

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
AUGUST 31, 2021 – 5:30 P.M.**

The Board of Trustees met in regular session at Muscatine Power and Water's Administration/Operations Building, 3205 Cedar Street, Muscatine, Iowa, on Tuesday, August 31, 2021 at 5:30 p.m.

Chairperson Steven Bradford called the meeting to order. Members of the Board were present as follows: Trustees Kevin Fields, Susan Eversmeyer, Tracy McGinnis, Keith Porter and Steven Bradford.

Also present were Gage Huston, General Manager of Muscatine Power and Water (MPW); Brenda Christensen, Board Secretary; Charles Potter, Muscatine Journal; Erika Cox, Brandy Olson, Mark Roberts, Ryan Streck, Doug White, and Eric Donald of MPW. Guests attending the meeting included Jessica Brackett, Freedom Malik-Roberts, Linda Schmarje, and Sandy Stanley.

Board Secretary Christensen asked if there was anyone in attendance who wished to make any public comments on a topic that was different than Powering the Future, which would be addressed later in the meeting. There were no public comments.

The July 27, 2021 regular meeting minutes were presented for review. Trustee McGinnis moved, seconded by Trustee Fields, the July 27, 2021 regular meeting minutes be received and placed on file. All Trustees voted aye. Motion carried.

The list of expenditures and transactions for July 2021 were presented as previously submitted to all Board members. Trustee McGinnis moved, seconded by Trustee Eversmeyer, to ratify payment of \$7,332,095.82 for the Electric Utility, \$569,367.43 for the Water Utility, and \$1,247,376.55 for the Communications Utility, for a cumulative total of \$9,148,839.81. All Trustees voted aye. Motion carried.

Mr. Huston introduced the next agenda item to the Board as a recommendation to approve an Effluent Limit Guidelines (ELG) Compliance Strategy for Units 7, 8, 8A & 9 and stated Mr. White would review a presentation with background and multiple timing/cost options. During the presentation, the Trustees further discussed the timeline and costs to better understand the options. After clarifying questions were answered, the following motions were submitted:

- Trustee McGinnis motioned, seconded by Trustee Porter, to select the 'Cease Coal Combustion by 2028' compliance option for Units 7, 8 and 8A and commit to retirement of these units by May 31, 2023 as the ELG compliance strategy for Bottom Ash Transport Water (BATW) and authorize Staff to submit Notice of Planned Participation to the Iowa Department of Natural Resources (IDNR) by October 13, 2021. This retirement date is contingent on Line 106 being fully operational and the approval from MISO to allow retirement. All Trustees voted aye. Motion carried.

- Trustee Fields motioned, seconded by Trustee McGinnis, to select the Voluntary Incentive Program (VIP) compliance option for Flue Gas Desulfurization Water (FGDW) and the 'High Recycle Closed Loop System' option for BATW as the ELG Compliance Strategy for Unit 9 – retaining 'Cease Coal Combustion by 2028' as a secondary option – and authorize Staff to submit Notice of Planned Participation to IDNR by October 13, 2021. All Trustees voted aye. Motion carried.

The next agenda item was a recommendation to retire Units 7, 8, 8A on May 31, 2023. Mr. Huston reviewed a Unit 7 and Unit 8 service milestone timeline provided in the Board packet. He continued by recognizing the dedicated plant operators, along with the maintenance, technical, electrical, and other supporting staff members, who provide safe, reliable, and affordable energy to the Muscatine community around the clock, 24 hours a day, 365 days a year. Mr. Huston reminded the Board that staff reductions will be needed as these Units are retired and this impact to employees sometimes gets overlooked. He shared the options Staff is providing these employees in preparation for new jobs in the future, such as retraining and education opportunities. On behalf of the Board of Trustees, Trustee Porter thanked Staff for all the thought and consideration that has been put into these and upcoming decisions, making sure that MPW does what is best for the employees and customers. Trustee Eversmeyer stated all Trustees should recognize plant employees for everything they have done the past and what they will do in the future to implement MPW's energy portfolio changes. The following resolution was submitted for approval:

RESOLUTION 21-21

WHEREAS, in 1958 the Board of Trustees authorized construction of a new Wickes stoker-fired boiler and a GE turbine generator unit (Unit 7). Unit 7 was placed in service in 1960 and will have 62 years of service on December 31, 2022; and,

WHEREAS, in 1966 the Board of Trustees authorized the preparation of plans for the installation of a new 66,000 KW Babcock & Wilcox (B&W) cyclone-fired boiler and a GE turbine generator unit (Unit 8). Unit 8 was placed in service in 1969 and will have 53 years of service on December 31, 2022; and,

WHEREAS, in MPW's never-ending quest for improving the level of service given to customers, Unit 8A began commercial operation in 2000 to sell steam to Grain Processing Corporation (GPC). This project resulted in annual revenue for MPW, helping to keep rates for all customers some of the lowest in the state. This partnership has been a win-win for MPW customers for over 20 years; and

BE IT RESOLVED, that the Board of Water, Electric and Communications Trustees of the City of Muscatine, Iowa, meeting at Muscatine Power and Water's Administration/Operation Building on this 31st day of August, hereby commit to the retirement of Units 7, 8 & 8A on May 31, 2023, contingent on Line 106 being fully operational and approval from MISO for unit retirements; and,

BE IT RESOLVED, that the Board of Water, Electric and Communications Trustees recognize the dedicated generating plant employees and other support staff, who over the past 60+ years, staffed these units around the clock, 24 hours a day, 365 days a year. It is also recognized that these plant operators, along with the maintenance, technical, electrical, and other supporting staff, have spent their careers dedicated to providing safe, reliable, and affordable energy to the Muscatine community.

BE IT FURTHER RESOLVED that this resolution be included in the minutes of the Board Meeting as a token of the Board of Trustees appreciation and thanks to all MPW generating plant employees for their continuing service and dedication.

Trustee Fields moved, seconded by Trustee Porter, that said resolution should be passed, approved, and adopted this 31st day of August 2021. On roll call, Trustees Porter, Fields, McGinnis, Eversmeyer and Bradford voted aye. Voting nay, none. Resolution carried.

Mr. Huston reviewed the previously submitted memorandum to all Board members regarding designating the week of October 3-9, 2021, as Public Power Week. To support and increase awareness of the public to the benefits of public power, MPW would like to have the City of Muscatine designate this week to celebrate public power and recognize the important contributions MPW provides to the community. The following resolution was submitted:

RESOLUTION 21-20
PUBLIC POWER WEEK 2021

WHEREAS, the Board of Water, Electric, and Communications Trustees of the City of Muscatine, Iowa wishes to recognize its customers and employees during Public Power Week; and,

WHEREAS, the citizens of Muscatine, place high value on a community-owned, not-for-profit utility and, as both customers and owners of the utility, have chosen local control over operations and policies through their City appointed Board of Trustees; and,

WHEREAS, the MPW electric system is a community asset that contributes to the well-being of the local citizens through things such as energy efficiency, customer service, environmental protection, and economic development; and,

WHEREAS, MPW employees are neighbors serving neighbors, providing homes, businesses, schools, and local government agencies with not for profit water, electric, and communications services while considering these four important factors: Reliability, Affordability, Flexibility and Sustainability, making our community the best place to live, stay, work, and play, and;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees request that the Mayor and City Council designate the week of October 3 – October 9, 2021 as Public Power Week in Muscatine, in order to honor Muscatine Power and Water, its consumer-owners, policy makers, and its employees, who work together to provide the best possible services; and,

BE IT FURTHER RESOLVED, that Muscatine has joined hands with other communities across the nation in this celebration of public power, putting our residents, businesses, and the community before profits.

Trustee Fields moved, seconded by Trustee McGinnis, that said resolution should be passed, approved, and adopted this 31st day of August 2021. On roll call Trustees Eversmeyer, Porter, Fields, McGinnis, and Bradford voted aye. Voting nay, none. Resolution carried.

In the General Manager's Report, Mr. Huston reviewed the results of the recent MPW Safety Perception Survey, an update on the settlement with the contractor regarding the Well 47 Project, recent results of the NCTC programming negotiations with Disney Media and Entertainment, and Iowa Administrative Code Chapter 27 changes.

The July 2021 Financial Operating Statements and Balance Sheets were presented as previously submitted to all Board members. Mr. Roberts reviewed the MPW dashboard and the Financial Results Summary for each Utility.

There were no entries on the Competitive Quotes for Public Improvements Report.

Mr. Huston reviewed the Monthly Project Status Report and Variance Analysis report. He pointed out the Geneva Drive and Middle Road Conversion Overhead to Underground, Phase 2 Project was listed in the Variance Analysis Report. Although this project did not originally require Board approval, final project costs of \$149,488 were above the Board approval threshold.

The July Departmental Reports were presented as previously submitted to all Board members. Mr. White reviewed the Powering the Future Monthly Status Report.

Public comments were added by Ms. Brackett and Mr. Donald.

Trustee Porter moved, seconded by Trustee Eversmeyer, to receive and place on file the July 2021 Utility Reports. All Trustees voted aye. Motion carried.

The meeting of the Board of Trustees was adjourned at 7:45 p.m.

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THE CITY OF MUSCATINE, IOWA



Brenda Christensen
Board Secretary