

September 24, 2020

The Utility Board of Trustees of Laurens, Iowa met in regular session at the Municipal Building, 272 N. Third Street, Laurens, Iowa, at 11:30 a.m. on the above date. Present were Trustees Richard Main, Jerry Runneberg and Ben Storms. Also present were Greg Fritz, CEO of North Iowa Municipal Electric Cooperative Association (NIMECA) and General Manager Chad Cleveland.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the agenda for the September 24, 2020 regular meeting. Ayes: All. Nays: None. Motion carried.

Greg Fritz updated the Board on current issues NIMECA is dealing with. Discussion was held on SPP market operations, Corn Belt Transmission System (CTS), Linemen Sharing, Neal 4, Renewables, and the FERC case from 2015. No specific action was taken.

Greg Fritz left the meeting at 1:30 p.m.

Motion by Trustee Runneberg and seconded by Trustee Storms to approve the minutes of the August 24, 2020 and September 15, 2020 Board meetings. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the summary of receipts for August 2020 in the amount of \$372,982.44 and the list of expenses for August 2020 in the amount of \$324,968.56. Ayes: All. Nays: None. Motion carried.

#### **Summary of Receipts**

A/R – Electric	\$ 262,924.69
A/R – Communications	\$ 63,256.55
Merchandise/Services – Electric	\$ 1,177.50
Merchandise/Services – Communications	\$ 260.00
Carrier Access Fees – Communications	\$ 3,774.35
Write-Off Recovery – Electric	\$ 283.00
Deposits – Electric	\$ 2,375.00
Deposits – Internet	\$ 634.00
Deposits – Telephone	\$ 16.00
Marathon Energy Sales – Electric	\$ 12,059.79
Tower Lease – Communications	\$ 3,000.00
Attachment H Revenues – Electric	\$ 22,407.30
Miscellaneous – Electric	\$ 720.15
Miscellaneous – Telephone	\$ 36.00
Miscellaneous – Cable TV	\$ 58.11
<b>Total Cash Receipts</b>	<b>\$ 372,982.44</b>

Electric Receipts	\$ 301,947.43
Communications Receipts	\$ 71,035.01
<b>Total Cash Receipts</b>	<b>\$ 372,982.44</b>

#### **List of Expenses**

A & M Laundry	Dust Mops & Mats	\$ 85.28
AFLAC	Employee Contributions	\$ 245.80
Alliant Energy	Natural Gas	\$ 376.90
Aureon	CALEA/SS7/Switching/Transport	\$ 561.09
Aveis	Group Vision Insurance	\$ 108.48
Big 10 Network	Programming Fees	\$ 527.56
Border States Electric	Ground Rods/Fuses	\$ 470.00
Century Link Access	Access/Transport Fees	\$ 560.46

Century Link Lexcis	Directory Listings	\$	25.84
Cleveland, Chad	Supplies	\$	17.55
Consortia Consulting	Consulting Contract	\$	900.00
Counsel	Lanier Copier Support	\$	86.46
Crystal Clear Communications	Website Maintenance	\$	695.00
Customers	Deposit/Credit Refunds	\$	826.17
Department of Energy	WAPA Power Bill	\$	35,435.04
DGR Engineering	Electric Rate Study	\$	540.00
Echo Group	Coax/LED Lights/Attenuators	\$	5,432.63
Employee Benefit Systems	Self-Funding – Administration	\$	120.00
Employee Benefit Systems	Self-Funding – Claims	\$	25.29
Fox Sports North	Programming Fees	\$	2,779.05
Grainger	Supplies	\$	7.11
Hearst Television	Programming Fees	\$	1,232.02
ICMA RC	Employee Contributions	\$	800.00
Iconnectiv	Local Number Portability	\$	254.30
Internal Revenue Service	Payroll Taxes	\$	7,255.94
Interstate TRS Fund	TRS Fund Assessment	\$	427.90
Iowa Department of Revenue	Sales Tax	\$	7,301.00
Iowa Department of Revenue	State Withholding	\$	1,232.00
Iowa One Call	Locates	\$	20.80
Iowa Public Employees Retirement System	IPERS Contributions	\$	4,774.40
Iowa Utilities Board	IUB/OCA Assessment	\$	86.55
Laurens, City of	Utility Billing	\$	97,302.50
Laurens Food Pride	Cleaning Supplies	\$	82.74
Laurens House of Print	Paper	\$	70.89
Laurens Municipal Power & Communications	Communications Bill	\$	161.50
Laurens Municipal Utilities	Utility Bill	\$	243.60
Laurens Plumbing	Miscellaneous Supplies	\$	192.53
Laurens State Bank	Service Charges/Deposit Slips	\$	112.83
Laurens Sun	Publications/Advertising	\$	944.15
Long Lines	Communication Services	\$	9,230.07
Merchant Bankcard	Credit Card Processing Fees	\$	766.52
Mid-American Energy	NEAL 4 Operations	\$	34,000.00
National Cable Television Cooperative	Programming Fees	\$	13,825.39
Nexstar Broadcasting	Programming Fees	\$	1,199.74
NIMECA	Power Bill / MCR Bill	\$	17,297.28
Payroll	Salaried, Hourly & Overtime	\$	20,766.76
PLIC-SBD Grand Island	Life/Disability Insurance	\$	497.84
Pop Media	Programming Fees	\$	45.73
Pro Cooperative	Fuel	\$	410.70
R&D Industries	Network Support	\$	826.37
Siepkner Auto	Vehicle Maintenance	\$	64.94
Spencer Municipal Utilities	Transport Fees	\$	1,321.50
Stuart C Irby	Locating Paint	\$	308.16
Tegna	Programming Fees	\$	1,398.80
TP Anderson & Company	Audit Fees	\$	7,000.00
US Bank	Office 365 Renewal	\$	1,200.00
US Card Systems	Credit Card Terminal Lease	\$	29.95
VECTOR	Annual Dues	\$	3,956.50
Verizon	Wireless Phone Service	\$	220.72
Wellmark Blue Cross Blue Shield	Group Health Insurance	\$	8,048.09
Zcorum	Cable Modem Provisioning	\$	795.28
Ziegler Inc.	Generator Annual Maintenance	\$	29,436.86
	<b>Total Expenses</b>	<b>\$</b>	<b>324,968.56</b>

Electric Expenses	\$ 264,236.86
Communications Expenses	\$ 60,731.70
<b>Total Expenses</b>	<b>\$ 324,968.56</b>

The Trustees reviewed the Utility Funds Report, Balance Sheet, and Income Statement for August 2020. No specific action was taken.

The Board reviewed three (3) different financing options provided by Public Financial Management. Items being considered include the refinancing of our current electric revenue bonds and adding financing for a Fiber-To-The-Home Project. Due to the current market conditions, it is advantageous for us to refinance our current bonds and it is also an opportunity for us to finance a Fiber-To-The-Home project. No specific action was taken.

Discussion was held on doing a Fiber-To-The-Home (FTTH) Project. Back in 1998 we built a Hybrid Fiber Coaxial (HFC) system in Laurens. An HFC system consists of a fiber ring around town and then coaxial cable is used to get to all homes and businesses. The HFC system has different pieces of equipment throughout the system to make the system work – this includes nodes, power supplies, and amplifiers out in the field as well as an HDT for telephone, CMTS for internet, and RF gateway for cable tv in the headend. This equipment constantly requires maintenance and upgrades.

A Fiber-To-The-Home system consists of a designated fiber from the headend to every home or building needing service. This fiber is protected by being placed inside of duct. This FTTH system will be utilized by both the Electric and Communications Utilities.

Benefits of installing a FTTH system include:

- Reduced system maintenance - eliminates the need for nodes, power supplies, amplifiers, HDT, and CMTS. No routine or preventative maintenance in the field required.
- Improved customer service – adding/upgrading services and troubleshooting issues are easier.
- Reduce meter reading labor and expenses while increasing our level of service, customer engagement, and overall satisfaction.
- FTTH systems improve reliability, flexibility, and enhance the quality of services provided.
- FTTH systems can be built along side of the existing HFC system and customers can be changed over to the FTTH system at the Utility’s convenience.
- Studies show properties that are served with fiberoptics have increased property value by a minimum of 3%.

Motion by Trustee Storms and seconded by Trustee Runneberg to approve the construction of a Fiber-To-The-Home project in Laurens; to notify Oakhill Consulting to start working on plans and specifications; to notify our bonding attorney (Steve Nadel of Ahlers Law Firm) to start working on the legal documents needed. Ayes: All. Nays: None. Motion carried.

Motion by Trustee Runneberg and seconded by Trustee Storms to adjourn the meeting at 4:05 p.m. Ayes: All. Nays: None. Motion carried.

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Chairman, Board of Trustees

ATTEST: \_\_\_\_\_  
Secretary, Board of Trustees