CITY OF COON RAPIDS, IOWA MUNICIPAL UTILITY BOARD OF TRUSTEES

October 8, 2015

The Board of Trustees of Coon Rapids Municipal Utilities met at 8:00 A.M., October 8, 2015 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, Dierk Halverson, Mary Schwaller, Doris Bass and Harry Siegler.

Motion by Bass, Second by Halverson with all voting "Aye" to approve the agenda.

The Board discussed the electric industrial rate class. The General Manager presented information about the two customers in the industrial rate class: Hartung Town Plant and Hartung South Plant. The General Manager presented town plant load information and stated that the nature of the load (i.e. annual demand and energy levels) didn't warrant remaining in the industrial classification according to established electric rate applicability details; therefore, it will be reclassified as General Service Demand – the Board concurred.

The Board then discussed the South Plant load information (i.e. peak demand, ratchet demand & energy). The Board discussed in detail the nature of the agricultural processing load and how the peak demand only lasts for a 4 to 5 week period to which a 65% ratchet is applied based upon the prior 36 month's peak demand. The Board then debated the application of this rate to high load factor accounts versus low load factor accounts and the pros/cons of the effect of high and low energy usage and the appropriateness of billing both with the same rate structure. The Board then instructed staff to research alternative rate structures for low load factor, agricultural type loads for future discussion.

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