

MINUTES OF MEETING OF BOARD OF TRUSTEES OF THE
MUNICIPAL ELECTRIC UTILITY, CITY OF CEDAR FALLS, IOWA

May 9, 2018

The Board of Trustees of the Municipal Electric Utility of the City of Cedar Falls, Iowa, met on the above date in regular session, pursuant to law and the rules of said Board.

The meeting was called to order at 1:00 p.m. by Chair MaraBeth K. Soneson. Upon call of the roll, present were: Trustees: MaraBeth K. Soneson, Craig A. Johnson, Pamela L. Taylor, Richard L. McAlister, and Jeffrey J. Engel (electronically). Absent: None. Others present: Steven E. Bernard, General Manager/CEO, John C. Larsen, Board Counsel, and Dale Olson, customer.

Moved by Trustee Johnson, seconded by Trustee Taylor to approve the agenda as printed and distributed. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

New employees, Rachael Rusley and Jesse Otto, were introduced. Retiring employee, Jeanette Achenbach, was recognized for 20 years of service.

Moved by Trustee Taylor, seconded by Trustee McAlister to approve the minutes of the April 11, 2018, regular meeting minutes, as corrected; and to approve the Schedule of Bills for the month of April that by reference is made a part hereof and placed in permanent files of said Board of Trustees. Said schedule covers the dates of April 1, 2018, through April 30, 2018; check numbers: 126783-126786; 126875-126879; 126902-126905; 126984-126989; 127061-127066; 127083; 127175-127196; 127199; 127220-127223; 207014-207390; 911438575088; 315707053533; 315023809302; 996916079394; 515975844450; 845048335716; 376553658384; 203735340997; 058319987243; 571486537625; 712364036126; 176322446900; 176105148105; 328899609773; 890930570469; 193748280764; 665572846913; 665197178580; 977746691321; 977009552976; 232330011934; 176188695883; 526652810984; 661056299273; 661795423554; a detailed itemized copy of which has been submitted to the Board of Trustees. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to receive and file personnel action reports. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

An overview of the 2017 audited financial statements was provided by Brian Unsen, CPA, Partner of Eide Bailly. The Utility received an unmodified opinion, which is the highest opinion that can be achieved. No audit findings were reported, including no significant deficiencies or material weaknesses. Moved by Trustee Taylor, seconded by Trustee Johnson to receive and file the 2017 audited financial statements. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to adopt **Resolution No. 6049** approving and authorizing execution of Change Orders No. 1 – 4 to the original contract dated January 11, 2017, with Peters Construction Corporation; and accepting as final the contract for the Phase No. 3 of the Headend Room HVAC Upgrades Project and approving and authorizing the release of retainage funds to be paid 30 days after the date of this resolution. Said Change Orders provide for a decrease in the amount of \$16,963.87; making the total contract price \$199,648.13. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

Moved by Trustee Johnson, seconded by Trustee Taylor to adopt **Resolution No. 6052** approving and authorizing the purchase of a hydrogen generator for Streeter Station from Proton Energy Systems, Inc., of Wallingford, Connecticut, in the amount of \$88,253.00. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

The following items were presented for information purposes only: an update on current state and federal legislative items was provided; proposed modifications to the Board Governance/Policies were presented for review; Board reporting/monitoring options were presented; a spreadsheet option for tracking contract review was provided; history of Trustee and Board attorney compensation and options for future processes was provided; and ideas for heightened public awareness of the Board of Trustees were offered.

Item #15 “Board 2017 self-evaluation” was deferred to the June 13, 2018, Board meeting.

Board requests to staff included: a list of audit items that were not reported on; research the Volkswagen litigation for grant opportunities in Iowa; and track the feedback regarding

the implementation of a convenience fee on customer payments.

Moved by Trustee Johnson, seconded by Trustee Taylor to adjourn to closed session in accordance with Code of Iowa, Chapter 21.5(1)(i) to discuss the General Manager's performance. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried. The meeting adjourned to closed session at 3:59 p.m.

The meeting returned to open session at 5:04 p.m.

Trustees agreed to start the June 13, 2018, Board meeting at 1:00 p.m. instead of the normal 2:00 p.m. in order to complete the self-evaluation review at the beginning of the meeting.

Moved by Trustee Taylor, seconded by Trustee Johnson to adjourn the meeting. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried. The meeting adjourned at 5:15 p.m.

MINUTES OF MEETING OF BOARD OF TRUSTEES OF THE
MUNICIPAL GAS UTILITY, CITY OF CEDAR FALLS, IOWA

May 9, 2018

The Board of Trustees of the Municipal Gas Utility of the City of Cedar Falls, Iowa, met on the above date in regular session, pursuant to law and the rules of said Board.

The meeting was called to order at 1:00 p.m. by Chair MaraBeth K. Soneson. Upon call of the roll, present were: Trustees: MaraBeth K. Soneson, Craig A. Johnson, Pamela L. Taylor, Richard L. McAlister, and Jeffrey J. Engel (electronically). Absent: None. Others present: Steven E. Bernard, General Manager/CEO, John C. Larsen, Board Counsel, and Dale Olson, customer.

Moved by Trustee Johnson, seconded by Trustee Taylor to approve the agenda as printed and distributed. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

New employees, Rachael Rusley and Jesse Otto, were introduced. Retiring employee, Jeanette Achenbach, was recognized for 20 years of service.

Moved by Trustee Taylor, seconded by Trustee McAlister to approve the minutes of the April 11, 2018, regular meeting minutes, as corrected; and to approve the Schedule of Bills for the month of April that by reference is made a part hereof and placed in permanent files of said Board of Trustees. Said schedule covers the dates of April 1, 2018, through April 30, 2018; check numbers: 126783-126786; 126875-126879; 126902-126905; 126984-126989; 127061-127066; 127083; 127175-127196; 127199; 127220-127223; 207014-207390; 911438575088; 315707053533; 315023809302; 996916079394; 515975844450; 845048335716; 376553658384; 203735340997; 058319987243; 571486537625; 712364036126; 176322446900; 176105148105; 328899609773; 890930570469; 193748280764; 665572846913; 665197178580; 977746691321; 977009552976; 232330011934; 176188695883; 526652810984; 661056299273; 661795423554; a detailed itemized copy of which has been submitted to the Board of Trustees. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to receive and file personnel action reports. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

An overview of the 2017 audited financial statements was provided by Brian Unsen, CPA, Partner of Eide Bailly. The Utility received an unmodified opinion, which is the highest opinion that can be achieved. No audit findings were reported, including no significant deficiencies or material weaknesses. Moved by Trustee Taylor, seconded by Trustee Johnson to receive and file the 2017 audited financial statements. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to adopt **Resolution No. 6049** approving and authorizing execution of Change Orders No. 1 – 4 to the original contract dated January 11, 2017, with Peters Construction Corporation; and accepting as final the contract for the Phase No. 3 of the Headend Room HVAC Upgrades Project and approving and authorizing the release of retainage funds to be paid 30 days after the date of this resolution. Said Change Orders provide for a decrease in the amount of \$16,963.87; making the total contract price \$199,648.13. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

The following items were presented for information purposes only: an update on current state and federal legislative items was provided; proposed modifications to the Board Governance/Policies were presented for review; Board reporting/monitoring options were presented; a spreadsheet option for tracking contract review was provided; history of Trustee and Board attorney compensation and options for future processes was provided; and ideas for heightened public awareness of the Board of Trustees were offered.

Item #15 “Board 2017 self-evaluation” was deferred to the June 13, 2018, Board meeting.

Board requests to staff included: a list of audit items that were not reported on and track the feedback regarding the implementation of a convenience fee on customer payments.

Moved by Trustee Johnson, seconded by Trustee Taylor to adjourn to closed session in accordance with Code of Iowa, Chapter 21.5(1)(i) to discuss the General Manager’s performance. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried. The meeting adjourned to closed session at 3:59 p.m.

The meeting returned to open session at 5:04 p.m.

Trustees agreed to start the June 13, 2018, Board meeting at 1:00 p.m. instead of the normal 2:00 p.m. in order to complete the self-evaluation review at the beginning of the meeting.

Moved by Trustee Taylor, seconded by Trustee Johnson to adjourn the meeting. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried. The meeting adjourned at 5:15 p.m.

MINUTES OF MEETING OF BOARD OF TRUSTEES OF THE
MUNICIPAL WATER UTILITY, CITY OF CEDAR FALLS, IOWA

May 9, 2018

The Board of Trustees of the Municipal Water Utility of the City of Cedar Falls, Iowa, met on the above date in regular session, pursuant to law and the rules of said Board.

The meeting was called to order at 1:00 p.m. by Chair MaraBeth K. Soneson. Upon call of the roll, present were: Trustees: MaraBeth K. Soneson, Craig A. Johnson, Pamela L. Taylor, Richard L. McAlister, and Jeffrey J. Engel (electronically). Absent: None. Others present: Steven E. Bernard, General Manager/CEO, John C. Larsen, Board Counsel, and Dale Olson, customer.

Moved by Trustee Johnson, seconded by Trustee Taylor to approve the agenda as printed and distributed. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

New employees, Rachael Rusley and Jesse Otto, were introduced. Retiring employee, Jeanette Achenbach, was recognized for 20 years of service.

Moved by Trustee Taylor, seconded by Trustee McAlister to approve the minutes of the April 11, 2018, regular meeting minutes, as corrected; and to approve the Schedule of Bills for the month of April that by reference is made a part hereof and placed in permanent files of said Board of Trustees. Said schedule covers the dates of April 1, 2018, through April 30, 2018; check numbers: 126783-126786; 126875-126879; 126902-126905; 126984-126989; 127061-127066; 127083; 127175-127196; 127199; 127220-127223; 207014-207390; 911438575088; 315707053533; 315023809302; 996916079394; 515975844450; 845048335716; 376553658384; 203735340997; 058319987243; 571486537625; 712364036126; 176322446900; 176105148105; 328899609773; 890930570469; 193748280764; 665572846913; 665197178580; 977746691321; 977009552976; 232330011934; 176188695883; 526652810984; 661056299273; 661795423554; a detailed itemized copy of which has been submitted to the Board of Trustees. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to receive and file personnel action reports. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

An overview of the 2017 audited financial statements was provided by Brian Unsen, CPA, Partner of Eide Bailly. The Utility received an unmodified opinion, which is the highest opinion that can be achieved. No audit findings were reported, including no significant deficiencies or material weaknesses. Moved by Trustee Taylor, seconded by Trustee Johnson to receive and file the 2017 audited financial statements. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to adopt the following Resolutions by one motion:

No. 6049 Resolution approving and authorizing execution of Change Orders No. 1 – 4 to the original contract dated January 11, 2017, with Peters Construction Corporation; and accepting as final the contract for the Phase No. 3 of the Headend Room HVAC Upgrades Project and approving and authorizing the release of retainage funds to be paid 30 days after the date of this resolution. Said Change Orders provide for a decrease in the amount of \$16,963.87; making the total contract price \$199,648.13.

No. 6050 Resolution authorizing the expenditure of funds in the amount of \$60,000 for the water main replacement associated with Phase III of the City of Cedar Falls' street improvement project for University Avenue.

No. 6051 Resolution authorizing the expenditure of funds in the amount of \$710,400 for the installation, replacement or abandonment of water mains associated with the City of Cedar Falls' 2018 street improvement projects and permanent street patching.

No. 6053 Resolution approving and adopting the plans, specifications, proposed form of contract, and estimated cost (\$131,222); accepting quotation, awarding contract and approving and authorizing execution of a contract with Dave Schmitt Construction Company, Inc., of Cedar Rapids, Iowa, in the amount of \$129,927.20 for the installation of the Meadows second water main feed; subject to receipt and approval of the Certificate of Insurance, Performance Bond, and Payment Bond. The bid received from Dave Schmitt Construction was the lowest, responsive, responsible quote received.

Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

The following items were presented for information purposes only: an update on current state and federal legislative items was provided; proposed modifications to the Board Governance/Policies were presented for review; Board reporting/monitoring options were presented; a spreadsheet option for tracking contract review was provided; history of Trustee and Board attorney compensation and options for future process options was provided; and ideas for heightened public awareness of the Board of Trustees were offered.

Item #15 “Board 2017 self-evaluation” was deferred to the June 13, 2018, Board meeting.

Board requests to staff included: a list of audit items that were not reported on and track the feedback regarding the implementation of a convenience fee on customer payments.

Moved by Trustee Johnson, seconded by Trustee Taylor to adjourn to closed session in accordance with Code of Iowa, Chapter 21.5(1)(i) to discuss the General Manager’s performance. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried. The meeting adjourned to closed session at 3:59 p.m.

The meeting returned to open session at 5:04 p.m.

Trustees agreed to start the June 13, 2018, Board meeting at 1:00 p.m. instead of the normal 2:00 p.m. in order to complete the self-evaluation review at the beginning of the meeting.

Moved by Trustee Taylor, seconded by Trustee Johnson to adjourn the meeting. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried. The meeting adjourned at 5:15 p.m.

MINUTES OF MEETING OF BOARD OF TRUSTEES OF THE
MUNICIPAL COMMUNICATIONS UTILITY, CITY OF CEDAR FALLS, IOWA

May 9, 2018

The Board of Trustees of the Municipal Communications Utility of the City of Cedar Falls, Iowa, met on the above date in regular session, pursuant to law and the rules of said Board.

The meeting was called to order at 1:00 p.m. by Chair MaraBeth K. Soneson. Upon call of the roll, present were: Trustees: MaraBeth K. Soneson, Craig A. Johnson, Pamela L. Taylor, Richard L. McAlister, and Jeffrey J. Engel (electronically). Absent: None. Others present: Steven E. Bernard, General Manager/CEO, John C. Larsen, Board Counsel, and Dale Olson, customer.

Moved by Trustee Johnson, seconded by Trustee Taylor to approve the agenda as printed and distributed. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

New employees, Rachael Rusley and Jesse Otto, were introduced. Retiring employee, Jeanette Achenbach, was recognized for 20 years of service.

Moved by Trustee Taylor, seconded by Trustee McAlister to approve the minutes of the April 11, 2018, regular meeting minutes, as corrected; and to approve the Schedule of Bills for the month of April that by reference is made a part hereof and placed in permanent files of said Board of Trustees. Said schedule covers the dates of April 1, 2018, through April 30, 2018; check numbers: 126783-126786; 126875-126879; 126902-126905; 126984-126989; 127061-127066; 127083; 127175-127196; 127199; 127220-127223; 207014-207390; 911438575088; 315707053533; 315023809302; 996916079394; 515975844450; 845048335716; 376553658384; 203735340997; 058319987243; 571486537625; 712364036126; 176322446900; 176105148105; 328899609773; 890930570469; 193748280764; 665572846913; 665197178580; 977746691321; 977009552976; 232330011934; 176188695883; 526652810984; 661056299273; 661795423554; a detailed itemized copy of which has been submitted to the Board of Trustees. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to receive and file personnel action reports. Upon call for the vote, all Trustees aye. Nay: None. Absent: None. Motion carried.

An overview of the 2017 audited financial statements was provided by Brian Unsen, CPA, Partner of Eide Bailly. The Utility received an unmodified opinion, which is the highest opinion that can be achieved. No audit findings were reported, including no significant deficiencies or material weaknesses. Moved by Trustee Taylor, seconded by Trustee Johnson to receive and file the 2017 audited financial statements. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

Moved by Trustee Taylor, seconded by Trustee McAlister to adopt the following Resolutions by one motion:

No. 6044 Resolution approving and authorizing execution of a 28E Agreement to provide wholesale bandwidth through headend access services to Indianola Municipal Utilities of Indianola, Iowa.

No. 6045 Resolution approving and authorizing execution of a 28E Agreement to provide wholesale bandwidth through headend access services to Osage Municipal Utilities of Osage, Iowa.

No. 6046 Resolution approving and authorizing execution of a contract with Gale Bonsall to provide specialized telecommunications services.

No. 6047 Resolution approving and authorizing execution of a contract with Cedar Valley Property Management to provide specialized telecommunication services.

No. 6048 Resolution approving and authorizing execution of a contract with Jerry Christopherson to provide specialized telecommunication services.

Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried.

The following items were presented for information purposes only: an update on current state and federal legislative items was provided; proposed modifications to the Board Governance/Policies were presented for review; Board reporting/monitoring options were presented; a spreadsheet option for tracking contract review was provided; history of Trustee and Board attorney compensation and options for future processes was provided; and ideas for heightened public awareness of the Board of Trustees were offered.

Item #15 "Board 2017 self-evaluation" was deferred to the June 13, 2018, Board meeting.

Board requests to staff included: a list of audit items that were not reported on and track the feedback regarding the implementation of a convenience fee on customer payments.

Moved by Trustee Johnson, seconded by Trustee Taylor to adjourn to closed session in accordance with Code of Iowa, Chapter 21.5(1)(i) to discuss the General Manager's performance. Upon call of the roll, the following Trustees voted aye: Soneson, Johnson, Taylor, McAlister, and Engel. Nay: None. Absent: None. Motion carried. The meeting adjourned to closed session at 3:59 p.m.

The meeting returned to open session at 5:04 p.m.

Trustees agreed to start the June 13, 2018, Board meeting at 1:00 p.m. instead of the normal 2:00 p.m. in order to complete the self-evaluation review at the beginning of the meeting.

Moved by Trustee Taylor, seconded by Trustee Johnson to adjourn the meeting. Upon call for the vote, all Trustees voted aye. Nay: None. Absent: None. Motion carried. The meeting adjourned at 5:15 p.m.