

CITY OF COON RAPIDS, IOWA
MUNICIPAL UTILITY BOARD OF TRUSTEES

JANUARY 27, 2011

The Board of Trustees of Coon Rapids Municipal Utilities met at 7:00 A.M., January 27, 2011 as per posted notice and rules of the Board at the Conference Room – “NOC” Network Operations Center, Coon Rapids, Iowa. Trustees present were Mike Deeth, Dierk Halverson and Ron Brower.

Motion by Deeth, Second by Brower with all voting “Aye” to approve the agenda.

Motion by Deeth, Second by Brower with all voting “Aye” to approve the consent items: 12/23/10 Board Minutes, Abstract of Claims #2011-1 in the amount of \$512,509.89, Financials, Updates to Employee Handbook.

The Board entertained oral requests and communications from the audience.

The Board discussed the potential for a St. Gregory business development project in Coon Rapids. The Board discussed the desire to work closely with the CRDG, City of Coon Rapids and CRB School District to facilitate this business development prospect.

Manager’s Report: FEMA Grant Application - DATA Manual - SEC Proposed Rule - Bills to Curb EPA Regulation of Greenhouse Gases - Supreme Court Greenhouse Gas Case - NIMECA - Railway Power Plant Relay Adjustments - Disconnect Statistics.

Motion by Halverson, Second by Brower with all voting “Aye” approving Amendment No. 2, Revision 1 of Exhibit C and Exhibit D to Contract No. 90-BAO-551 between the City of Coon Rapids, Iowa and Western Area Power Administration.

Motion by Brower, Second by Deeth with all voting “Aye” approving 5-year customer support agreements with Ziegler CAT Power Systems for CRMU’s three Caterpillar 3516 generator sets in the annual amount of \$6,177.²⁶/unit.

The Board discussed the warehouse building project. The Board evaluated potential costs and an agreement for engineering design services from DGR. Based upon the costs and scope of the project, staff recommended and the Board concurred that CRMU would pursue other design/construction alternatives.

Staff presented information to the Board detailing upcoming electric capital improvements associated with Neal 4 Power Plant Emissions Control Equipment, Railway Power Plant Emissions Control Equipment and local distribution system improvements. Staff presented cash flow summary requirements and potential financing options to fund the upcoming improvements. The Board concurred to not borrow any money at this time and to reevaluate financing options towards the end of 2011 before major expenditures are expected in 2012.

The Board reviewed the 2nd Quarter Financial Reports.

Motion by Deeth, Second by Brower with all voting “Aye” accepting the FY 2010 Audited Financial Statements.

Motion by Halverson, Second by Brower with all voting “Aye” approving the FY 2012 Budgets and annual reviews of CRMU’s: Health Plan Account, Investment Policy, Economic Reserve Account and Equipment Replacement Accounts.

Motion by Brower, Second by Halverson with all voting “Aye” approving CRMU’s direct cash payment in lieu of property tax to the City of Coon Rapids in the following amounts: Electric \$15,000, Natural Gas \$30,000 and Communications \$5,000.

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