

March 21, 2024

The Utility Board of Trustees of Laurens, Iowa met in regular session at the Municipal Building, 272 N. Third Street, Laurens, Iowa, at 3:00 p.m. on the above date. Present were Trustees Jerry Runneberg, and Ben Storms. Absent was Trustee Kelly Horsman. Also present were Andy Koob of DGR Engineering, Travis Zipf of DGR Engineering, General Manager Chad Cleveland, Electric Operations Manager Reid Prins, Lineman Caleb Roettger and Lineman Ethan Schultz.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the agenda for the March 21, 2024 regular meeting. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve the minutes of the February 20, 2024 regular meeting. Ayes: All. Nays: None. Motion carried.

Andy Koob went over the Electric Utility SCADA System and Relay Upgrades – Preliminary Design Summary. The design calls for us to install new microprocessor-based protection relays and associated control hardware to provide full operator insight into the electrical system at the East and West Substations. Project cost estimate is \$689,500. No action was taken.

Travis Zipf went over the West Generation Plant Fuel System Modifications – Preliminary Design Summary. The design calls for us to install an additional 25,000-gallon underground fuel oil storage tank to satisfy the 48-hour runtime for our current generator configuration as well as a potential four generator configuration. Project cost estimate is \$542,500. No action was taken.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve the summary of receipts for February 2024 in the amount of \$421,142.48 and the list of expenses for February 2024 in the amount of \$387,155.12. Ayes: All. Nays: None. Motion carried.

Summary of Receipts

A/R- Electric	\$ 293,098.66
A/R- Communications	\$ 64,598.28
Merchandise/Services- Electric	\$ 4,760.05
Merchandise/Services- Communications	\$ 46.00
Carrier Access Fees- Communications	\$ 1,612.00
Erate Reimbursements- Communications	\$ 271.20
Deposits- Electric	\$ 1,150.00
Deposits- Communications	\$ 254.00
Energy Assistance- Electric	\$ 7,343.77
Marathon Energy Sales- Electric	\$ 13,483.30
Attachment H Revenues- Electric	\$ 34,023.06
Miscellaneous- Electric	\$ 400.00
Miscellaneous- Communications	\$ 42.16
Lifeline Broadband Reimbursement- Internet	\$ 19.00
Lifeline Voice Reimbursement- Telephone	\$ 11.00
Office Phones- Electric	\$ 30.00
<u>Total Cash Receipts</u>	<u>\$ 421,142.48</u>

List of Expenses

A & M Laundry	Dust Mops & Mats	\$ 133.92
AFLAC	Employee Contributions	\$ 312.82
Ahlers & Cooney	Legal Fees	\$ 49.00
Aureon	CALEA/SS7/Transport	\$ 823.21
Bally Sports North	Programming Fees	\$ 1,058.60
Big 10 Network	Programming Fees	\$ 390.26
Calix, Inc.	Operations Cloud	\$ 532.95

Cleveland, Chad	Meeting Expense	\$	195.64
City of Laurens	Utility Billing	\$	91,685.46
CMBA Architects	Storage Building Project	\$	345.00
Community First Broadcasting	Radio- LM School Sponsor	\$	52.50
Consortia Consulting	Consulting Contract	\$	1,125.00
Department of Energy	WAPA Power Bill	\$	38,925.03
DGR Engineering	Cash Flow Analysis	\$	1,761.50
Display Systems International	Programming Fees	\$	165.76
Echo Group	Supplies	\$	210.49
Employee Benefit Systems	Self-Funding- Administration	\$	120.00
Employee Benefit Systems	Self-Funding- Claims	\$	3,104.26
Fidelity Security Life	Group Vision Insurance	\$	113.21
GFC Leasing – WI	Copier Leases	\$	80.57
Grainger	Building Maintenance/Tools	\$	529.83
Graves Construction Company	Storage Building- Pay Request #1	\$	36,265.29
Gray Media Group	Programming Fees	\$	828.00
Gworks	Conversion Data Pull	\$	1,850.00
HCP Splicing Services	Node Removal/Splicing	\$	1,610.00
Hearst Television	Programming Fees	\$	1,582.40
Horsetech	Shipping Fees	\$	12.33
ICMA RC	Employee Contributions	\$	1,000.00
Internal Revenue Service	Payroll Taxes	\$	10,307.04
Interstate TRS Fund	TRS Fund Assessment	\$	228.48
Iowa Department of Revenue	Sales Tax	\$	6,227.03
Iowa Department of Revenue	State Withholding	\$	1,500.56
Iowa Public Employees Retirement System	IPERS Contributions	\$	6,438.65
Justice Fire & Safety	Inspection/Maintenance	\$	278.74
Laurens Food Pride	Supplies	\$	15.33
Laurens House of Print	Paper	\$	58.85
Laurens Municipal Power & Communications	Communications Bill	\$	97.85
Laurens Municipal Utilities	Utility Bill	\$	101.67
Laurens Plumbing	Supplies	\$	358.09
Laurens Sun	Publications/Advertising	\$	46.52
Long Lines	Communication Services	\$	17,271.61
Lumen Access Billing	Access/Transport Fees	\$	95.47
Lumen Lexcis	Directory Listings	\$	36.45
Merchant Bankcard	Credit Card Processing Fees	\$	549.10
Mid-America Communications II	EOC Wiring	\$	477.58
MidAmerican Energy	Neal 4 Operations	\$	24,000.00
National Content & Technology Cooperative	Programming/TiVo/ACA	\$	13,222.47
Nexstar Broadcasting	Programming Fees	\$	1,709.54
NIMECA	Power Bill	\$	67,706.41
Office Elements	Office Supplies	\$	14.76
Paymentus Corporation	Credit Card Processing Fees	\$	282.64
Payroll	Salaried, Hourly & Overtime	\$	27,188.92
PLIC-SBD Grand Island	Life/Disability Insurance	\$	813.56
Pop Media	Programming Fees	\$	36.12
Postmaster	Stamps	\$	680.00
Pro Cooperative	Vehicle Fuel/Kerosene	\$	498.43
Property Tax Division	Statewide Property Tax	\$	69.95
R&D Industries	Network Support	\$	363.50
Record Democrat	Advertising	\$	67.00
RSM US LLP	Network Support	\$	2,195.40
Schultz, Ethan	Mileage Reimbursement	\$	155.44
Spencer Municipal Utilities	Transport Fees	\$	450.00

The Howard E. Nyhart Company	GASB 75 Report	\$	2,750.00
US Card Systems	Credit Card Terminal Lease	\$	29.95
Verizon	Wireless Phone Service	\$	207.20
Visa	HULU/W2 Filings/Meeting Expenses	\$	1,452.05
Wellmark Blue Cross Blue Shield	Group Health Insurance	\$	12,506.18
Zcorum	TruVision Fees	\$	261.08
Ziegler, Inc.	Skid Loader Bucket/Counterweights	\$	1,542.47
	Total Expenses	\$	387,155.12

Trustees reviewed the Utility Funds Report as of February 29, 2024, current bank account balances, and the current investment schedule. No Balance Sheet or Income Statement for February 2024 was available for review. No action taken.

The General Manager updated the Board about the pre-construction meeting on March 13, 2024 for the Storage Building Project. Sioux Valley Construction stated they would start moving equipment to the job site the week of March 18th and start excavations the week of March 25th weather permitting.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the proposed scope of work and estimate of cost from Certified Testing Services, Inc. (CTS) for their services on the Storage Building Project (soil and concrete testing). The cost estimate ranges between \$2,800 and \$3,600 for the expected materials testing. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to grant contingent approval to interconnect the Laurens-Marathon School District 200 kW Solar Array Project with our electric distribution system. Ayes: All. Nays: None. Motion carried.

Trustee Runneberg introduced the following resolution entitled "RESOLUTION ADOPTING THE ELECTRIC RELIABILITY PLAN FOR LAURENS MUNICIPAL LIGHT AND POWER PLANT" and moved for its adoption. Trustee Storms seconded the motion to adopt. The roll was called, and the vote was: Ayes: All. Nays: None. Chairman Storms declared the following Resolution duly adopted:

**RESOLUTION ADOPTING THE ELECTRIC RELIABILITY PLAN FOR
LAURENS MUNICIPAL LIGHT AND POWER PLANT**

WHEREAS, pursuant to Iowa administrative rule 199 – 27.10, municipal electric utilities are required to review, adopt, and approve, by their governing body, an annual electric reliability plan; and

WHEREAS, pursuant to Iowa administrative rule 199 – 27.10, the approved annual electric reliability plan must be filed with the Iowa Utilities Board.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF LAURENS MUNICIPAL LIGHT AND POWER PLANT:

That the Annual Electric Reliability Plan of Laurens Municipal Light and Power Plant is hereby approved; and

That the Laurens Municipal Light and Power Plant shall maintain an official copy of the Annual Electric Reliability Plan for public inspection and for filing with the Iowa Utilities Board.

PASSED AND ADOPTED this 21st day of March 2024.

Ben Storms
Chairman, Board of Trustees

ATTEST: Chad Cleveland
Secretary, Board of Trustees

Motion by Trustee Storms and seconded by Trustee Runneberg to adopt the December 2023 Iowa Heartland Regional Directory as the 2024 Directory for Laurens Municipal Communications Utility. Ayes: All. Nays: None. Motion carried.

Discussion was held on the maintenance items needing to be addressed on the 400' communications tower and the possible sale of the tower. No action was taken.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the following Public and Utility Purpose Policy. Ayes: All. Nays: None. Motion carried.

Public and Utility Purpose Policy

Public Purpose: All use of funds and assets of Laurens Municipal Power & Communications (LMPC), including but not limited to monetary expenditures, must have a public purpose. Article III, Section 31 of the Iowa Constitution states, in part, "... no public money or property shall be appropriated for local or private purposes..."

Utility Purpose: Laurens Municipal Power & Communications includes the municipal electric and communications utilities of the City of Laurens. Each of the utilities has separate funds. Each of the utilities serves an essential, public, and proprietary function for the City of Laurens. Except for joint use of assets by one or more of the utilities pursuant to applicable law and other exceptions allowed by law, the funds and assets of each utility must be used for its own utility purposes.

Public and Utility Purpose: Altogether, subject to exceptions provided by applicable law, expenditures and other use of funds and assets of each utility must have a public and utility purpose relating to the applicable utility.

For most expenditures and other use of assets of the utilities, the public utility purpose will be evident. For example, routine maintenance and operating expenses of each utility.

In those circumstances where the public utility purpose may not be evident to a third party, LMPC staff shall refer the proposed expenditure or other use of utility funds or assets to the Board of Trustees with staff's identification of the public utility purpose for the applicable utility. The Board of Trustees shall then make a finding regarding the public utility purpose.

For purposes of this policy, the following expenditures are found to serve a public utility purpose:

1. Workforce expenditures (LMPC staff and LMPC Board Trustees): Expenditures (awards, promotional/marketing items, mementos, chamber bucks, or gifts may be nonmonetary or monetary in nature) and meals (breakfast, lunch, dinner, snacks, desserts, etc.) relating to the following events and meetings serve an important public purpose to bring about a better and more efficient service by improving personnel and morale, and through the attraction and retention of faithful and experienced employees and Board members.
 - Events celebrating major life events (milestone birthdays, milestone anniversaries, retirement, etc.).
 - Other celebrations of special events which are non-routine in nature.
 - Annual and other appreciation events, such as recreational, social, and cultural activities from time to time for employees, board members, and their families.
 - New employee and/or board member gatherings.
 - Board or staff meetings where the purpose is business-related.
 - Training events, activities, conferences, and programs, including individual and all-employee initiatives, all board member initiatives, LMPC initiatives, and third-party initiatives (including NIMECA, Corn Belt, IAMU, APPA, etc.).
 - Conferences and trade shows (IAMU, Calix, etc.)

- Safety events, including meetings, training, events celebrating safety, and events recognizing the importance of safety, to always keep safety on the forefront of employees' minds.
- Tuition Assistance Agreement (encourage the professional growth and development of LMPC employees)
- Payment or reimbursement for clothing with LMPC embroidered on it.
- Payment or reimbursement for all Personal Protective Equipment (PPE).
- Discount on Communication services equal to the cost of the service.
- Employees and/or Board members representing LMPC at community events (for example: Summer Celebration, Community and Chamber events, etc.).
- Employee, board member, family member, or former board member funerals, including flowers, etc.

Laurens Municipal Power & Communications staff shall maintain supporting documentation for all such expenditures, including receipts, and shall document the nature of the event for which the expenditure is incurred so that it will be apparent whether the expenditure falls within this policy. Staff shall implement such practice or procedure as may be necessary to comply with this policy.

2. Sponsorships and Memberships: Sponsorships and similar expenditures are a form of advertising and marketing for Laurens Municipal Power & Communications. Advertising and marketing advance the purpose of the electric and communications utilities, as described in the "Advertising and Marketing" section below.

Approved sponsorships, events, and expenditures include community events and organizations including but not limited to the following:

- Summer Celebration and other Chamber Events (including sponsorships and signage).
- Youth sports (including sponsorships and signage).
- Local media (radio/newspaper/digital) promoting LMPC competitive communications products and other utility services.
- Customer appreciation events (Example: Open House for the 75th Anniversary of the Electric Utility).
- Laurens – Marathon Community School and Pocahontas Area Community School (yearbook ads, prom door prizes, senior class, sponsorships, fundraisers, etc.).
- Community First Broadcasting (Sponsorship of Laurens-Marathon School on KAYL radio)
- National Child Safety Council (Sponsorship in combination with the Laurens Police Department of Laurens-Marathon School)
- Other community events sponsorship and participation (including seasonal and holiday events).
- Pocahontas County Economic Development Commission (PCEDC) – contribution which facilitates load growth and rate stabilization through PCEDC projects which support the creation of new jobs, the retention of jobs, and community betterment.
- Iowa Area Development Group (IADG) – contribution which facilitates load growth and rate stabilization through IADG projects which support the creation of new jobs, the retention of jobs, and community betterment.
- USDA REDLG participation which promotes economic development, job creation, job retention, and community betterment.
- Periodic support of projects in the form of utility infrastructure, service, or grants for projects that facilitate load growth and rate stabilization through the creation of new jobs, the retention of jobs, and the construction of new housing to support new jobs and job retention.

Sponsorship of, membership in, contributions to, and/or participation in projects of Pocahontas County Economic Development Commission, Iowa Area Development Group, USDA REDLG participation, and other similar organizations and projects also serve another important public purpose because these organizations engage in economic development activities in the City of

Laurens. New local businesses, new jobs, business and job retention, and a vibrant economy facilitate public utility purposes of load growth, increased utility services sold, and rate stabilization. Sponsorship of, membership in, contributions to, and/or participation in these organizations and their projects serves these public utility purposes and provides the General Manager of Laurens Municipal Power & Communications a platform to support the interests of Laurens Municipal Power & Communications in such matters.

Membership in these organizations also serves as an employee benefit for the General Manager and serves the public purposes of community involvement, relationships with local business leaders, and the retention of an experienced employee, all of which contribute to the success of Laurens Municipal Power & Communications and the utilities of which it is comprised.

Laurens Municipal Power & Communications staff shall maintain supporting documentation for all such expenditures, including receipts, and shall document the nature of the event for which the expenditure is incurred so that it will be apparent whether the expenditure falls within this policy. Staff shall implement such practice or procedure as may be necessary to comply with this policy.

3. Advertising and Marketing: Advertising and marketing serve an important public purpose by fostering success, recognition, and awareness of the electric and communications utility. The communications utility operates in a competitive environment in which advertising and marketing are necessary to compete for customers and customer revenue, thereby directly relating to the operations of the communications utility.

For both the electric and communications utilities, advertising and marketing raise public awareness and recognition of each utility. For the communications utility, this relates directly to the competitive nature of the communications utility. For the electric, the utility operations include customer service in the broader sense, not just the distribution of energy. Advertising, marketing, public awareness, and recognition facilitate positive customer relations and serve as a reminder to customers that Laurens Municipal Power & Communications is the service provider which customers can contact when they have questions or need assistance. Customer relations and customer service are important public utility purposes. Examples: Chamber and community events – LMPC promotional giveaways. Poster My Wall subscription – produces informational ads for website and Channel 3. Hulu Live subscription – demonstrates online streaming services for Cable TV subscribers. Career Day at Laurens-Marathon School – LMPC promotional giveaways.

The electric utility also engages in mandatory Iowa Utility Board customer notifications, energy efficiency advertising, call before you dig advertising, social media alerts of electrical outages, and our local access channel to keep customers informed about electric utility actions. The communications utility engages in some of these items as well. Such communications and the associated expenses are necessary and appropriate and serve the public utility purposes of advertising and marketing. The Iowa Utility Board mandatory advertisements include annual LIHEAP notification, Project Share notification, Customer Complaint notification, annual Grain Bin Safety notification, and mandatory rate change notification requirements. Such communications and the associated expenses are necessary and appropriate and serve the public utility purpose of regulatory compliance.

The electric utility also promotes load growth and rate stabilization by offering a New Home Incentive Program where the first owner of a new all electric residence receives a cash incentive from the electric utility.

The electric utility also promotes efficient use of electricity by offering energy efficiency rebates through the Iowa Association of Municipal Utilities MuniBuck\$\$ program.

Laurens Municipal Power & Communications staff shall maintain supporting documentation for all such expenditures, including receipts, and shall document the nature of the event for which the expenditure is incurred so that it will be apparent whether the expenditure falls within this policy. Staff shall implement such practice or procedure as may be necessary to comply with this policy.

4. Use of LMPC equipment: Laurens Municipal Power & Communications staff is allowed to utilize LMPC equipment to improve job efficiency, to assist with community projects, and to promote good public relations (driving Utility vehicle home for lunch, assist with flags and flagpole accessories throughout the community, help citizens who get stuck or stranded in the winter, etc.).

The various expenditures stated in this Policy, and the amounts and purposes thereof, are found by the Board of Trustees to serve public utility purposes and to be reasonable and proportionate in scope and amount to the size of the utilities and the purposes served by such expenditures, and as such are found to be in the best interest of the Municipal Electric Utility, the Municipal Communications Utility, the ratepayers of the electric and communications utilities, and the City of Laurens. By this reference, said findings are incorporated into the Board of Trustees adoption of this Policy.

Implementation

Laurens Municipal Power & Communications staff shall maintain supporting documentation for all such expenditures, including receipts, and shall document the nature of the event or expenditure so that it will be apparent whether the expenditure falls within this Policy. Staff shall implement such practices or procedures as may be necessary to comply with this Policy.

This Policy is not intended to be an exclusive list of all expenditures which serve a public purpose. For such other expenditures Laurens Municipal Power & Communications shall document the public purpose, and if there is any uncertainty regarding whether such expenditure serves a public purpose, staff shall present it to the Board of Trustees for a determination.

No discussion was held on Cable TV service. This item on the agenda was tabled.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve the hiring of Brooke Williamson for the position of Customer Service/Billing Clerk. Her starting wage will be at Grade 3, Step 15 of the wage scale and her first day is scheduled to be Monday, March 25, 2024. Ayes: All. Nays: None. Motion carried.

There being no further business, the Chairman declared the meeting adjourned at 6:35 p.m.

Ben Storms
Chairman, Board of Trustees

ATTEST: Chad Cleveland
Secretary, Board of Trustees