

CITY OF COON RAPIDS, IOWA
MUNICIPAL UTILITY BOARD OF TRUSTEES

October 16, 2014

The Board of Trustees of Coon Rapids Municipal Utilities met at 7:00 A.M., October 16, 2014 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, Doris Bass, Mary Schwaller, Dierk Halverson and Harry Siegler.

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

Motion by Bass, Second by Halverson with all voting “Aye” to approve the consent items: 9/18/14 Board Minutes, Abstract of Claims #2014-10 in the amount of \$475,248.⁴⁰, Financials.

The Board entertained oral requests and communications from the audience. Charlie Nixon addressed the Board on behalf of CRDG to discuss CRDG’s QA Lab marketing plan. Motion by Halverson, Second by Brower with all voting “Aye” to fund 1/3 of the marketing and operating expense of CRDG’s efforts up to a cap of \$8,000 from the Natural Gas Economic Development Fund.

Manager’s Report: NIMECA Update, RTO, Basin, Etc. - EPA Proposed 111(d) Rules - Natural Gas Forward Purchases - Water Tower Cleaning - Lagoon Dredging - 10/7/14 Internet Issue - Notices/Statistics.

Ebony Rahe, C.P.A. from Williams & Company presented and reviewed the FY2014 Financial Audit. Motion by Siegler, Second by Halverson with all voting “Aye” to approve the FY2014 Audited Financial Statements.

The General Manager updated the Board on recent maintenance performed on the Railway Power Plant and associated fuel testing. The General Manager reviewed the issues related with long-term fuel storage since the EPA mandated that our power plant use only ultra low sulfur diesel and the need to condition the fuel for longer storage or to sell our existing fuel. The General Manager reported that staff had made arrangements to sell our existing fuel and was in the process of developing a longer-term fuel arrangement for the Board’s review where any unused fuel would be turned over on an annual basis thereby eliminating fuel degradation issues associated with the ultra low sulfur diesel.

Motion by Schwaller, Second by Siegler with all voting “Aye” to award the low competitive quotation from Schoon Construction in the amount of \$137,747.⁵⁰ for the Iron Hills Electric Distribution Improvements.

Motion by Brower, Second by Schwaller approving Resolution #2014-6 “Resolution Approving Competitive Quotation Expenditure,” Brower “Aye,” Halverson “Aye,” Bass “Aye,” Siegler “Aye,” Schwaller “Aye.”

Motion by Schwaller, Second by Bass with all voting “Aye” authorizing the General Manager to obtain proposals for the Board’s evaluation for a scope of engineering services agreement to conduct an electric rate study and approving an upper cap of the electric ECA at \$0.04 effective with the September billing and instructing the General Manager to prepare a Resolution for the November Board Meeting to the same.

The General Manager updated the Board that staff had evaluated different equipment vendors and has settled upon Cambium Networks as the preferred provider. Staff is now evaluating the pros/cons of operating in the different available frequency bands (e.g. 2.4, 3.5, 3.65 and 5 GHz) in our local area based upon the topography, local spectrum utilization and desired range of the expected customer base. Staff will then utilize this information to develop a cost/benefit analysis for potentially offering this service to the Board for review.

The General Manager updated the Board that CRMU has only received two of the four retransmission consent proposals for the off-air networks to date, with proposed rate increases ranging from 47% to 200%. The General Manager stated that CRMU has until the end of the year before our current agreements expire.

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