Board Meeting April 9, 2018

The Milford Municipal Utilities Board of Trustees met in regular session on Monday, April 9, 2018 at 6:15 P.M. in the west end of the Community Center. In attendance were Board Members Kevin Wharton, Sue Prunty, Wanda Nelson, and Mike Anderson, Keith Wurtz was absent; Manager Eric Stoll; Secretary Paula Nordblad; and Utility Attorney Abby Walleck. At 6:35 those in attendance at the City Council meeting joined us, Mayor Steve Anderson, City Administrator LeAnn Reinsbach, Council Members Bill Huse, Don Olsen, Chris Hinshaw, Andy Yungbluth, Doug Frederick; City Attorney Harold Dawson; Police Chief Bob Clark, and guests Kent Eilers, Nick Jones, and members of a high school Government class.

Vice-Chairman Nelson called the meeting to order.

The agenda, minutes, financial statements and bills were approved as presented. The following bills were approved for payment:

Aflac	Employee Funded Benefit	375.60
Arnold Motor Supply	Truck, Shop, Equip Maint	271.72
Aspire	Employee Funded Benefit	290.00
Aspire	Employee Funded Benefit	290.00
Base	Employee Benefits	30.00
Base	Employee Funded Benefit	142.00
Base	Employee Funded Benefit	221.19
Base	Employee Funded Benefit	396.00
Base	Employee Funded Benefit	142.00
Black Hills Energy	Power	58.68
Bomgaars	Tools	41.94
Business Today	Maps	32.10
Card Service Center	Travel, truck, class, handheld	869.20
Centurylink Communications, LLC	Phone	372.47
Cintas Corporation	First Aid	42.50
City of Milford	Bldg, Computer, Lab, S/SS/G, CC fee	51,916.74
Collection Services Center	Employee Withholding	184.61
Collection Services Center	Employee Withholding	184.61
Crescent Electric Supply Company	Plant	1,194.77
Department of Energy	WAPA	25,212.46
DGR and Associates Company	Interconnection Study	2,155.95
Dickinson County News	Publishing	145.01
Ethan Rader	Travel	247.96
Fastenal Company	Plant Equip Maint	226.97
H R Green	Master Plan Update	1,169.00
Hach Company	Lab	311.01
Hawkins, Inc.	Chemicals	1,369.14
Ia Assoc of Muni Utilities	EIA-861 report, NASSA, Apprentice Prog, CCR workshop	2,571.39
Internal Revenue Service	FICA 031618	4,263.73
Internal Revenue Service	FICA 033018	4,758.96
Iowa Department of Natural Resources	Testing Fee	60.00
Iowa Department of Revenue	Sales tax	13,419.00
Iowa Department of Revenue	Withholding	2,774.00
IPERS	IPERS	8,387.20
JOHN + PEGGY OLSON	CREDIT REFUNDS	186.49
Kimball Midwest	Tools, Locator	557.13
Maahs & Walleck	Legal	1,000.00
MaxYield Cooperative	Truck	697.36
Mellen & Associates, Inc.	Water Plant	658.87

MHR Insurance	Insurance	76,735.00
MidAmerican Energy	Neal #4	21,000.00
Milford Electric, Inc.	CL Control	136.23
MMU	Utilities	4,923.31
MMU - Investment Fund	Transfer	36,359.00
MMU - Investment Fund	Transfer	29,550.43
MMU-Medical Insurance Account	Transfer	495.24
National Benefit Services, LLC	Employee Benefits	183.00
NIMECA	Power	94,244.85
ORION LINDNER	CREDIT REFUNDS	105.96
Power Line Supply	Distribution	2,728.50
Principal Life	Employee Benefits	379.63
Professional Computer Systems	Hosting	790.00
State Hygienic Laboratory	Lab	78.00
State Steel of Spencer	Truck	99.90
Storey Kenworthy	Supplies	43.35
Stuart Irby	Plant	164.08
Sunshine Foods	Supplies	69.54
T & R Electric	Inventory	3,050.00
True Value - Milford	Supplies	289.75
Twin City Hose, Inc.	Generator	2,948.90
United Community Bank	Loan Payment	70,902.22
Verizon Wireless	Phone	141.91
Wedeking Pit & Plant, Inc.	Driveway rock	271.50
Wellmark	Employee Benefits	12,081.97

Joint Meeting Business:

Manager Stoll asked the Council if they are willing to enter into an agreement to give MMU use of City owned property on the west side of Highway 71 as you enter town for a community solar project. An easement is now in place for the lift station on the property. Olsen/Hinshaw made a motion to consider this at the next Council meeting after they are able to review the agreement.

The City has retained a design engineer for the H Avenue Street and Utilities Project Phase 3, 10th – 13th Street Reconstruction Project. They are working with Northwest Iowa Planning on a grant application and will need to do an income study to get a $600,000 grant, which will not be shared with the Utilities. July 1st is the next application deadline and it will take two to three months to hear back from them. The City anticipates to let bids in November with construction beginning in the Spring of 2019. They will be working with residences and the school regarding access to their property.

Mayor Anderson, Manager Stoll and the County Engineer have discussed the County owned property adjacent to the MMU Water Plant.

Mayor Anderson and Manager Stoll have been working on a plan for street light replacement on 10th Street. The Board has authorized the contribution of conduit, conductor, and labor. The Council has $15000 in their budget for lighting. Stoll noted that would be adequate to do aluminum poles. The Council requested a summary of costs to do the project with aluminum poles and will consider this at their next meeting.

Administrator Reinsbach gave the Board an update on the City of Milford A34/13th Street Reconstruction Project Update. Their engineer has worked on a $1.6M grant and have been preliminarily approved. Total project will be $4.8M, with costs shared by the City (52%), MMU (11%), County (2%) and Federal Funding Grant (35%). They anticipate that this project will be during construction season in 2023. Reinsbach noted that they do not plan to design this project in the next two years.

Other items discussed:

- There is property for sale on Woodlyn Drive and may be developed. It is the end of MMU's service territory, as such, a City Ordinance regarding fire protection is recommended for the safety of our future residents in that area.
- Manager Stoll asked for a garbage and recycling update. Mayor Anderson noted that the Council will be considering a recycling agreement when they continue their meeting. There would be one vendor for both services and the vendor would do the billing. Administrator Reinsbach noted that MMU's fee for billing the City services would not decrease if they no longer bill for garbage, as the billing fee increased when storm sewer was added, not when the garbage fees increased.
- Gressley Park area needs a lighting update. Manager Stoll noted that $1,500 might replace all of the lighting. Manager Eric will get some estimates and specs for the Council.
- MMU Board Member Anderson asked if there are any plans for lighting on the highway up to Boulders Inn and 202nd St. All agreed that this would be nice to do, but it was noted that the cost could be close to $250,000.
- Both the Board and Council agreed that we should try to meet at least semi-annually.

Milford Municipal Utilities Business

Anderson/Wharton made a motion to approve Resolution 04-18, Approving Dickinson County Water Quality Commission Project Agreement. A roll call vote was taken. Ayes – Wharton, Prunty, Nelson, Anderson. Nays – None. Absent – Wurtz.

Manager Stoll noted that the goal of this resolution is to allow NIMECA to pay for the 2018 CTS Improvement expenses so that they can become a transmission owner and we can recover their operating costs through SPP. Prunty/Wharton made a motion to approve Resolution approving 2018 CTS Improvements Agreement and consenting to the issuance of Notes by the Board of Directors of North Iowa Municipal Electric Cooperative Association for the purpose of acquisition of an undivided interest in certain transmission facilities known as the Common Transmission System. A roll call vote was taken. Ayes – Wharton, Prunty, Nelson, Anderson. Nays – none. Absent – Wurtz.

Manager Stoll gave the Board an update on the status of our employee who is out on medical leave. He requested that the Board authorize him to begin process to hire an electric employee. Wharton is interested in helping with the interview process.

Anderson/Wharton made a motion to approve Resolution 05-18, Approving Transfer of Real Estate Agreement for Community Solar. A roll call vote was taken. Ayes – Wharton, Prunty, Nelson, Anderson. Nays – none. Absent – Wurtz.

Discussion followed regarding the H Avenue Phase 3 Professional Service Agreement with Beck Engineering, Inc. The Board requested preliminary designs. The Board addressed clarification on the costs for the upgrade in water main size for fire protection and for hydrant costs and whether the city would pay for all or part of these upgrades. Manager Stoll is to also look into the plan for temporary water for these residents during construction.

Nelson/Anderson made a motion to go into closed session pursuant to Iowa Code Section 21.5(j). Motion passed unanimously. Those present when entering closed session were Manager Eric Stoll, Secretary Paula Nordblad, Board members Kevin Wharton, Sue Prunty, Wanda Nelson, Mike Anderson, and Utility Attorney Abby Walleck. The same were present coming out of closed

session. No decisions were made while in closed session. The Board asked Attorney Walleck to provide a draft an agreement to be reviewed and considered at the May meeting.

Attorney Walleck presented four options regarding the gap before long-term disability starts for MMU employees. Prunty/Wharton made a motion to approve the short-term disability policy presented by Russ Beckendorf at the March meeting, but asked for information on and the feasibility of combining long-term and short-term policies when the long-term policy renews . Motion passed unanimously.

Manager Stoll presented two quotes from H & N Chevrolet for a truck for the Water Department. He noted that he requested Ford quotes from two different dealerships and had not received one from either. Wharton/Prunty made a motion to accept the quote for $37,790 for the Graphite Metallic 2018 Chevrolet Silverado. Motion passed unanimously.

Items discussed in the Manager's Report:

1. We received the second and final payment from Iowa Lakes Regional Water on April 2nd.
2. We had a call from someone who is looking for a water internship this summer. The Manager will look into the feasibility of the same.
3. Staff presented the results of the EE report.

The Board of Trustees adjourned the meeting. The next regular meeting of the Milford Municipal Utilities Board of Trustees will be May 7, 2018.

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Wanda Nelson, Vice-Chairman

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Paula Nordblad, S9ecretary