

**CITY OF COON RAPIDS, IOWA**  
**MUNICIPAL UTILITY BOARD OF TRUSTEES**

DECEMBER 15, 2022

The Board of Trustees of Coon Rapids Municipal Utilities met at 7:00 A.M., December 15, 2022 as per posted notice and rules of the Board at the Conference Room – “NOC” Network Operations Center, Coon Rapids, Iowa. The Board also provided public access to the meeting electronically at: <https://join.freeconferencecall.com/bradhonold>. Trustees present were Alan Andersen, Lee Boeke, Mary Schwaller, Doris Bass and Terry Garnes.

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

The Board entertained oral requests and communications from the audience.

Motion by Garnes, Second by Boeke with all voting “Aye” to approve the consent items: 11/22/22 & 11/30/22 Board Minutes, Abstract of Claims #2022-12 in the amount of \$366,037.<sup>04</sup>, Financials.

Aaron Olson of T.P. Anderson & Company joined the meeting and presented the audit report for the FYE 2022 Audited Financial Statements. After review and discussion, Motion by Schwaller, Second by Andersen with all voting “Aye” to accept and file the FYE 2022 Audited Financial Statements.

Board Chairman Garnes announced that this was the time and place for the public hearing and meeting on the matter of the proposition of the 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 that notice of the proposed action by the Board to institute proceedings on the proposition of the disposal of said interest in real property had been published pursuant to the provisions of Section 364.7 of the City Code of Iowa, as amended.

Chairman Garnes then asked the Secretary whether any petitions or written objections to the proposed action, or with respect to any matter related thereto, had been filed. The Secretary reported that objections or petitions opposed to said matters had been filed by zero persons. The Chairman then asked for oral objections to the proposed action, or with respect to any matter related thereto, and oral objections were offered by zero persons.

Whereupon, the Chairman declared the time for receiving oral and written objections to be closed. The Board then considered the proposed 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, the consequences to be expected therefrom, and the extent of objections thereto. The Board also considered the Asset Purchase Agreement for the sale of the Utility’s ownership interest in Lehigh-Webster Transmission, the consequences to be expected therefrom, and the extent of objections thereto.

Motion by Bass, Second by Schwaller to approve Resolution #2022-5: 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.” Garnes “Aye,” Andersen “Aye,” Boeke “Aye,” Schwaller “Aye,” Bass “Aye.”

The Board reviewed the sale of CRMU’s 2022 RECs. The General Manager reviewed the details associated with each of CRMU’s resources that produce RECs along with current market pricing. Motion by Bass, Second by Garnes with all voting “Aye” authorizing the General Manager to sell the remaining 2022 RECs from the Willow Creek Wind Farm.

Motion by Schwaller, Second by Boeke with all voting “Aye” approving the 2023 Policy Updates: Wage & Benefit Program, Conflict of Interest Policy and Energy Efficiency Program.

Motion by Bass, Second by Schwaller with all voting “Aye” to reject a real estate offer for CRMU’s lot located on the SE corner of 4<sup>th</sup> Avenue and Grove Street.

General Manager's Report: NIMECA Update, SPP, Basin, Etc. - Industry Groups Urge Lawmakers to Appropriate \$1B for Distribution Transformers - Bitcoin Mining Giant Core Scientific Could Run Out of Cash - N.Y. Governor Signs Bill Placing Two-Year Moratorium on Certain Types of Cryptocurrency Mining - NERC Warns of Possible Energy Shortage/Outages This Winter - Tesla EV Semi - New Way Ford EV in Coon Rapids - CRB EV School Bus - Employee Retirement - Sewer Rehabilitation Project - Disconnection Statistics.

The General Manager reviewed a presentation from MISO's Resource Adequacy Subcommittee that details how the "Cost of New Entry" or CONE was developed for the 2023/2024 planning year. The General Manager then discussed the increase in SPP's planning reserve margin to 15% and the impact of SPP transitioning to a new "performance based" accreditation standard. The General Manager then reviewed the financial opportunity to potentially add more generating capability due to higher capacity prices.

The General Manager reviewed a draft copy of the proposed "Designated Entity Agreement" for NIMECA to manage CRMU's Renewable Energy Certificates (RECs) that WAPA will be allocating to CRMU starting in 2023. The General Manager also informed the Board that Ahlers Law Firm is also working on a letter agreement between NIMECA and each utility which states that each utility agrees to NIMECA being their agent and that each utility will pay any applicable fees incurred by NIMECA on their behalf.

The General Manager updated the Board on progress related to the proposed new load of the Energy Conversion Group - including construction activities, 69-kV radial construction by Corn Belt, meetings with WAPA, SPP, Basin and NIMECA related to the new delivery/pricing point and load registration requirements.

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**

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Chairman, Board of Trustees

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Secretary, Board of Trustees