

## Board Meeting December 19, 2022

The Milford Municipal Utilities Board of Trustees met in regular session on Monday, December 19, 2022 at 6:15 P.M. in the Community Center Board Room. In attendance were Board Members Mike Anderson, Ken Behrens, LeeAnn Reetz, and Kae Hoppe; General Manager Brad Willemssen. Others present: Arvin Druvenga and Carol Sporrer from Winther, Stave & Co. Board Member Kevin Wharton was absent.

Chairman Anderson called the meeting to order.

Reetz/Behrens made a motion to approve the agenda, minutes, financial statement, and bills. Motion passed unanimously. The following bills were presented for payment:

Ahlers & Cooney, P.C.	Legal - Water P&D Loan	8,675.00
Arnold Motor Supply	Supplies	1,260.76
Base	Cafeteria Monthly	30.00
Beck Engineering, Inc.	Engineering - 13th St Easements	1,875.00
Bolton & Menk, Inc.	Engineering - A34 Street Reconstruction	1,653.00
Bolton & Menk, Inc.	Engineering - WTF Final Design	147,600.00
Border States Electric Supply	Small Tools & Distribution	2,942.44
Border States Electric Supply	Distribution - Fault Indicators	21,975.66
Card Service Center	Postage, Office Supplies	623.65
Centurylink Communications, LLC	Phone	317.52
City of Milford	City Sewer, Storm Sewer, CC Fee	43,632.20
Cooperative Energy Company	Fuel	1,046.35
Cooperative Response Center, Inc.	On Call Phone Service	521.00
Crescent Electric Supply Company	Distribution	209.14
Dickinson County News	Publication	28.62
Hawkins, Inc.	Chemicals	6,141.32
Iowa Depart of Transp	Use Tax on Vehicle Purchased	1,720.00
Iowa One Call	Locates	109.80
Lakes Lawn LLC	Lawn Care	1,866.06
Menards	Supplies	285.08
NEW Cooperative, Inc.	Fuel	318.49
Overhead Door Sales & Service	Repair	46.60
Piper Sandler & Co.	Financial Advisory Services - Electric Bond	10,054.30
Pitney Bowes	Postage Meter Lease	142.53
Power Line Supply	Safety Gloves, Distribution, PPE FR Uniform	1,114.01
Professional Computer Solutions, LLC	Computer Hosting Fees	978.00
Professional Computer Solutions, LLC	Annual Contract	20,527.00
R & D Industries, Inc.	Computer Contract	1,111.88
Spencer Municipal Utilities	Subcontractor	220.00
State Hygienic Laboratory	Lab Testing	74.00
Storey Kenworthy	Office Supplies	329.09
Tantalus Systems Inc.	Software Annual Maintenance & Hosting Fees	15,146.00
The Accurate Court Reporter	Subscription	156.00
Top Notch Graphix	Truck Decal	133.75
True Value - Milford	Supplies	300.82
Van Wert Inc.	Water Meters for New Reading System	10,440.30
Wedeking Pit & Plant, Inc.	Distribution	103.32
Aflac	Employee funded benefit	357.44
Aspire	Employee Funded Benefit	370.00

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Base	FSA Claim	50.00
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Black Hills Energy	Gas Service	169.48
Collection Services Center	Employee Withholding	184.61
Collection Services Center	Employee Withholding	184.61
Department of Energy	WAPA	26,132.89
Internal Revenue Service	Fica, Med, FWH 12.2.22	6,485.50
Internal Revenue Service	Fica, Med, FWH 12.16.22	6,608.60
Iowa Department of Revenue	Monthly Sales & Use Tax	7,413.68
Iowa Department of Revenue	Monthly WET Tax	6,403.57
Iowa Department of Revenue	Monthly Withholding	2,371.00
IPERS	November 2022 IPERS	8,365.59
MidAmerican Energy	Neal 4	18,000.00
MMU	Utilities	4,782.15
MMU - Investment Fund	OCt 22 eusc transfer	38,489.28
MMU - Investment Fund	Dec 22 budgeted reserve transfer	28,871.00
MMU-Medical Insurance Account	Nov 22 FSA Transfer	761.70
NIMECA	Power Bill	83,087.58
NIMECA	Employee Benefits	246.82
NIMECA	APX-NAR Transfer Fee, Legal	1,517.27
Principal Life	Employee Benefit	406.83
Reliance Standard Life Insurance Company	Employee Benefit	166.96
United Community Bank	Loan Payment	7,883.11
United Community Bank	Water Meter Loan Payment	7,637.09
Verizon Wireless	Phone	224.71
Verizon Wireless	Phone-collector boxes	45.06
Verizon Wireless	Phone Data - 3 Collector Boxes	75.32
Wellmark	Employee Benefit	10,438.06

Public Hearing on disposal of interest in real property owned by the Municipal Electric Utility, under an Asset Purchase Agreement for the sale of the Utility's ownership interest in Lehigh-Webster Transmission owned under the Amended and Restated Lehigh-Webster Transmission and Webster Terminals Facilities and Operating Agreement.

Chairman Anderson opened the public hearing at 6:17 p.m. No comments were made during the public hearing and no comments were provided to the office prior to the hearing. Anderson declared the hearing closed at 6:18 p.m.

#### Milford Municipal Utilities Business

1. Review and approval of Audit Report

Hoppe/Reetz made a motion to approve the Audit Report. Motion passed unanimously.

2. Consideration and possible approval to change the February 20 Board meeting date to February 13 at 6:15 p.m.

Reetz/Behrens made a motion to approve changing the February Board meeting date from February 20 to February 13. Motion passed unanimously.

3. Consideration and possible approval of Resolution 2022-12-01 regarding disposal of interest in real property owned under Lehigh-Webster Transmission Facilities and Webster Transmission Facilities  
  
Behrens/Reetz made a motion to approve Resolution 2022-12-01. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.
4. Consideration and possible approval of Resolution 2022-12-02 regarding bids, plans, specifications and related matters for costs for furnishing of electrical materials (minor) for Phases 1 of electric distribution improvements.  
  
Behrens/Reetz made a motion to approve Resolution 2022-12-02. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.
5. Consideration and possible approval of Resolution 2022-12-03 regarding bids, plans, specifications and related matters for construction of electric distribution improvements, Phase 1.  
  
Hoppe/Behrens made a motion to approve Resolution 2022-12-03. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.
6. Consideration and possible approval of Resolution 2022-12-04, amending subsection 3.5(1) of the Milford Municipal Utilities Water Service Rules  
  
Hoppe/Reetz made a motion to approve Resolution 2022-12-04. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.
7. Consideration and possible approval of Resolution 2022-12-05, rescinding prior authorization to redeem outstanding capital loan notes  
  
Reetz/Behrens made a motion to approve Resolution 2022-12-05. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.
8. Consideration and possible approval of Geode quote  
  
Hoppe/Behrens made a motion to approve the purchase of a Geode Receiver from Subsurface Solutions for \$5,513.00. Motion passed unanimously.

Items discussed in the Manager's Report:

1. MMU received the Water Quality Commission grant for MMU's portion of the lake gage at Lakeside Lab.
2. Willemssen discussed master meters for water.
3. Willemssen discussed customer generators.
4. The Employee party is December 22 at 6:00 at Oak Hill Outdoors.

The Board of Trustees adjourned the meeting at 7:10 p.m. The next regular meeting of the Milford Municipal Utilities Board of Trustees will be January 16, 2023.

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Mike Anderson, Chairman

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LeeAnn Reetz, Board Secretary

**Published Proceedings**

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Chairman Anderson opened the public hearing at 6:17 p.m. No comments were made during the public hearing and no comments were provided to the office prior to the hearing. Anderson declared the hearing closed at 6:18 p.m.

#### Milford Municipal Utilities Business

##### 1. Review and approval of Audit Report

Arvin Druvenga with Winther, Stave & Company reviewed the audit with the Board. Hoppe/Reetz made a motion to approve the Audit Report. Motion passed unanimously.

##### 2. Consideration and possible approval to change the February 20 Board meeting date to February 13 at 6:15 p.m.

Reetz/Behrens made a motion to approve changing the February Board meeting date from February 20 to February 13. Motion passed unanimously.

3. Consideration and possible approval of Resolution 2022-12-01 a RESOLUTION FINALLY APPROVING DISPOSAL OF INTEREST IN REAL PROPERTY OWNED BY THE MUNICIPAL ELECTRIC UTILITY, UNDER AN ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION OWNED UNDER THE AMENDED AND RESTATED LEHIGH-WEBSTER TRANSMISSION AND WEBSTER TERMINALS FACILITIES AND OPERATING AGREEMENT; AND APPROVING ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION

Board Member Behrens introduced the following Resolution 2022-12-01 a RESOLUTION FINALLY APPROVING DISPOSAL OF INTEREST IN REAL PROPERTY OWNED BY THE MUNICIPAL ELECTRIC UTILITY, UNDER AN ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION OWNED UNDER THE AMENDED AND RESTATED LEHIGH-WEBSTER TRANSMISSION AND WEBSTER TERMINALS FACILITIES AND OPERATING AGREEMENT; AND APPROVING ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION", and moved that the Resolution be adopted. Board Member Reetz seconded the motion to adopt. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.

4. Consideration and possible approval of Resolution 2022-12-02 a RESOLUTION ORDERING BIDS, APPROVING PLANS, SPECIFICATIONS AND FORM OF CONTRACT AND NOTICE TO BIDDERS, FIXING AMOUNT OF BID SECURITY, AND ORDERING THE BOARD SECRETARY TO PUBLISH NOTICE AND FIXING A DATE FOR RECEIVING SAME, AND FOR A PUBLIC HEARING ON PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COSTS FOR THE FURNISHING OF ELECTRICAL MATERIALS (MINOR) – ELECTRIC DISTRIBUTION IMPROVEMENTS – PHASE 1 FOR MILFORD MUNICIPAL UTILITIES, MILFORD, IOWA.

Willemssen discussed with the Trustees the area of the project at the Airport. Willemssen will meet with Chris Stein to discuss options of a bored line crossing of the runway. The first option is to cross under the runway parallel to an existing line running north and south in the west right of way of Airport Drive. There was discussion on the future development of the area at and/or around the Airport. The distribution project is upgrades to improve system reliability. Willemssen will forward the construction plans to the Board upon its completion. Board Member Behrens introduced the following Resolution 2022-12-02 a RESOLUTION ORDERING BIDS, APPROVING PLANS, SPECIFICATIONS AND FORM OF CONTRACT AND NOTICE TO BIDDERS, FIXING AMOUNT OF BID SECURITY, AND ORDERING THE BOARD SECRETARY TO PUBLISH NOTICE AND FIXING A DATE FOR RECEIVING SAME, AND FOR A PUBLIC HEARING ON PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COSTS FOR THE FURNISHING OF ELECTRICAL MATERIALS (MINOR) – ELECTRIC DISTRIBUTION IMPROVEMENTS – PHASE 1 FOR MILFORD MUNICIPAL UTILITIES, MILFORD, IOWA., and moved that the Resolution be adopted. Board Member Reetz seconded the motion to adopt. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.

5. Consideration and possible approval of Resolution 2022-12-03 a RESOLUTION ORDERING BIDS, APPROVING PLANS, SPECIFICATIONS AND FORM OF CONTRACT AND NOTICE TO BIDDERS, FIXING AMOUNT OF BID SECURITY, AND ORDERING THE BOARD SECRETARY TO PUBLISH NOTICE AND FIXING A DATE FOR RECEIVING SAME, AND FOR A PUBLIC HEARING ON PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COSTS FOR THE CONSTRUCTION OF THE ELECTRIC DISTRIBUTION IMPROVEMENTS – PHASE 1 FOR MILFORD MUNICIPAL UTILITIES, MILFORD, IOWA.

Board Member Hoppe introduced the following Resolution 2022-12-03 a RESOLUTION ORDERING BIDS, APPROVING PLANS, SPECIFICATIONS AND FORM OF CONTRACT AND NOTICE TO BIDDERS, FIXING AMOUNT OF BID SECURITY, AND ORDERING THE BOARD SECRETARY TO PUBLISH NOTICE AND FIXING A DATE FOR RECEIVING SAME, AND FOR A PUBLIC HEARING ON PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COSTS FOR THE CONSTRUCTION OF THE ELECTRIC DISTRIBUTION IMPROVEMENTS – PHASE 1 FOR MILFORD MUNICIPAL UTILITIES, MILFORD, IOWA., and moved that the Resolution be adopted. Board Member Behrens seconded the motion to adopt. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.

6. Consideration and possible approval of Resolution 2022-12-04 a resolution amending to subsection 3.5(1) of the Milford Municipal Utilities Water Service Rules

The resolution states that in the event of an Iowa One Call locate the Utility will locate the curb stop, as a service to the customer, if it is readily visible. The Utility assumes no responsibility for any damages that is a result of a missed locate of the customer curb stop. Chairman Anderson stated the resolution is just for the locate of the curb stop. The Utility is not responsible to locate the customer's water service line. Board Member Hoppe introduced the following Resolution 2022-12-04 entitled "RESOLUTION APPROVING AMENDMENT TO SUBSECTION 3.5(1) OF THE MILFORD MUNICIPAL UTILITIES WATER SERVICE RULES" and moved to adopt it. Board Member Reetz seconded the motion to adopt. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.

7. Consideration and possible approval of Resolution 2022-12-05 a RESOLUTION RESCINDING RESOLUTION NO. 2022-10-01 AUTHORIZING THE REDEMPTION OF OUTSTANDING WATER REVENUE CAPITAL LOAN NOTES, SERIES 2020, DATED DECEMBER 29, 2020 AND WATER REVENUE CAPITAL LOAN NOTES, SERIES 2014, DATED JUNE 30, 2014

Board Member Reetz introduced the following Resolution 2022-12-05 entitled "RESOLUTION RESCINDING RESOLUTION NO. 2022-10-01 AUTHORIZING THE REDEMPTION OF OUTSTANDING WATER REVENUE CAPITAL LOAN NOTES, SERIES 2020, DATED DECEMBER 29, 2020 AND WATER REVENUE CAPITAL LOAN NOTES, SERIES 2014, DATED JUNE 30, 2014" and moved its adoption. Board Member Behrens seconded the motion to adopt. Roll call vote: Ayes – Anderson, Reetz, Hoppe, Behrens. Nays – None. Absent – Wharton. Motion passed.

8. Consideration and possible approval of Geode quote

Hoppe/Behrens made a motion to approve the purchase of a Geode Receiver from Subsurface Solutions for \$5,513.00. Motion passed unanimously.

#### Items discussed in the Manager's Report:

1. MMU received the Water Quality Commission grant for MMU's portion of the lake gage at Lakeside Lab.
2. Willemsen discussed master meters for water - There are several master meters on the system. The distribution system on the load side of the master meter is maintained by the customer. MMU bills each end user on the load side of the master meter the same as a regular ratepayer. The owner of the load side of the master meter is billed for any excess water used by their system. Excess water can be from a leak on the system or hydrant flushing.

There are other master meters on the system where the end users on the load side are not billed the same as a regular ratepayer. The master meter is billed so there is no loss in water consumption. There is lost revenue by not charging each ratepayer on the load side for the end user charge.

The Board directed Willemssen to make an addition to the Water Service Rules to include a definition for a master meter. The end user should also be updated to include all ratepayers on the load side of the master meter be charged end user fee.

3. Willemssen discussed customer generators. Two electric ratepayers use primary metering. Willemssen will ask our consultants for advice to interconnect generation owned by the customer and then charge an interruptible rate. This generation is considered behind the meter with the agreement being with MMU.
4. The Employee party is December 22 at 6:00 at Oak Hill Outdoors.

The Board of Trustees adjourned the meeting at 7:10 p.m. The next regular meeting of the Milford Municipal Utilities Board of Trustees will be January 16, 2023.

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Mike Anderson, Chairman

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LeeAnn Reetz, Board Secretary