

UTILITY BOARD OF TRUSTEES
Digital Meeting via ZOOM
July 8th, 2020

Present: Jan Kahler, Megan Andresen, Andrea Jones, and Abby Gehl
Absent: Aaron Eltrich

Chairperson Kahler called the meeting to order at 4:30 p.m.

Motion by Jones and seconded by Andresen to approve the agenda. All Ayes

Motion by Andresen and seconded by Jones to approve the minutes. All Ayes

Dave Meade, Michele Meade, and Jenessa Garman from Miner, Gilroy & Meade presented the results of MMEU's 2019 audit. Mr. Meade began with explaining to the board their approach to the audit and how MMEU is a part of the City of Maquoketa, who is responsible for the financial statements (ultimately MMEU management). During the course of the audit, no misrepresentations of the financial statements were found. Mr. Meade did discuss, in comparing numbers from 2018 to 2019, revenues were down \$97,000, but much of that is accounted for by lower energy sales for the year. Mr. Meade compared expenditures from 2018 to 2019, and some of the bigger changes in expenditures were Purchase Power (down \$140,000), Salaries (down \$97,000) due to one less employee and retired payouts that happen in 2018, and Allen Street Substation project was completed in 2018. Overall expenses were down \$350,000.

Discussion was held on accepting quote for the Power Plant Roofing Project. Manager Krogman informed the board that MMEU requested a RFP from 7 contractors; 2 out of the 7 actual submitted bids (most stated a time/too busy with other projects was an issue). The bids came in higher than estimated by the Architect, but were very close. The two companies, Jim Giese Commercial Roofing and Sterling Commercial Roofing, provided a base bid for the oldest portion of the roof that needs to be replaced, and also additional bids for alternate options that include more areas to re-roof, tuck pointing, and replacing downspouts and splash blocks. Upon reviewing the quotes and discussing the options with the engineer, Manager Krogman said it is the recommendation for MMEU to do the base bid option for the main roof along with the additional quote to include the rest of the upper portion at the same time. This recommendation is based on the remaining section is going to be done down the road soon, and it will be most cost effective to include the work to be done with this project. Comparing the quotes between the two companies for the two bids, they are close – only \$400 apart. MMEU's engineer recommends going with the base bid plus the alternate #1 quote (to include the total upper roof portion) from Jim Giese Commercial Roofing. The base bid is \$144,492 and \$35,100 for the alternate #1 – area D –, for a total of \$179,292. Estimated date of completion is 9/30/2020. Motion by Andresen and seconded by Gehl to approve the Power Plant Roof Project to Jim Giese Commercial Roofing as quoted with the base bid option and adding the alternate #1 option for area D. All Ayes by Roll Call

Discussion was held on the Contribution in Aid of Construction Agreement with Citizen State Bank. Citizens State Bank is building a new building next to Walmart, and needs a new transformer and new service materials installed. Per MMEU service rules, cost for new transformers, related equipment, and labor is at the cost of the customer. MMEU has offered to give a credit to help offset these cost, based on the expected new load and revenue to MMEU. Manager Krogman has drafted a Contribution in Aid of Construction Agreement that is structured much like prior agreements such as the Maquoketa Community School, middle school chiller project. Citizens State Bank can earn credits back, based off actual usage for up to 5 years. Per MMEU service rules, any such agreement needs to be approved by the board. Motion by Jones and seconded by Gehl to approve the Contribution in Aid for Construction for Citizens State Bank.

All Ayes by Roll Call

Discussion on claims was held. Chairperson Kahler asked about one claim for Burken Underground – Boring at Farmland Dr.; Mr. Kahler was wondering if this is part of a bigger project. Manager Krogman explained it was for replacing old cable that was in need of being done, and Burken Underground was in the area working on boring fiber line for another utility; So for cost efficiency, MMEU had Burken Underground do the work while in the area already. Motion by Jones and seconded by Andresen to approve the claims as presented.

Manger Krogman discussed current budget numbers. Revenue is down 5.8% as energy usage down overall, and expenses are down 3.5%. Manager Krogman pointed out the change in current outstanding balances from last month, as the extended winter moratorium expired.

Manager Reports – Manager Krogman did say there was one customer that voiced their concern on the MMEU’s sponsorship of ½ Price Gift Cards at local businesses. The customer thought it was nice, but wished the funds would go towards lowering customer’s bills. Mr. Krogman explain MMEU received these funds from WPPI as part of a “Re-Charge The Community” program because of the effects of COVID-19, and in order to be reimbursed for the funds, it needed to go into such a community program.

Manager Krogman noted the Maquoketa Chamber golf outing is scheduled for the same date of the September Board Meeting. Mr. Krogman wanted to know if any board members planned to attend, and if the board meeting should be changed. At this time, the board stated they would not be golfing, thus no change needed.

Motion by Jones and seconded by Gehl to adjourn the meeting at 4:56 p.m.

Chairperson, Jan Kahler

ATTEST:

Megan Andresen, Secretary