

Minutes of Proceedings
Of the
Algona Municipal Utilities' Board of Trustees

A meeting of the Board of Trustees of the Algona Municipal Utilities was held in the office of the Algona Municipal Utilities at 104 W. Call Street, Algona, Iowa on December 13, 2017 at 11:00 A.M.

Present: Jay Geving, Chairperson; Trustees – Dave Golwitzer, Julie Murphy, Karen Schaaf, Don Heupel.

Absent: None

Also Present: John Bilsten, General Manager; Sandra Batt, Secretary – Chief Financial Officer, Jon Burmeister, Managing Director and Matthew Stoffel of PFM Financial Advisors LLC.

Chairperson Geving called the meeting to order at 11:00 A.M. Trustee Murphy arrived at 11:05 AM.

The consent agenda included adoption of the agenda, approval of the November 21, 2017 regular meeting minutes, and approval of the monthly vouchers. Trustee Heupel moved to approve the consent agenda, seconded by Trustee Golwitzer. Motion carried unanimously.

Chairperson Geving called the Public Hearing for the 2018 Water Rates to order. The Chairperson noted no written or oral comments or objections. Trustee Schaaf moved to adjourn the Public Hearing, seconded by Trustee Golwitzer. Roll Call votes were as follows: Heupel, yes; Geving, yes; Schaaf, yes; Golwitzer, yes; Murphy, absent. Motion carried.

The General Manager presented a resolution Ratifying, Confirming and Approving Publication of Notice of Public Hearing – Not to Exceed \$9,900,000 Electric Revenue Refunding Capital Loan Notes. John Burmeister and Matthew Stoffel presented and explained the details of the refunding agreement which allowed for net present value savings of \$188,731.67. After further discussion, Trustee Heupel moved to approve the resolution, seconded by Trustee Schaaf. Motion carried unanimously.

Chairperson Geving called the Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder – Not to Exceed \$9,900,000 Electric Revenue Refunding Capital Loan Notes, to order. The Chairperson noted no written or oral comments or objections. Trustee Murphy moved to adjourn the Public Hearing, seconded by Trustee Golwitzer. Roll Call votes were as follows: Heupel, yes; Geving, yes; Schaaf, yes; Golwitzer, yes; Murphy yes. Motion carried.

The General Manager presented a resolution instituting proceeding to take additional action – Not to Exceed \$9,900,000 Electric Revenue Refunding Capital Loan Notes. Trustee Golwitzer moved to approve the resolution, seconded by Trustee Schaaf. Motion carried unanimously.

Chairman Geving called for a motion for the approval of the Tax Exemption Certificate - \$4,999,000 Electric Revenue Refunding Capital Loan Notes, Series 2017B. Trustee Heupel moved to approve the Tax Exemption Certificate as presented, seconded by Trustee Murphy. Motion carried unanimously.

The General Manager presented a resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes – \$4,999,000 Electric Revenue Refunding Capital Loan Notes, Series 2017B. Trustee Schaaf moved to approve the resolution, seconded by Trustee Golwitzer. Motion carried unanimously.

The Board reviewed the October 2017 Financial Statements. Trustee Murphy moved to approve the financial statements and place them on file, seconded by Trustee Heupel. Motion carried unanimously.

The General Manager updated the Board and asked for approval on a number of topics including as follows:

- Change of name for utility easement. The original easement was with Gary L. and Susan P. Schneider and it should have been with Gary Schneider a/k/a Gary P. Schneider for the East Ten feet (10') of a parcel of land located in the East Half of the Northwest Quarter (E½NW¼) and the Northwest Quarter of the Northeast Quarter (NW¼NE¼) of Section Twenty-four (24), Township Ninety-six (96) North, Range Twenty-nine (29), West of the 5th P.M., Kossuth County, Iowa, described as Lot 1 of the Auditor's Plat recorded as Document No. 2006-1763, being parallel (straight or radially) from the West edge of the County Right-of-Way. Trustee Schaaf moved to approve the easement, seconded by Trustee Golwitzer. Motion carried unanimously.
- Compensation and Benefits Study with Carlson Dettman Consulting, LLC. After discussion, Trustee Murphy moved to approve the consulting agreement, seconded by Trustee Schaaf. Motion carried unanimously.
- Resolution 2017-07, Resolution approving and authorizing the 2018 Water Rates. Trustee Golwitzer moved to approve the 2018 Water Rates, seconded by Trustee Heupel. Motion carried unanimously.
- 2018 Wage Increase. The General Manager recommended a 2.5% across the board, wage increase until such time as the Compensation and Fringe Benefits study is completed. It is anticipated that the study will be completed by the end of the first quarter of 2018. Trustee Schaaf moved to approve a 2.5% wage increase to all employees, Trustee Murphy seconded. Motion carried unanimously.
- Telephone Host Switching Services and Service Level Agreement with Spencer Municipal Utilities. Trustee Murphy moved to approve the agreement, seconded by Trustee Golwitzer seconded. The motion carried unanimously.

- NISP 24-Month Bandwidth Purchase Agreement. Trustee Murphy moved to approve the agreement, Trustee Heupel seconded. Motion carried unanimously.
- Resolution 2017-08, Reimbursement Resolution for Water Projects. The resolution will allow us to reimburse the water utility prior expenses, if debt is issued in 2018. Trustee Golwitzer moved to approve the resolution, Trustee Heupel seconded. Motion carried unanimously.
- Resolution 2017-09, Reclassification of Payments from the Communications Utility to the Electric Utility. Trustee Schaaf moved to approve the resolution, Trustee Murphy seconded. Motion carried unanimously.
- Change Order #2 – Hwy 18, Water Main Replacement – H & W Contracting for a \$2,179.10 decrease. Trustee Heupel moved to approve the decrease, Trustee Golwitzer seconded. Motion carried unanimously.
- Pay Request #5 and Final Pay Request – Hwy. 18 Water Main Replacement – H & W Contracting for \$18,225.05. Trustee Schaaf moved to approve the final pay request, Trustee Murphy seconded. Motion carried unanimously.
- Water System Study with DGR Engineering. The study will assist in determining the future needs for the supply of wells and the treatment and storage of water. Trustee Golwitzer moved to approve the study, Trustee Schaaf seconded. Motion carried unanimously.
- Operating Procedures for Compliance with Customer Proprietary Network Information (CPNI) Rules. Trustee Golwitzer moved to approve the procedure, Trustee Heupel seconded. The motion carried unanimously.

In addition, the General Manager discussed adding Wind Generation to AMU's Power Supply mix, the need for basic engineering to begin the West Substation 69 kV breaker replacement capital project, preliminary cable TV rate increase, Political Action Committee personal donations, and action related to an unpaid communications bill.

The next meeting is scheduled for January 17, 2018 at 11:00 A.M.

Upon motion and vote, the meeting adjourned at 12:30 P.M.

/s/ Jay B. Geving
Jay B. Geving, Chairperson

Attest:

/s/ Sandra M. Batt
Sandra M. Batt, Secretary

2016 Gross Wages

L. Roethler	-	90,165.40	,	D. Smith	-	62,060.02	,	R. Simpson	-	54,351.52	,	A. Friedrich	-	59,687.33	,
A. Zadow	-	41,954.58	,	R. Vitzthum	-	91,939.40	,	D. Dornbier	-	75,296.26	,	H. Vileta	-	73,399.45	,
J. Benz	-	73,335.65	,	M. Stripling	-	71,831.60	,	N. Elliott	-	60,926.28	,	J. Adams	-	11,668.80	,
R. Johnson	-	71,041.36	,	J. Bilsten	-	121,560.80	,	S. Kajewski	-	43,982.80	,	B. Rindone	-	87,372.00	,
V. Foth	-	73,908.60	,	L. Scott	-	38,438.40	,	L. Thilges	-	42,197.61	,	J. Vautier	-	21,188.52	,
R. Beenken	-	34,798.51	,	L. Rongved	-	39,478.45	,	S. Grandgenett	-	50,593.48	,	D. Groen	-	65,511.20	,
S. Baer	-	41,698.70	,	S. Seebecker	-	44,251.45	,	S. Fortune	-	43,139.25	,	D. Young	-	39,270.40	,
R. Jennings	-	63,968.20	,	K. Hilsabeck	-	55,859.52	,	E. Degen	-	77,661.40	,	P. Kenne	-	57,192.48	,
L. Moe	-	55,747.68	,	G. Larsen	-	57,026.40	,	J. Fett	-	55,561.48	,	D. Degen	-	2,480.00	,
P. Woods	-	75,629.04	,	K. Rash	-	52,655.42	,	J. Prothman	-	48,232.14					

The following vouchers were approved:

Chk #	Vendor	Description	Amount
	PAYROLL		\$ 73,545.45
50581	BILSTEN, JOHN	EMPLOYEE MISC	52.00
50582	KOSSUTH COUNTY FOOD PANTRY	DONATION	600.00
50583	LINCOLN LIFE	DEFERRED COMP	6,816.00
50584	PROTHMAN, JEREMY	EMPLOYEE MISC	169.06
50585	ROETHLER, LOWELL	EMPLOYEE MISC	155.15
50586	TRINITY WIND, LLC	POWER PURCHASED - OCTOBER	6,021.47
50587	US DEPARTMENT OF EDUCATION	LR	169.47
50588	BIG 10	SUBS	2,659.72
50589	FOX SPORTS NET NORTH	SUBS	6,690.01
50590	NEXSTAR	SUBS/RETRANSMISSION	5,812.50
50591	ROVI	SUBS	1,286.01
50592	SINCLAIR BROADCAST GROUP INC	RETRANSMISSION	3,978.00
50593	TOWER DISTRIBUTION CO	RETRANSMISSION	3,473.99
50609	ALGONA CHAM. OF COMMERCE	INFO DINNER	1,890.00
50610	BAER, SHEILA	EMPLOYEE MISC	18.06
50611	BILSTEN, JOHN	EMPLOYEE MISC	17.79
50612	KOSSUTH COUNTY RECORDER	UTILITY EASEMENTS	81.00
50613	MIKE STRIPLING	EMPLOYEE MISC	11.75
50614	VITZTHUM, ROD	EMPLOYEE MISC	26.48
50615	AFLAC	PREMIUMS	642.10

50616	AVESIS THIRD PARTY ADMIN	PREMIUMS	573.38
50617	BUB'S PIE SHOP	PIES - INFO DINNER	135.00
50618	CARD CENTER	PURCHASES	2,474.75
50619	FAREWAY STORES	SUPPLIES	75.63
50620	STEPHANIE FORTUNE	EMPLOYEE MISC	70.02
50621	NICHOLAS HENSLEY	INFO DINNER SERVICES	575.00
50622	METLIFE SMALL BUSINESS CENTER	PREMIUMS	2,684.19
50623	WELLMARK HEALTH PLAN	PREMIUMS	25,116.26
50624	ALGLONA 5K RUN/WALK	SPONSORSHIP GOLD LEVEL	500.00
50625	ALGONA MUNICIPAL UTILITIES	ELECTRIC AND COMMUNICATIONS	14,163.38
50626	WARREN ANDREASEN	CUSTOMER REFUND	18.25
50627	CRAIG BARSLOU	CENTRAL AIR REBATE	350.00
50628	AL BECKER	CENTRAL AIR REBATE	200.00
50629	BGHS BOOSTER CLUB	ADVERTISING	700.00
50630	BOMGAARS	SUPPLIES	560.45
50631	MARK BROESDER	CUSTOMER REFUND	109.85
50632	CENTURYLINK	PHONE SERVICE	127.79
50633	CENTURYLINK	FACILITY ACCESS SERVICE	305.43
50634	CENTURYLINK	LOCAL MESSAGE REVENUE	1.06
50635	COMPUTER SYSTEMS ASSOCIATES	ETHERNET SWITCH TP LINK	53.39
50636	COMSONICS INC	EQUIPMENT REPAIR	535.25
50637	CONSORTIA CONSULTING BY TELEC	CONSULTING SUPPORT	1,650.00
50638	DEAN MEYER ELECTRIC	INSTALL OUTLET FOR KEY CARDS	137.75
50639	DEX MEDIA EAST	ADVERTISING	79.00
50640	DGR ENGINEERING	WATER DISTRIBUTION	1,021.00
50641	IRENE ELBERT	CUSTOMER REFUND	15.87
50642	ELECTRONIC ENGINEERING	PAGING SERVICES	29.85
50643	ERPELDING EXCAVATING ENT	NORTH IA LUMBER DRIVE	3,005.48
50644	FASTENAL COMPANY	SECURITY DOOR PROJECT	102.48
50645	FOERTSCH P & H	BARSLOU	75.00
50646	FOERTSCH PLG. & HTG.	SUPPLIES	9.00
50647	JAY GEVING	TRUSTEE FEES NOVEMBER 2017	75.00
50648	DAVID GOLWITZER	TRUSTEE FEE NOVEMBER 2017	75.00
50649	STEVE GRANDGENETT	EMPLOYEE MISC	156.90
50650	GRAYBAR ELECTRIC CO INC	SUPPLIES	226.73
50651	HAWKINS INC.	CHEMICALS	2,695.00
50652	NICK HEIDERSCHIEDT	CUSTOMER REFUND	16.65
50653	DON HEUPEL	TRUSTEE FEE NOVEMBER 2017	75.00
50654	WILLIAM HOLCOMB	CUSTOMER REFUND	75.00
50655	I&S GROUP, INC	AMU MAIN ST WATER MAIN	7,532.34
50656	IDALS	COM PESTICIDE APPL CERTIFICATE	15.00
50657	IOWA ASSN OF MUNI UTILITIES	ENERGY CONFERENCE	6,280.00
50658	IOWA ONE CALL	VOICE AND EMAIL	214.70
50659	JCL SOLUTIONS	AERO SD20 CLEANER	67.99
50660	BRUCE/CINDY JENSEN	CUSTOMER REFUND	92.21
50661	GARY JESERITZ	WINDOW REBATE	457.40
50662	JOHN DEERE FINANCIAL	PARTS	139.60
50663	BRIAN JOHNSON	CUSTOMER REFUND	207.01
50664	LAURA KRAMER	CUSTOMER REFUND	12.97
50665	ELAINE LANGHOFF	CUSTOMER REFUND	10.87
50666	MARION MERRYMAN	REFUND	12.16
50667	MIDAMERICAN ENERGY	SERVICE	66.56
50668	MIDAMERICAN ENERGY CO.	CAPACITY ASSIGNMENT OF NEAL 3	87,886.57
50669	RICHARD MOE	CUSTOMER REFUND	33.91
50670	MPOWER TECHNOLOGIES, INC	GIS	4,781.25
50671	MSC INDUSTRIAL SUPPLY CO	FOAM GLOVES	191.00
50672	JULIE MURPHY	TRUSTEE FEES NOVEMBER 2017	75.00
50673	PHILLIP MYERS	CUSTOMER REFUND	13.52
50674	NEU STAR	SOW AND LNP	404.29
50675	NORTH CENTRAL RENTALS	WINDOW REBATE	102.85
50676	NORTH IOWA ADVISORS	REFUND	26.17
50677	NORTHWEST COMM NETWORK	PORT CHRG AND BANDWIDTH	581.50
50678	TRENT PEASE	CUSTOMER REFUND	5.00
50679	MARISSA PHILLIPS	REFUND	73.26
50680	MITCHELL/KOREEN POLLOCK	WINDOW REBATE	1,500.00
50681	PREMIER LINE SERVICES	DRY ICE ENERGIZED SWITCHGEAR	5,300.00
50682	PROFESSIONAL COMPUTER SYSTEMS	PROCESSING FOR OCTOBER	2,245.48
50683	RAM UTILITIES	TRANSMISSION LINE INSPECTION	5,622.50
50684	SHARON REISING	CENTRAL AIR CONDITIONER	350.00
50685	ROUTER12 NETWORKS LLC	NOC360 SERVICES	280.00

50686	PATRICIA RUHNKE	CUSTOMER REFUND	18.15
50687	KAREN SCHAAF	TRUSTEE FEE NOVEMBER 2017	75.00
50688	FRED/MARLENE SCHNEIDER	CUSTOMER REFUND	15.44
50689	ANTHONY SCHNEIDER	CUSTOMER REFUND	59.59
50690	SHOWTIME NETWORKS INC	OCTOBER 2017	323.73
50691	ROLF SOLBACH	CUSTOMER REFUND	1.19
50692	SPENCER MUNICIPAL UTILITIES	TELEPHONE SWITCHING	5,500.00
50693	STUNDAHL CLEANING	CLEANING	900.00
50694	SWEESY, ELIZABETH	CUSTOMER REFUND	26.10
50695	KRAIG THILGES	CUSTOMER REFUND	75.00
50696	THREADS	EMPLOYEE CLOTHING	258.94
50698	BRETT VANTEICHER	ELECTRIC METER REBATE	150.00
50699	WALKER PLG. & HTG.	JOHNSON ST WAREHOUSE	104.05
50700	DAVID WALLIN	CUSTOMER REFUND	10.09
50701	MARY JO ZUMACH	CUSTOMER REFUND	21.60
50702	AED AUTHORITY	3 AED - LIFEPAK CR PLUS	4,125.00
50703	IOWA DEPT OF TRANSPORTATION	USE TAX	2,900.25
50704	THE THUL SHED	INFORMATIONAL DINNER CATERING	710.00
50705	RICHTER, HARLAN	CENTRAL AIR REBATE	350.00
50706	TRINITY WIND, LLC	POWER PURCHASED	9,354.45
50707	ERPELDING EXCAVATING ENT	RIDGLEY STREET WATER MAIN	16,512.81
50708	STEPHANIE FORTUNE	EMPLOYEE MISC	42.95
50709	STEVE GRANDGENETT	EMPLOYEE MISC	15.32
50710	NAPOLIS ALGONA	REPRINT TAKE OUT MENU	686.19
50711	NORTHERN IOWA COMMUNICATIONS	INTERNET	6,508.70
50712	THE RETROFIT COMPANIES, INC	OFFICE LIGHTING PROJECT	28,385.00
50713	US CELLULAR	MONTHLY SERVICE CHARGES	86.84
50714	US DEPARTMENT OF EDUCATION	LR	169.47
8802237	INTERSTATE TRS FUND	MONTHLY ASSESSMENT	248.88
8802238	EFT - SALES TAX TRANSFER	SALES TAX	11,830.00
8802239	EFTPS TRANSFER	PAYROLL TAXES	19,738.65
8802240	UPS	SHIPPING CHARGES	21.16
8802241	EFTPS TRANSFER	PAYROLL TAXES	7,356.23
8802242	NATIONAL CABLE TELEVISION COOP	SUPPLIES	1,037.73
8802243	IOWA STATE BANK	COMM LOAN PAYMENT	18,723.17
8802244	IOWA STATE BANK	COMM LOAN PAYMENT	3,971.58
8802245	IPERS	IPERS	28,595.75
8802246	TREASURER STATE OF IOWA	STATE INCOME TAX WITHHOLDING	8,519.00
8802247	NIMECA	POWER	335,565.21
8802248	BANKERS TRUST COMPANY	BOND PAYMENT	259,400.00
8802249	DEPOSITORY TRUST CO.	BOND PAYMENT	1,346,806.25
8802250	MIDAMERICAN ENERGY	NEAL 4 CASH REQUIREMENT	246,000.00
8802251	EFTPS TRANSFER	PAYROLL TAXES	20,720.79
8802252	UPS	SHIPPING	36.41