Board Meeting March 19, 2024

The Milford Municipal Utilities Board of Trustees met in regular session on Tuesday, March 19, 2024, at 3:00 P.M. in the Community Center Board Room. The Board Trustees also meet in joint session with the City of Milford City Council. In attendance were Board Members Kae Hoppe, Todd Johnson and Kirb Walters; Mayor Steve Anderson; Council Members Doug Fredrick, David Worshek; Council Members via cell phone Chris Hinshaw, Shane Hoffman, Kyle Mohni; City Administrator LeAnn Reinsbach; General Manager Brad Willemssen; Utility Employee Lindsay Radunz. Also present were Russ Beckendorf from MHR, John Hight and Tyler Lynn from Beck Engineering. Board Member Kevin Wharton was absent.

Chairperson Hoppe called the meeting to order.

Johnson/Walters made a motion to approve the agenda. Motion passed unanimously.

Public hearing to consider the proposed plans, specifications, form of contract, and estimated total cost of the 13th Street Reconstruction Project a/k/a A34 Reconstruction Project/ DOT ID: 30-5057-601/DOT Project: STBG-SWAP-5057(601)-SG-30/PCC Pavement-Grade and Replace ("The Project") at 3:00 p.m.

Mayor Anderson opened the public hearing at 3:03 p.m. City Administrator Reinsbach mentions no written or oral comments were received at the City Clerk's office. With no other comments from the public, Mayor Anderson closed the public hearing at 3:04 p.m.

Joint meeting of Milford Municipal Utilities and City of Milford

1. Consideration and possible approval of Resolution 2024-03-01- Concurring in the City of Milford's Approval of Plans, Specifications, Form of Contract. Estimated Costs, and Awarding Bids and Approving Contract for 13th Street Reconstruction Project a/k/a A34 Reconstruction Project.

   Board Member Johnson introduced and delivered to the Secretary the Resolution 2024-03-01- Concurring in the City of Milford's Approval of Plans, Specifications, Form of Contract. Estimated Costs, and Awarding Bids and Approving Contract for 13th Street Reconstruction Project a/k/a A34 Reconstruction Project, and moved that the Resolution be adopted. Board Member Walters seconded the motion. Roll call vote: Ayes – Hoppe, Johnson, Walters. Nays – None. Wharton, absent. Motion passed.

   The City passed their two resolutions:

   - Resolution 24-38 Resolution approving proposed plans, specifications, form of contract, and estimated total cost of the project, for the 13th Street Reconstruction Project a/k/a A34 Reconstruction Project
   - Resolution 24-39 Resolution awarding bid and approving contract for the 13th Street Reconstruction Project a/k/a A34 Reconstruction Project.

With no other discussion from the city there was a motion to adjourn the joint meeting by Frederick second by Worshek at 3:08 p.m. All voting aye. Motion carried.

Walters/Johnson made a motion to approve the consent agenda. Motion passed unanimously. The following bills were presented for payment:

Arnold Motor Supply	Supplies	446.63
Base	Cafeteria Monthly	30.00
Bolton & Menk, Inc.	Engineering	34,520.00

Bomgaars	Supplies	13.99
Border States Electric Supply	Distribution	307.35
Card Service Center	Conference Travel	838.05
CHASE THIES	CREDIT REFUNDS - 56319	172.60
City Laundering Company	Rugs	98.27
City of Milford	City Sewer, Storm Sewer, CC Fee	44,951.06
Cooperative Energy Company	Generator Diesel Fuel	1,896.53
Cooperative Response Center, Inc.	On Call Phone Service	629.04
Dairyland Power Cooperative	Statement Printing	1,561.63
DeKoter, Thole, Dawson, Rockman & Krikke, P.L.C.	Legal	550.00
Dickinson County News	Publishing	129.77
Dickinson County Treasurer	Property Tax	2,006.00
Hawkins, Inc.	Chemicals	8,343.35
Jesse Logan	Uniform Reimbursement	165.84
John T. Jones Construction Co.	Payment Request #4 - WTP	570,980.63
Jorgenson Lockers	Lockers for Bulk Water Meters	5,408.59
Menards	Parts	816.54
MHR Insurance	Insurance Update	980.00
Milford Communications	Phone	394.50
National Benefit Services, LLC	Employee Benefits	9.00
Pitney Bowes	Postage Meter Lease	142.53
Plymouth County Treasurer	Property Tax	50.00
Power Line Supply	Substation Improvement Project Materials	3,242.94
Professional Computer Solutions, LLC	Computer Hosting Fees	1,058.00
R & D Industries, Inc.	Computer Contract	1,415.25
Resco	Inventory	13,482.00
State Hygienic Laboratory	Lab Testing	93.50
Storey Kenworthy	Office Supplies	168.47
Sunshine Foods	Office Supplies	163.04
Tiger Pride Lawn Care	Pest Control	130.00
True Value - Milford	Supplies	230.05
Webster County Treasurer	Property Tax	467.50
Wesco Distribution, Inc.	Inventory	1,348.20
Wesco Distribution, Inc.	Distribution Improvement Project Materials	51,828.66
Woodbury County Treasurer	Property Tax	1,681.50
Reserve Account	Prepaid Postage Account	500.00
IGL Sanitary District	Semi Annual Sewer	36.00
Aflac	Employee Funded Benefit AFLAC	606.72
Alpha Wireless	Annual Radio Maint Agreement	675.00
Aspire	Employee Funded Benefit	345.00
Aspire	Employee Funded Benefit	345.00
Base	FSA Claim	747.14
Base	FSA Claim	384.00
Base	FSA Claim	362.93
Base	FSA Claim	246.58
Black Hills Energy	Gas Service	296.11
Collection Services Center	Employee Withholding	184.61
Collection Services Center	Employee Withholding	184.61
Department of Energy	WAPA	32,058.86
Internal Revenue Service	Fica, Med, FWH 2.23.24	6,863.96
Internal Revenue Service	Fica, Med, FWH 3.8.24	6,586.79
Iowa Department of Revenue	Monthly Sales & Use Tax	9,657.81
Iowa Department of Revenue	Monthly WET Tax	6,992.92

Iowa Department of Revenue	Monthly Withholding	2,326.00
IPERS	Sept 23 IPERS	8,903.59
MidAmerican Energy	Neal 4	16,000.00
MMU	Utilities	5,409.36
MMU - Investment Fund	Dec 2023 EUSC Transfer	55,288.13
MMU - Investment Fund	Jan 2024 EUSC Transfer	66,722.59
MMU-Medical Insurance Account	Feb 2024 FSA Transfer	838.62
NIMECA	Power Bill	169,870.21
NIMECA	Employee Benefits	267.79
Principal Life	Employee Benefit	439.57
Reliance Standard Life Insurance Company	Employee Benefit	366.77
United Community Bank	Loan Payment	7,883.11
United Community Bank	Water Meter Loan Payment	7,637.09
Verizon Wireless	Phone Data - 3 Collector Boxes	75.42
Verizon Wireless	Phone	352.96
Wellmark	Employee Benefit	12,114.07

Public hearing on the matter of the FY25 Budget

Chairperson Hoppe read the following statement *"This is the day and time previously set for a hearing relating to the FY25 Budget. The hearing is being canceled and will be rescheduled for a later date."*

Milford Municipal Utilities Business

1. Consideration and possible approval to accept the EMC insurance renewal.

   Johnson/Walters made a motion to approve the EMC and Cincinnati insurance renewal pending the review of the indicated deductibles. Motion passed unanimously.

2. Consideration and possible approval of Resolution 2024-03-02- Avoided Cost

   Johnson/Walters made a motion to approve Resolution 2024-03-02 Adopting an Electric Avoided Cost. Roll call vote: Ayes – Hoppe, Johnson, Walters. Nays – None. Wharton, absent. Motion passed.

3. Consideration and possible approval of Resolution 2024-03-03-Authorizing Action to Enforce Contract

   Walters/Johnson made a motion to approve Resolution 2024-03-03 Authorizing Action to Enforce Contract. Roll call vote: Ayes – Hoppe, Johnson, Walters. Nays – None. Wharton, absent. Motion passed.

4. Consideration and possible approval of WTP Payment Request #4

   Johnson/Walters made a motion to approve the WTP Payment Request #4 for $570,980.63. Motion passed unanimously.

5. Consideration and possible approval of Geotechnical Inspection proposal

   Johnson/Walters made a motion to approve the geotechnical inspections and test for the Water Treatment Plant provided by Terracon Consultants, Inc. for $69,226.00. Motion passed unanimously.

6. Consideration and possible approval of Task Order 5 Amendment 3– Supplemental Public Outreach Services

   Johnson/Walters made a motion to approve Task Order 5 Amendment 3-Supplemental Public Outreach Services for $1,375.00. Motion passed unanimously.

7. Consideration and possible approval of Segregation of Duties

Walters/Johnson made a motion to approve the Segregation of Duties policy. Motion passed unanimously.

8. Consideration and possible approval of Transformer quote

   Johnson/Walters made a motion to approve the transformer quote with RESCO for $9,806.55. Motion passed unanimously.

9. Review Proposed Electric and Water budget for Year Ending June 30,2025

   The Board reviewed the proposed budget for the year ending June 30, 2025.

10. Consideration and possible approval to set a public hearing for April 16, 2024, at 3:00 p.m.

    Johnson/Walters made a motion to set a public hearing for April 16, 2024 at 3:00 p.m. on the FY25 Budget. Motion passed unanimously.

11. WTFAP Grant

    MMU has been chosen to receive the Wastewater and Drinking Water Treatment Financial Assistance Program grant for $500,000.00.

Items discussed in the Manager's Report:

1. Electric Superintendent Bill Matthes and General Manager Willemssen have completed the interviews for the seasonal employee. The Board considered the applicants and discussed advertising opportunities and instructed Willemssen to continue to advertise for additional applicants.
2. The Board considered a change to the Employee Handbook and asked the Personnel Committee to review and consider the change when the Handbook is reviewed in the Fall.
3. The Board reviewed the Water Service Rules focusing on the End User definition.
4. Water Well Drilling contractors have been contacting the office asking if there are restrictions on wells in the City limits of Milford. The City Ordinances do have some restrictions on the installation of wells in the City limits. MMU's attorney will draft additional language to the Water Service Rules making it mandatory that a water service needs to be connected to a potable water system in the City limits.
5. The 9th St. Hwy 71 to Okoboji Ave. reconstruction project is expected to start later this year. The estimate to extend the watermain and replace the intersection is estimated at $60,000. Bolton & Menk is reviewing additional options.
6. Discussion on customer deposits.
7. Greg Fritz with NIMECA will attend the April Board meeting to give a presentation. The Board directed Willemssen to add an item to the agenda for the Board to consider moving the CTS funds from NIMECA to MMU's account.

The Board of Trustees adjourned the meeting at 5:15 p.m. The next regular meeting of the Milford Municipal Utilities Board of Trustees will be April 16, 2024, at 3:00 p.m.

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Kae Hoppe, Chairperson

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Kevin Wharton, Board Secretary

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Chairperson Hoppe read the following statement *"This is the day and time previously set for a hearing relating to the FY25 Budget. The hearing is being canceled and will be rescheduled for a later date."*

Milford Municipal Utilities Business

1. Consideration and possible approval to accept the EMC insurance renewal.

   Russ Beckendorf from MHR presented the insurance renewal quote. He discussed the increases and various changes to deductibles that could save some premium. The Board requested to see the comparisons. Johnson/Walters made a motion to approve the EMC and Cincinnati insurance renewal pending the review of the indicated deductibles. Motion passed unanimously.

2. Consideration and possible approval of Resolution 2024-03-02- Avoided Cost

   Johnson/Walters made a motion to approve Resolution 2024-03-02 Adopting an Electric Avoided Cost. The avoided cost is .02695. Roll call vote: Ayes – Hoppe, Johnson, Walters. Nays – None. Wharton, absent. Motion passed.

3. Consideration and possible approval of Resolution 2024-03-03-Authorizing Action to Enforce Contract

   This resolution will allow the Manager to pursue action by filing a claim against RESCO's Performance Bond. Wire for the Distribution Project has not been delivered per the contract and continues to be delayed. Walters/Johnson made a motion to approve Resolution 2024-03-03 Authorizing Action to Enforce Contract. Roll call vote: Ayes – Hoppe, Johnson, Walters. Nays – None. Wharton, absent. Motion passed.

4. Consideration and possible approval of WTP Payment Request #4

   Johnson/Walters made a motion to approve the WTP Payment Request #4 for $570,980.63. Motion passed unanimously.

5. Consideration and possible approval of Geotechnical Inspection proposal

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6. Consideration and possible approval of Task Order 5 Amendment 3– Supplemental Public Outreach Services

This will allow for information to be sent to customers about water plant construction updates and the upcoming end user charge increase. Johnson/Walters made a motion to approve Task Order 5 Amendment 3-Supplemental Public Outreach Services for $1,375.00. Motion passed unanimously.

7. Consideration and possible approval of Segregation of Duties

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<u>Items discussed in the Manager's Report:</u>

1. Electric Superintendent Bill Matthes and General Manager Willemssen have completed the interviews for the seasonal employee. The Board considered the applicants and discussed advertising opportunities and instructed Willemssen to continue to advertise for additional applicants.
2. The Board considered a change to the Employee Handbook and asked the Personnel Committee to review and consider the change when the Handbook is reviewed in the Fall.
3. The Board reviewed the Water Service Rules focusing on the End User definition. The End User charge was added to the Water Service Rules January 11, 2016, and additional language was added to the definition on July 18, 2022. The addition of the definition "Master Meter" was included on March 20, 2023. The End User charge starts when the customer installs the water service, and the inspection is completed. The End User charge remains with the service until the customer removes the service from the water main. The charge can be used for any expenses on the water system. The justification of the charge is every customer connected to the MMU system is paying the costs to maintain both production and distribution for the maximum demand on the system. The maximum demand on the system needs to be maintained even if the customer isn't using water.
4. Water Well Drilling contractors have been contacting the office asking if there are restrictions on wells in the City limits of Milford. The City Ordinances do have some restrictions on the installation of wells in the City limits. MMU's attorney will draft additional language to the Water Service Rules making it mandatory that a water service needs to be connected to a potable water system in the City limits.
5. The 9th St. Hwy 71 to Okoboji Ave. reconstruction project is expected to start later this year. MMU has requested that the City consider extending the project into the intersection of the highway in order for the 4" watermain to be replaced up to the 6" watermain in the highway. The City has approved of the extension as long as MMU pays all the expenses. The estimate to extend the watermain and replace the intersection is estimated at $60,000. Bolton & Menk is reviewing additional options.

6. Discussion on deposits. The deposit for the electric service is determined by the highest electric bill in the previous 12 months. The deposit for the water service is set at $75 per meter. Deposits are returned to the customer after 12 months of prompt payments.
7. Greg Fritz with NIMECA will attend the April Board meeting to give a presentation. NIMECA holds some funds for its members with some funds required to be held in NIMECA's account. The CTS fund is not required to be held by NIMECA. The Board directed Willemssen to add an item to the agenda for the Board to consider moving the CTS funds from NIMECA to MMU's UCB account.

The Board of Trustees adjourned the meeting at 5:15 p.m. The next regular meeting of the Milford Municipal Utilities Board of Trustees will be April 16, 2024, at 3:00 p.m.

_____
Kae Hoppe, Chairperson

_____
Kevin Wharton, Board Secretary

Official Proceedings