

# CITY OF COON RAPIDS, IOWA

## MUNICIPAL UTILITY BOARD OF TRUSTEES

APRIL 20, 2017

The Board of Trustees of Coon Rapids Municipal Utilities met at 7:00 A.M., April 20, 2017 as per posted notice and rules of the Board at the Conference Room – “NOC” Network Operations Center, Coon Rapids, Iowa. Trustees present were Ron Brower, Terry Garnes, Doris Bass, Mary Schwaller and Harry Siegler.

Motion by Schwaller, Second Garnes by with all voting “Aye” to approve the agenda.

Motion by Brower, Second by Schwaller with all voting “Aye” to approve the consent items: 3/16/17 Board Minutes, Abstract of Claims #2017-4 in the amount of \$400,446.<sup>16</sup>, Financials.

The Board entertained oral requests and communications from the audience.

General Manager’s Report: NIMECA Update, SPP, Basin, Etc. - GS2 Electric Rate Qualification - Chlorine Residuals - Water Transmission Line from Wells - Water to Carroll County Camp Ground - Amazon & NFL - File Server Installation - Notices/Statistics.

The Board discussed electric service territory boundaries and a proposed agreement with RVEC to serve the customers on the west side of the street in CRDG’s 3<sup>rd</sup> Subdivision.

Motion by Garnes, Second by Brower with all voting “Aye” approving CRMU’s Updated Natural Gas Operations and Maintenance Manual.

The General Manager updated the Board that CRMU had completed the setup process for the watchTVeverywhere service and it is up and running. The General Manager reported that it could take up to two months for all the network providers to authenticate CRMU for watchTVeverywhere. The General Manager reported that CRMU will roll out this new service to customers after a substantial number of our network providers have authenticated CRMU for the watchTVeverywhere service.

### 2017 FTTH Project

Materials Update: The General Manager informed the Board that upon receiving the initial invoices from Graybar for material deliveries, staff noticed that they were charging CRMU sales tax, which should have been included in their unit bid prices for the nearly \$600,000 contract. Upon notifying Graybar and Oak Hill Engineering, Graybar stated that they missed this in the bid documents and on March 16<sup>th</sup> a representative from Graybar visited CRMU stating the same and inquiring whether CRMU would allow them to bill sales tax. After much discussion and sincere sympathy for Graybar’s error, the Board did not believe that the rate payers of CRMU should bear the responsibility for Graybar’s mistake and therefore did not pass any motion to amend the contract.

Construction Update: The General Manager reported that as of April 17<sup>th</sup> - 419 drops and 81 vaults have been installed bring this phase of the construction to roughly 58% and 23% complete respectively. NCS is projecting that the subcontract JCS will begin pulling in fiber inside the duct around May 1<sup>st</sup>, and that they hope to be substantially complete with outside plant construction in June.

### Electronics Update:

The General Manager discussed the bid summary for the 2017 FTTH Project – Electronics. The General Manager reported that two bids were received and that the pricing of both bids was aggressive and below engineering estimates. The General Manager reported that Oak Hill Consulting and staff had conducted a complete evaluation of both bids and that the Goldfield/Calix proposal is recommended by staff because it was the lowest bid and because their platform provided a complete software management system in compliance with the bidding requirements. Motion by Siegler, Second by Bass with all voting “Aye” to award the bid proposal to Goldfield/Calix.

The General Manager then discussed the five different technology options/platforms within the Calix proposal. The two options under consideration are GPON with CRMU’s RF video or Active Ethernet with a new IPTV video platform. The General Manager then provided preliminary cost information associated with purchasing IPTV signals from Cedar Falls Utilities. The Board then discussed the various differences between RF Video and IPTV video – such as the requirement for set top boxes for each television, online TV guide, DVR recording functionality, Video-on-Demand and Pay-Per-View access, and the numerous amount of channels in high definition. The Board debated the cost/benefits of both options and whether CRMU’s customer base would support this type of advanced video offering at a higher cost. The Board instructed staff to develop a survey for CRMU’s video customers to aid in the decision making process.

This notice is given at the direction of the Chairman pursuant to Chapter 28A, Code of Iowa and local rules of said governmental body.

**SEAL**

---

Chairman, Board of Trustees

---

Secretary, Board of Trustees