

The Utility Board of Trustees of Laurens, Iowa met in regular session at the Municipal Building, 272 N. Third Street, Laurens, Iowa, at 4:00 p.m. on the above date. Present were Trustees Richard Main and Jerry Runneberg. Also present was General Manager Chad Cleveland. Trustee Ben Storms joined the meeting at 4:15 p.m.

Motion by Trustee Runneberg and seconded by Trustee Main to approve the agenda for the December 19, 2022 regular meeting. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Runneberg and seconded by Trustee Main to approve the proposed list of accounts to be written off. The amount for the Electric Utility to be written off is \$2,488.17. The amount for the Communications Utility to be written off is \$2,889.65. The write-off recoveries for 2022 were \$1,150.21 for the Electric Utility and \$999.94 for the Communications Utility. Ayes: All. Nays: None. Motion carried.

The Chairperson announced that this was the time and place for the public hearing and meeting on the matter of the proposition of the disposal of interest in real property owned by the Municipal Electric Utility, under an Asset Purchase Agreement for the sale of the Utility's ownership interest in Lehigh-Webster Transmission owned under the Amended and Restated Lehigh-Webster Transmission and Webster Terminals Facilities and Operating Agreement, and that notice of the proposed action by the Board to institute proceedings on the proposition of the disposal of said interest in real property had been published pursuant to the provisions of Section 364.7 of the City Code of Iowa, as amended.

The Chairperson then asked the Secretary whether any petitions or written objections to the proposed action, or with respect to any matter related thereto, had been filed. The Secretary reported that no objections or petitions opposed to said matters had been filed. The Chairperson then asked for oral objections to the proposed action, or with respect to any matter related thereto, and no oral objections were offered.

Whereupon, the Chairperson declared the time for receiving oral and written objections to be closed.

The Board then considered the proposed disposal of interest in real property owned by the Municipal Electric Utility, under an Asset Purchase Agreement for the sale of the Utility's ownership interest in Lehigh-Webster Transmission owned under the Amended and Restated Lehigh-Webster Transmission and Webster Terminals Facilities and Operating Agreement, the consequences to be expected therefrom, and the extent of objections thereto. The Board also considered the Asset Purchase Agreement for the sale of the Utility's ownership interest in Lehigh-Webster Transmission, the consequences to be expected therefrom, and the extent of objections thereto.

Board Trustee Storms introduced the following Resolution entitled "RESOLUTION FINALLY APPROVING DISPOSAL OF INTEREST IN REAL PROPERTY OWNED BY THE MUNICIPAL ELECTRIC UTILITY, UNDER AN ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION OWNED UNDER THE AMENDED AND RESTATED LEHIGH-WEBSTER TRANSMISSION AND WEBSTER TERMINALS FACILITIES AND OPERATING AGREEMENT; AND APPROVING ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION", and moved that the Resolution be adopted.

Board Trustee Runneberg seconded the motion. The roll was called and the vote was,

Ayes: Richard Main, Jerry Runneberg, and Ben Storms Nays: None

Whereupon, the Chairperson declared the measure duly adopted.

RESOLUTION FINALLY APPROVING DISPOSAL OF INTEREST IN REAL PROPERTY OWNED BY THE MUNICIPAL ELECTRIC UTILITY, UNDER AN ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION OWNED UNDER THE AMENDED AND RESTATED LEHIGH-WEBSTER TRANSMISSION AND WEBSTER TERMINALS FACILITIES AND OPERATING AGREEMENT; AND APPROVING ASSET PURCHASE AGREEMENT FOR THE SALE OF THE UTILITY'S OWNERSHIP INTEREST IN LEHIGH-WEBSTER TRANSMISSION

WHEREAS, the Municipal Electric Utility of the City (the "Utility") owns an undivided 0.83% ownership interest, as a tenant in common, in certain transmission assets known as Lehigh-Webster Transmission ("Lehigh-Webster Transmission") pursuant to that certain Amended and Restated Lehigh-Webster Transmission and Webster Terminals Facilities and Operating Agreement, as amended (the "Transmission Agreement"); and

WHEREAS, said ownership of Lehigh-Webster Transmission is no longer necessary for the Utility's operations and it is appropriate and prudent for the Utility to sell its ownership interest in the Lehigh-Webster Transmission; and

WHEREAS, MidAmerican Energy Company ("MidAmerican") has agreed to purchase the Utility's ownership interest in the Lehigh-Webster Transmission pursuant to an Asset Purchase Agreement with MidAmerican (the "Agreement"); and

WHEREAS, the Agreement is hereby found in proper form and in the best interests of the City and the Municipal Electric Utility; and

WHEREAS, the Utility's ownership interest in the Lehigh-Webster Transmission includes an ownership interest in real property; and

WHEREAS, the sale (the "Sale") of the Utility's ownership interest in the Lehigh-Webster Transmission and real property owned under the Transmission Agreement will require an amendment of the Transmission Agreement (the "Amendment") to reflect that the Utility will no longer be a participant and joint owner therein; and

WHEREAS, Iowa Code section 364.7 requires a public hearing be conducted for the disposal of real property; and

WHEREAS, before the Agreement may be approved, it is necessary to comply with the provisions of Iowa Code section 364.7, Code of Iowa, 2022, as amended, and to publish a notice of the proposition to dispose of interest in real property and to conduct a hearing thereon and to receive and consider any objections and hear any evidence for or against the proposal; and

WHEREAS, the notice of meetings has been published as required by Section 364.7, Code of Iowa, 2022, as amended, on the matter of the proposed disposal of interest in real property owned by the Municipal Electric Utility, under an Asset Purchase Agreement for the sale of the Utility's ownership interest in Lehigh-Webster Transmission owned under the Transmission Agreement; and

WHEREAS, a draft of the Asset Purchase Agreement in substantially final form has been placed on file with the Secretary; and

WHEREAS, the public hearing required by Iowa Code section 364.7 for the disposal of real property has been conducted; and

WHEREAS, the Utility does not have any outstanding bonds, capital loan notes, or other obligations relating to said real property or the Lehigh-Webster Transmission and secured by the revenues of the Utility (the "System").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
MUNICIPAL ELECTRIC UTILITY OF LAURENS, IOWA:

Section 1. The Board finds it is advisable and in the best interest of the City, its residents, and ratepayers of the Utility to dispose of the Utility's interest in real property owned under the Transmission Agreement, pursuant to the Asset Purchase Agreement for the sale of the Utility's ownership interest in Lehigh-Webster Transmission.

Section 2. The disposal of the Utility's interest in real property owned under the Transmission Agreement, pursuant to the Asset Purchase Agreement, shall be and is hereby approved.

Section 3. The Asset Purchase Agreement shall be and is hereby approved substantially in the form now before the Board, with such revisions and additions as may be determined by the Manager and legal counsel, and the Chairperson and the Secretary are authorized and directed to execute and deliver the Asset Purchase Agreement in its final form.

Section 4. The Chairperson and the Secretary are authorized and directed to execute and deliver all other documents which may be required under the terms of the Asset Purchase Agreement or necessary to carry out the purposes thereof, and to take any other action as may be required or deemed appropriate to carry out the purposes thereof.

Section 5. The Manager and legal counsel for the Utility are authorized to determine the final form of the Asset Purchase Agreement to be executed by the Chairperson and the Secretary.

Section 6. This Board and the Utility shall take such action as may be required to withdraw from the Transmission Agreement, or to amend the Transmission Agreement to effectuate the Utility's withdrawal therefrom, to reflect the Utility's sale of its ownership interest in the Lehigh-Webster Transmission, it being understood that such action shall not impact, affect, or modify the earlier effective date of the Asset Purchase Agreement.

Section 7. The Chairperson, Secretary, and officials of the Utility are hereby authorized to take such further action, as necessary, to carry out the provisions, intent, and purpose of this Resolution.

Section 8. All Resolutions and Orders or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and this Resolution shall be in full force and effect upon its adoption.

PASSED AND APPROVED this 19th day of December 2022.

Richard Main

Chairperson of the Board of Trustees

ATTEST:

Chad Cleveland

Secretary of the Board of Trustees

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the minutes of the November 21, 2022 regular board meeting. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the summary of receipts for November 2022 in the amount of \$362,080.87 and the list of expenses for November 2022 in the amount of \$907,410.84. Ayes: All. Nays: None. Motion carried.

Summary of Receipts

A/R – Electric	\$ 233,328.40
A/R – Communications	\$ 62,492.65
Merchandise/Services – Electric	\$ 381.00

Merchandise/Services – Communications	\$ 58.00
Carrier Access Fees – Communications	\$ 2,140.48
Accrued Interest – Electric	\$ 8,309.63
ACP/Erate Reimbursement – Communications	\$ 399.00
Deposits – Electric	\$ 1,090.76
Deposits – Communications	\$ 584.00
Marathon Energy Sales – Electric	\$ 14,178.26
Tower Lease – Communications	\$ 1,200.00
Attachment H Revenues – Electric	\$ 26,251.53
NIMECA Renewable Energy Credits – Electric	\$ 11,264.16
Electronic Recycling – Communications	\$ 337.00
Miscellaneous – Communications	\$ 36.00
Office Phones – Electric	\$ 30.00
Total Cash Receipts	\$ 362,080.87

Electric Cash Receipts	\$ 294,833.74
Communications Cash Receipts	\$ 67,247.13
Total Cash Receipts	\$ 362,080.87

List of Expenses

A & M Laundry	Dust Mops & Mats	\$ 89.28
Advanced Media Tech	TiVo Boxes	\$ 1,844.79
AFLAC	Employee Contributions	\$ 449.76
Ahlers & Cooney	Legal Services	\$ 439.00
Alliant Energy	Capacity Assignment Charges	\$ 10,402.08
Aureon	CALEA/SS7/Transport	\$ 565.91
Aveis	Group Vision Insurance	\$ 100.43
B&K Embroidery	Company Clothing	\$ 77.58
Bally Sports North	Programming Fees	\$ 1,209.00
Big 10 Network	Programming Fees	\$ 468.00
Border States Electric	Photocells/Lubricant/Supplies	\$ 1,291.21
Calix Inc	Calix BSS Implementation	\$ 4,815.00
CDS Global	Credit Card Processing Fees	\$ 39.30
Clanton Creek Connections	FTTP Project – Customer Installs	\$ 41,152.93
Cleveland, Chad	Meeting Expenses	\$ 232.50
Community First Broadcast	Radio Advertising	\$ 52.50
Community State Bank	Service Charges	\$ 112.25
Consortia Consulting	Contract	\$ 975.00
Cooperative Telephone Company	FTTP Project – Microduct & Fiber	\$ 4,027.91
Customers	Deposit/Closed Account Refunds	\$ 344.47
Department of Energy	WAPA Power Bill	\$ 25,467.59
DGR Engineering	Marathon Rate Calculation	\$ 1,490.00
Display Systems International	Programming Fees	\$ 165.76
Echo Group	FTTP Project – Installation Supplies	\$ 6,545.52
Employee Benefit Systems	Self-Funding – Administration	\$ 120.00
Employee Benefit Systems	Self-Funding – Claims	\$ 1,179.82
FISERV	Credit Card Processing Fees	\$ 45.30
Goldfield Telecom	FTTP Project – ONTs	\$ 27,134.14
Grainger	Safety Glasses/Safety Marking Tape	\$ 489.48
Gray Media Group	Programming Fees	\$ 847.50
Graybar Electric	FTTP Project - Fiber Jumpers	\$ 1,648.48
Hearst Television	Programming Fees	\$ 1,530.02
ICMA RC	Employee Contributions	\$ 1,500.00
Internal Revenue Service	Payroll Taxes	\$ 8,370.22
Interstate TRS Fund	TRS Fund Assessment	\$ 137.76
Iowa Department of Revenue	Sales Tax	\$ 5,962.30

Iowa Department of Revenue	State Withholding	\$ 1,397.00
Iowa Public Employees Retirement System	IPERS Contributions	\$ 5,501.30
Iowa Utilities Board	IUB/OCA Assessment	\$ 2,910.00
Laurens Chamber	Chamber Bucks	\$ 2,100.00
Laurens, City of	Utility Billing	\$ 91,133.29
Laurens Food Pride	Supplies	\$ 26.29
Laurens House of Print	Paper	\$ 58.32
Laurens Municipal Power & Communications	Communications Bill	\$ 133.36
Laurens Municipal Utilities	Utility Bill	\$ 102.58
Laurens Plumbing	Supplies	\$ 201.10
Laurens Sun	Publications/Advertising	\$ 423.27
Long Lines	Communication Services	\$ 10,727.52
Lumen Access Billing	Access Charges	\$ 1,131.88
Lumen Lexcis	Directory Listings	\$ 36.45
Merchant Bankcard	Credit Card Processing Fees	\$ 899.62
Mid-America Communications II	FTTP Project – Customer Installs	\$ 12,976.43
MidAmerican Energy	Neal 4 Operations	\$ 27,000.00
MidAmerican Energy	Capacity Assignment Charges	\$ 18,236.78
National Cable Television Cooperative	Programming Fees	\$ 19,851.98
Nexstar Broadcasting	Programming Fees	\$ 1,515.76
NIMECA	Power Bill	\$ 46,167.76
NIMECA	NAR Transfer Fee	\$ 15.50
NIMECA	Electric Primary Cable	\$ 12,378.89
Oakhill Consulting	FTTP Project – Engineering	\$ 884.00
Office Elements	Office Supplies	\$ 325.08
Payroll	Salaried, Hourly & Overtime	\$ 23,520.08
PLIC-SBD Grand Island	Life/Disability Insurance	\$ 727.92
Pocahontas Hospital	Testing Services	\$ 91.75
Pop Media	Programming Fees	\$ 39.10
Postmaster	Postage	\$ 943.09
Prins, Reid	Safety Footwear	\$ 150.00
Pro Cooperative	Generator Fuel	\$ 17,191.22
Pro Cooperative	Vehicle Fuel	\$ 429.44
R&D Industries	Network Support	\$ 624.25
Secure Shred Solutions	Paper Shredding	\$ 26.00
Skarshaug Testing Lab	Glove Testing/Replacement	\$ 138.21
Spencer Municipal Utilities	Fiber Lease	\$ 450.00
Storey Kenworthy	Office Checks	\$ 553.27
Stuart C. Irby	Transformer Pads	\$ 3,327.70
TSB, Inc.	FTTP Project – RF Overlay	\$ 3,528.00
UMB	Bond Payment	\$ 433,712.50
US Card Systems	Credit Card Terminal Lease	\$ 29.95
VECTOR	Liability Insurance	\$ 229.75
Verizon	Wireless Phone Service	\$ 207.00
Wellmark Blue Cross Blue Shield	Group Health Insurance	\$ 13,264.44
Zcorum	Cable Modem Provisioning	\$ 770.22
	Total Expenses	\$ 907,410.84

Electric Expenses	\$ 838,214.14
Communications Expenses	\$ 69,196.70
Total Expenses	\$ 907,410.84

Trustees reviewed the Utility Funds Report, Income Statement, and Balance Sheet for November 2022. Motion by Trustee Storms and seconded by Trustee Runneberg to authorize the Investment Committee to re-invest CD #600086 and Treasury #912796P94 upon maturity. Ayes: All. Nays: None. Motion carried.

At 5:00 o'clock p.m. the Board of Trustees took a break to meet with the City Council.

At 5:45 o'clock p.m. the Board of Trustees resumed their regular board meeting.

Fiber-To-The-Premise Project Update: We are actively transitioning customers to the new fiber system. Customers are being contacted by phone to schedule appointments for our installation teams. To date we have transitioned 320 customers over to the new fiber system.

Discussion was held on our new storage building project. CMBA Architects will be providing a proposal for their engineering services for this project for our consideration. No specific action was taken.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the Letter of Engagement from T.P. Anderson & Company to audit our financials for the calendar year ending December 31, 2022. Ayes: All. Nays: None. Motion carried.

Trustees reviewed information provided by DGR Engineering regarding the wholesale power supply rates for the City of Marathon. Motion by Trustee Runneberg and seconded by Trustee Storms to approve the recommended wholesale power supply rates for the City of Marathon for calendar years 2023 and 2024. Ayes: All. Nays: None. Motion carried.

Discussion was held on the LMPC Employee Handbook, in particular, the sections related to vacation and sick leave. No specific action was taken.

Discussion was held on the wage scales for calendar year 2023. Motion by Trustee Storms and seconded by Trustee Runneberg to approve the wage scales for calendar year 2023 as presented and require all LMPC employees who have family health insurance coverage to contribute 8 percent of the difference between the family and single coverage premium. Ayes: All. Nays: None. Motion carried.

Discussion was held on the General Manager's salary for calendar year 2023. Motion by Trustee Runneberg and seconded by Trustee Storms to set the General Manager's wage for calendar year 2023 at Grade 5, Step 21 of the General Manager's wage scale. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to provide the residence of the LMPC General Manager with all currently offered Communications services, for the purpose of testing and monitoring, at no cost, effective January 1, 2023.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve the proposed LMPC New Hire Tuition Assistance Agreement with Ethan Schultz. Ayes: All. Nays: None. Motion carried.

The General Manager recommended that the Board discuss cash flow and rates for the Communications Utility at our January 2023 regular meeting.

There being no further business, the Chairman declared the meeting adjourned at 8:30 p.m.

Richard Main
Chairman, Board of Trustees

ATTEST:

Chad Cleveland
Secretary, Board of Trustees