Power and Water Board of Trustees learned at Tuesday's meeting a multi-year efficiency project, converting city streetlights to LED bulbs, has been completed. The project was supported by federal programs and grants and is anticipated to save thousands in energy and maintenance costs.

"We continually look for opportunities for cost savings," said Gage Huston, general manager. "This project was an easy win for Muscatine ratepayers and is a prime example of the benefits of local governance. Having a Board of Trustees made up of community members positions us to be uniquely responsive to Muscatine's needs."

In addition to cost savings benefits, the enhanced lighting adds to public safety by helping reduce vehicle accidents and pedestrian conflicts.

The Trustees approved setting the Energy Adjustment Clause (EAC) to zero effective August 1, 2019. Adopted by the Board of Trustees in 1978, the EAC allows for pass through to customers of increasing or decreasing energy costs over a base amount.

"By taking a long-term view toward meeting our financial obligations while maintaining competitive rates, setting the EAC to zero makes sense at this time," said Huston. "We will monitor the cash balances throughout the remainder of the year to analyze the impact of this action."

In other Board action:

- Accepted Unit #9 Turbine Roof Replacement Project as complete at the final price of \$159,900. The project was completed by Advance Builders Corp.
- Recommended to set dates for receipt of bids/contracts at a public hearing for the 69kV Duct Bank and Conduit Installation on HNI Property Contract as part of Mississippi Drive Corridor Underground Phase 1 Project. The project covers construction from the intersection of 2<sup>nd</sup> St. and Oak St. to near the intersection of 4<sup>th</sup> St. and Poplar St. Receipt of bids will be 8/29/19 and the public hearing/award recommendation will be 9/24/19.
- Recommended to set public hearing on MISO Attachment O Annual Meeting - Transmission Rate Update. The public hearing will be 8/27/19.

The Board went into closed session to discuss potential litigation regarding the Fiber to the Home Project. No formal action was taken upon completion of the closed session. Staff reviewed with the Board current project difficulties and steps being taken to remedy those difficulties. The Board was advised a more realistic timetable to complete the project, given the amount of work still required, will be 2020.

Nearly 40% of customers have been converted to the all-fiber system. Underground construction and underground premise work are lagging other facets of construction. Staff have been authorized to continue negotiations with its contractor Atlantic Engineering Group to secure crews to complete the work. A robust amount of fiber construction work around the country, low unemployment, unit pricing, and previous quality issues are adding to the difficulty of adding drop crews locally to complete the project.

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#### **ABOUT MUSCATINE POWER AND WATER**

*Muscatine Power and Water (MP&W) is a customer-driven, not-for-profit municipal utility, established by the community for the purpose of serving the community responsively, competitively, and responsibly. MP&W provides reliable electricity, high quality water, and state-of-the-art communications services, including Internet, TV, and phone services, to businesses and homes throughout the Muscatine community at rates below state and national averages with outstanding customer service. MP&W is locally controlled and operated for the benefit and betterment of the community.*