

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
AUGUST 29, 2017 – 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, August 29, 2017, at 5:30 p.m.

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

Also present were Sal LoBianco, General Manager of Muscatine Power and Water; Jerry Gowey, Board Secretary; Charles Potter, Muscatine Journal; Jeremy Graves, Pivot Group; Erika Cox, Gage Huston, Brandy Olson, Tim Reed, 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 July 25, 2017, regular meeting minutes were presented as previously submitted to all Board members in written form. Trustee McGinnis moved, seconded by Trustee Porter, that the minutes from the July 25, 2017, regular meeting minutes be approved as submitted. All Trustees voted aye. Motion carried.

The list of expenditures and transactions for July 2017 were presented as previously submitted to all Board members in written form. Trustee McGinnis moved, seconded by Trustee Eversmeyer to ratify payment of \$7,877,083.27 for the Electric Utility, \$670,653.84 for the Water Utility, and \$1,715,327.19 for the Communications Utility, for a cumulative total of \$10,263,064.30. All Trustees voted aye. Motion carried.

The next agenda item was a Recommendation to Postpone Award of Contract at the August Meeting and to Set Dates for Receipt of Bids/Conduct a Public Hearing for Fiber to the Home (FTTH) Premise Installations for Multiple Dwelling Units (MDU's) and Large Commercial Facilities Project. Mr. LoBianco stated that a project was approved with the 2015 Operating Budget for a total expenditure of \$8,700,000 for the design and construction of a FTTH system to replace the current Communications Utility hybrid fiber coax (HFC) system. The project scope and budget was subsequently revised to \$15,896,000 and a revised project summary form covering these changes was included and approved with the 2017 Communications Utility Operating Budget. This portion of the work covers the installation of equipment and cabling at MDU's and larger commercial facilities to allow for conversion to MP&W's FTTH system. Mr. LoBianco continued that the estimated total expenditure for this project was \$879,709. Specifications pertaining to the FTTH Premise Installation for MDU's and Large Commercial Facilities Project were mailed to 34 potential

bidders. A total of two bids were received, opened publicly, and read aloud on August 3, 2017, at 3:00 p.m. No bidders attended the opening. Management reviewed the bids and established conformance to the specifications with the evaluated low bidder of MP Nexlevel, LLC. of Maple Lake, MN. The evaluated low bid was higher than expected; rather than reject all bids and re-bid the project with a modified scope, Management opened a dialogue with MP Nexlevel to clarify options that may lower their bid. Negotiations are currently ongoing; therefore, Management is recommending that the award of contract be postponed to the September 26, 2017, Board meeting. After discussion, the following resolution was submitted:

RESOLUTION 17-36

WHEREAS, plans and specifications have been prepared for the Fiber to the Home (FTTH) Premise Installations for Multiple Dwelling Units (MDU's) and Large Commercial Facilities Project, as a part of the Design and Construction of a FTTH System Project,

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 FTTH Premise Installations for MDU's and Large Commercial Facilities Project are tentatively approved; 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 September 26, 2017, at 5:28 p.m., and notice 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 Bradford moved, seconded by Trustee Eversmeyer, that said resolution be passed, approved, and adopted this 29th day of August 2017. On roll call, Trustees McGinnis, Eversmeyer, Bradford, Porter, and Tubandt, voted aye. Voting nay, none. Resolution carried.

The next item on the agenda was a Recommendation to Accept Contract Change Order No. 1 and Final Acceptance for the 2017 Southeast Parking Lot Improvements Project. Mr. LoBianco told the Board that this project was approved with the 2017 Operating Budget for a total expenditure of \$216,700.00 to furnish all labor, materials, tools, equipment, and supervision necessary to remove all existing pavement in the southeast parking lot and construct a new parking lot using concrete pavement with a published estimate of \$149,400.00. He continued that at the April 2017 Board meeting, a contract was awarded to Heuer Construction Inc. for the 2017 Southeast Parking Lot Improvements Project for a total price of \$187,145.65. Work covered by this contract is complete and has been reviewed by management and found to be in accordance with the specifications. Mr.

LoBianco referenced Contract Change Order No. 1 that included some additional services for an increase of \$13,584.61 and stated that the change order was within the 10% change threshold and was previously approved by the General Manager. Management recommends proceeding with final acceptance and release of retainage. After discussion and review, the following resolutions were submitted:

RESOLUTION 17-37

WHEREAS, Contract Change Order No. 1 has been prepared for the 2017 Southeast Parking Lot Improvements Project in the increased total net amount of \$200,730.26 and said Contract Change Orders were reviewed by the Board, and Muscatine Power and Water Management has recommended ratification of said Contract Change Orders; now therefore,

BE IT RESOLVED, by the Board of Water, Electric, and Communications Trustees that said Contract Change Order No. 1 in the increased amount of \$13,584.61 be ratified for an amended contract price of \$200,730.26 for the 2017 Southeast Parking Lot Improvements Project.

Trustee McGinnis moved, seconded by Trustee Bradford, that said resolution be passed, approved, and adopted this 29th day of August 2017. On roll call, Trustees Bradford, McGinnis, Eversmeyer, Porter, and Tubandt, voted aye. Voting nay, none. Resolution carried.

RESOLUTION 17-38

WHEREAS, it appears in a written report from Muscatine Power and Water Management that the contract with Heuer Construction Inc. of Muscatine, IA for the 2017 Southeast Parking Lot Improvements Project in the final amount of \$200,730.26 has been substantially completed in accordance with the project specifications and the recommendation has been made that said contract be accepted by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa; now therefore,

BE IT RESOLVED, by the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa, that the 2017 Southeast Parking Lot Improvements Project, furnished under the above-named contract be accepted and approved by the Board; and,

BE IT FURTHER RESOLVED, that five percent (5%) of the contract price be retained for a period of thirty-one (31) days from and after the date of resolution, all in accordance with the provisions of the Code of Iowa.

Trustee Eversmeyer moved, seconded by Trustee McGinnis, that said resolution be passed, approved, and adopted this 29th day of August 2017. On roll call, Trustees Porter, Eversmeyer, McGinnis, Bradford, and Tubandt, voted aye. Voting nay, none. Resolution carried.

Mr. LoBianco stated that at the July Board of Trustees meeting, the revised Board Policy Manual was presented in draft form for the Trustees input and comments. The manual has been finalized with no additional revisions. It was recommended that the Trustees approve the manual. Trustee McGinnis moved, seconded by Trustee Bradford, that the 2017 Board Policy Manual be approved as presented. All Trustees voted aye. Motion carried.

Mr. LoBianco reviewed the previously submitted memorandum to all Board members regarding designating the week of October 1-7, 2017, as Public Power Week. In order to support and increase awareness of the public to the benefits of public power, MP&W would like to have the City designate this week to celebrate public power and recognize the important contributions that MP&W provides to the community. Mr. LoBianco stated that this was an opportunity to promote the importance of public power to customer/owners and employees. The following resolution was submitted:

**RESOLUTION 17-39
PUBLIC POWER WEEK 2017**

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 are both owners and consumers of their not-for-profit public power system and exercise local control over utility operations and policies through their Board of Trustees; and,

WHEREAS, the MP&W electric system is a community asset that contributes to the well-being of the citizens and our employees are neighbors serving neighbors, providing homes, businesses, farms, and local government agencies with not-for-profit electric services that are safe, reliable, and cost-effective; and,

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees request that the Mayor and City Council designate the week of October 1-7, 2017, as Public Power Week in Muscatine, in order to honor Muscatine Power and Water, its consumer-owners, and its employees, who work together to provide the best possible services; and,

BE IT FURTHER RESOLVED, that Muscatine has joined hands with other public power communities across the nation to celebrate the benefits of consumer-owned utilities for our local and national progress.

Trustee Bradford moved, seconded by Trustee Porter, that said resolution be passed, approved, and adopted this 29th day of August 2017. On roll call, Trustees Bradford, McGinnis, Porter, Eversmeyer, and Tubandt, voted aye. Voting nay, none. Resolution carried.

In the General Manager's Report, Mr. LoBianco updated the Board that on August 9th, Erika Cox met with local realtors during their Board of Realtors meeting to speak to the group about the FTTH project and benefits the project brings in terms of giving Muscatine a

competitive edge in the community and for retaining and attracting new business. He continued that additional public meetings are being planned for closer to our November 2017 launch for further educational opportunities.

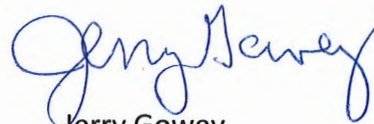
The July 2017 Financial Operating Statements and Balance Sheets were presented as previously submitted to all Board members in written form. After review and discussion, Trustee Porter moved, seconded by Trustee Bradford, to receive and place on file the July 2017 Financial Operating Statements and Balance Sheets for the Water, Electric, and Communications Utilities. All Trustees 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 report was received and placed on file.

The July 2017 Departmental Reports were presented as previously submitted to all Board members in written form. Trustee Bradford moved, seconded by Trustee Porter to receive and place on file the July 2017 Departmental Reports. All Trustees voted aye. Motion carried.

The meeting of the Board of Trustees was adjourned at 6:50 p.m.

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



Jerry Gowey
Board Secretary