

**OFFICIAL PROCEEDINGS OF THE
BOARD OF WATER, ELECTRIC,
AND COMMUNICATIONS TRUSTEES
OF THE CITY OF MUSCATINE, IOWA
APRIL 26, 2016 – 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, April 26, 2016, at 5:30 p.m.

Chairperson Steven Bradford called the meeting to order. Members of the Board were present as follows: Trustees Tracy McGinnis, Warren Heidbreder, Doyle Tubandt, Susan Eversmeyer, and Steven Bradford.

Also present were Sal LoBianco, General Manager of Muscatine Power and Water; Jerry Gowey, Board Secretary; Charles Potter, Muscatine Journal; Erika Cox, Brandy Olson, Tim Reed, Gage Huston, and Brenda Christensen of Muscatine Power and Water (MP&W).

Chairperson Bradford asked if there was anyone in attendance who wished to make any public comments. There were no public comments.

The minutes of the March 29, 2016 regular meeting were presented as previously submitted to all Board members. Trustee McGinnis moved, seconded by Trustee Eversmeyer, that the March 29, 2016 meeting minutes be approved as submitted. All Trustees voted aye. Motion carried. Meeting minutes of the March 29, 2016, Audit/Finance Committee Meeting were received and placed on file.

The list of expenditures and transactions for March 2016 was presented as previously submitted to all Board members. After review and discussion of the expenditures, Trustee Heidbreder moved, seconded by Trustee Tubandt, to ratify payment of \$8,812,084.25 for the Electric Utility, \$610,839.44 for the Water Utility, and \$1,270,220.45 for the Communications Utility for a cumulative total of \$10,693,144.14. All Trustees voted aye. Motion carried.

Mr. LoBianco stated that the 2015 Muscatine Power and Water Annual Report and the 2015 Annual Highlights Report have been completed and were distributed prior to the meeting to each of the Board members. The Annual Report and Highlights Report were both developed by MP&W's Marketing Department and Sycamore Printing produced the reports as part of the third year of a three year publication contract. The Annual Highlights Report will be distributed to all employees and will be included in a customer mailing in the near future. Mr. LoBianco and the Trustees complimented Staff for the hard work and professionalism of both documents. Trustee Heidbreder moved, seconded by Trustee McGinnis, that the 2015 Annual Report be received and placed on file as submitted. All Trustees voted aye. Motion carried.

Mr. LoBianco reminded the Board that the revised Service Rules were presented to the Board of Trustees at the March 2016 Board meeting for information and review. No

additional feedback was received from the Board regarding the Service Rules. After discussion Trustee Eversmeyer moved, seconded by Trustee Heidbreder, to approve the Service Rules for the Water, Electric, and Communications Utilities as presented at the March 29, 2016 Board of Trustees meeting. All Trustees voted aye. Motion carried.

In the General Manager's report, Mr. LoBianco reviewed his previously submitted memorandum. The first topic was the results of the 2016-2017 MISO Capacity Auction held in April; the group discussed the clearing price and the key drivers behind the price change from last year. The next discussion topic was an update on the proposed annexation of properties, including the MP&W Power Plant, into the Muscatine Louisa Joint Drainage District (JDD13); Mr. LoBianco and Ms. Olson discussed the background, proposed billing by JDD13, and the response submitted to JDD13 by MP&W. Next, Ms. Olson gave an update on her attendance and the issues that were discussed at the APPA Legislative Rally that took place in March. The final topic was an invitation from Mr. LoBianco to Board members to attend the 2016 APPA National Conference that will be held in June 2016.

The YTD and March Financial Operating Statements and Balance Sheets and Quarterly Investment Report were presented as previously submitted to all Board members. Mr. LoBianco stated that financials would be covered in the Key Performance Indicators presentation. Trustee McGinnis moved, seconded by Trustee Tubandt, to receive and place on file the YTD and March Financial Operating Statements and Balance Sheets for the Water, Electric, and Communications Utilities and the Quarterly Investment Report. All Trustees voted aye. Motion carried.

The Quarterly Project Status Report and Variance Analysis were presented as previously submitted to all Board members. Trustee Eversmeyer moved, seconded by Trustee Tubandt, to receive and place on file the Quarterly Project Status Report and Variance Analysis. All Trustees voted aye. Motion carried.

The Critical Issues and Key Performance Indicators for the Water, Electric, and Communications Utilities were previously submitted to all Board members. Mr. LoBianco asked each Critical Issue leader to review the status of their Critical Issue and stated that Mr. Gowey would review the Key Performance Indicators. After review and discussion, Trustee Tubandt moved, seconded by Trustee Heidbreder, to receive and place on file the First Quarter 2016 Critical Issues and Key Performance Indicators for the Water, Electric, and Communications Utilities. All Trustees voted aye. Motion carried.

The Competitive Quotes for Public Improvements Report was presented as previously submitted to all Board members. There were no items for approval. The report was received and placed on file.

The March Departmental Reports were presented as previously submitted to all Board members. Trustee McGinnis moved, seconded by Trustee Eversmeyer, to receive and place on file the March Departmental Reports. All Trustees voted aye. Motion carried.

Next, Mr. LoBianco reviewed the recommendation for the Board to enter into Closed Session for the purpose of discussing an amended Wind Power Purchase Agreement. The specifics of the documents pertain to competitive and confidential information protected

under Iowa Code 21.5 (closed meetings) and 388.9 (protecting competitive information). Trustee Tubandt moved, seconded by Trustee Heidbreder, that the meeting be closed to the public for the purpose of discussing an amended Wind Power Purchase Agreement. On roll call, Trustees McGinnis, Heidbreder, Tubandt, Eversmeyer, and Bradford voted aye. Voting nay, none. Motion carried.

The meeting was closed to the public at 6:40 p.m.

At 8:10 p.m., the meeting was reconvened to open session.

The meeting was adjourned at 8:10 p.m.

BOARD OF WATER, ELECTRIC, AND
COMMUNICATIONS TRUSTEES OF THE
CITY OF MUSCATINE, IOWA



Jerry Gowey
Board Secretary

**OFFICIAL PROCEEDINGS OF THE
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OF THE CITY OF MUSCATINE, IOWA
MAY 6, 2016 – 11:00 A.M.**

Chairperson Steven Bradford called the meeting to order. Members of the Board were present as follows: Trustees Tracy McGinnis, Susan Eversmeyer, and Steven Bradford. Trustee Warren Heidbreder was present by phone. Trustee Doyle Tubandt was absent due to previously scheduled travel plans.

Also present were Sal LoBianco, General Manager of Muscatine Power and Water; Jerry Gowey, Board Secretary; Charles Potter, Muscatine Journal; Mary Mason, Voice of Muscatine; Erika Cox, Brandy Olson, Tim Reed, Gage Huston, and Brenda Christensen of Muscatine Power and Water (MP&W).

Chairperson Bradford asked if there was anyone in attendance who wished to make any public comments. There were no public comments.

Next, Chairperson Bradford reviewed the recommendation for the Board to enter into Closed Session for the purpose of discussing an amended Wind Power Purchase Agreement. The specifics of the documents pertain to competitive and confidential information protected under Iowa Code 21.5 (closed meetings) and 388.9 (protecting competitive information). Trustee McGinnis moved, seconded by Trustee Eversmeyer, that the meeting be closed to the public for the purpose of discussing an amended Wind Power Purchase Agreement. On roll call, Trustees McGinnis, Eversmeyer, Heidbreder, and Bradford voted aye. Voting nay, none. Motion carried.

The meeting reconvened to open session at 11:25 a.m.

Trustee Eversmeyer moved, seconded by Trustee McGinnis to authorize the General Manager to enter into an Amended Wind Power Purchase Agreement pending successful negotiation of remaining terms. All Trustees present voted aye. Motion carried.

Chairperson Bradford asked if there were any other items of business. With no other items of business, the meeting was adjourned at 11:30 a.m.

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Jerry Gowey
Board Secretary