

BOARD MEETING, FEBRUARY 9, 2009

The Milford Municipal Utilities Board of Trustees met in regular session on Monday, February 9, 2009 at 6:00 PM in the west side of the Community Center. In attendance were Board Members Tom Cooper, Jim Studer, Don Olsen, Steve Feld, Keith Wurtz; Manager Robert Sewell; and Board Secretary Joyce McCrea. Visitor was David Coleman.

The Chairman announced that this was the time and place for the public hearing and meeting on the matter of the authorization of a Loan Agreement and the issuance of not to exceed \$7,500,000 Electric Revenue Capital Loan Notes, series 2009, in order to provide funds to pay costs of improvements and extensions to the Municipal Electric Utility, including Milford Municipal Utility's undivided ownership interest of the Sutherland Generating Station Unit 4, pursuant to a Joint Ownership Agreement among city utilities and electric cooperative associations, and that notice of the proposed action by the Board to institute proceedings for the authorization of the Loan Agreement and the issuance of the Notes, had been published pursuant to the provisions of Sections 382.24A and 384.83 of the City code of Iowa, as amended.

The Chairman then asked the Secretary whether any written objections had been filed by any city resident or property owner to the proposal. The Secretary advised the Chairman and the Board that zero written objections had been filed. The Chairman then called for oral objections to the proposal and zero were made. Whereupon, the Chairman declared the time for receiving oral and written objections to be closed.

Chairman Studer called the meeting to order. The agenda, minutes and financial statements were approved as presented. The following bills were approved for payment:

Mueske Electric	Electric Improvement Project	43,905.20
AFLAC	AFLAC Payable	343.00
Iowa Lakes Electric Cooperative	Power	587.95
Pitney Bowes	Postage Machine Rental	159.00
Principal Financial Group	Employees Benefits	267.13
United Parcel Service	UPS Charges	17.75
Wellmark	Medical Insurance – 2/09	4,425.10
MMU – Investment Fund	Transfer of Funds – 2/09	14,500.00
MMU – Medical Insurance Fund	Cafeteria Transfer - 2/09	375.00
Postmaster – Milford	Postage	543.72
United Community Bank	Loan Payments – 2/09	59,927.55
Treasurer – State of Iowa	Sales Tax – 12/08	7,511.00
Payroll	January	9,740.16
Internal Revenue Service	Payroll Taxes – 1/09	3,561.93
NIMECA	Power – 12/08	76,629.80
Department of Energy	Power – 12/08	27,194.43
Payroll	January 2009	9,758.01
Internal Revenue Service	Payroll Taxes – 1/09	3,425.90

Mid American Energy	Neal #4 Deposit	30,000.00
Interstate Power & Light Co.	Sutherland Project	5,605.98
NIMECA	Employees Benefits	156.42
Treasurer – State of Iowa	State W/H Taxes – 1/09	1,503.00
IPERS	Employees Retirement Fund – 1/09	4,321.82
ABM Equipment & Sales	Truck Expense	935.95
Alltell	Telephone Expense	126.69
American Public Power	Publication	4.50
Arnold Motor Supply	Truck Expense & Portable Generator	95.18
Black Hills Energy	Gas	75.15
Bomgaars Supply Co	Building Maintenance & Clothing Allow	278.17
Brown Supply Co.	Inventory & Dist. Expense	182.95
Burmeister Electric	Inventory & Street Lights	53,361.40
Buy-Rite Foods	Safety	22.25
Campus Cleaners	Building Maintenance	110.96
City of Milford	Sewer/Garbage Collections	35,493.18
City of Milford	Sanitation & Building Maintenance	629.06
Davis Typewriter	M/R – Office Equipment	68.09
DGR & Associates	Engineering/Electrical Improvements	2,283.33
Dickinson County News	Legal/Publication Expense	289.25
E&I Specialists, Inc	Plant Equipment Maintenance	82.00
Electrical Materials Co.	Sm. Tools, Street Lights, Plant Equip.Maint	185.62
Green Plains Grain Co.	Truck Expense	364.10
Gurney	Plant Equipment Maintenance	750.00
Hach	Lab/In House Testing	109.22
Hawkins	Chemicals	2,005.25
High Voltage Testing	Safety	94.85
Hygienic Laboratory	Lab/Outside Testing	720.00
IAMU	Energy Efficiency & Education	1,147.44
IA Great Lakes Sanitary Dist	Sewer Charges	1,870.35
Iowa One Call	Locates	12.80
Jim Bockman	Travel/Mutual Aid	378.90
Joyce McCrea	Safety Allowance – McCrea & Bronson	79.50
Lakes Regional Healthcare	Legal/DOT Physical	44.00
Laser Car Wash	Truck Expense	29.00
Lawson Products, Inc	Misc/Operating	183.41
Mangold Environmental	Lab/Outside Testing	120.00
Milford Electric	Plant Equipment Maintenance	89.58
Milford Municipal Utilities	Power & Sanitation	3,304.03
MMU – Consumers Guarantee	Interest – 1/09	133.73
Pitney Bowes	Postage	768.99
Q West	Telephone Expense	228.68
Roger's Auto & Tire	Truck Expense	435.63
Stein Law Office	Legal/Attorney	50.00
Storey Kenworthy	Office Supplies	197.68
True Value-Milford	Statement – 01/09	417.86
WESCO	Safety Equipment Expense	342.40

Feld/Olsen made the motion to adopt the Resolution entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED \$7,500,000 ELECTRIC REVENUE CAPITAL LOAN NOTES, SERIES 2009". The roll was called and the vote was: Ayes – Cooper, Studer, Feld, Olsen; Nays – None; Absent – Wurtz. Motion carried.

Cooper/Feld made the motion to approve the "Certificate of Substantial Completion" from Harold K Scholz Company. Motion carried unanimously. Wurtz entered the meeting.

The Board will continue to review the electric rates in relationship to the cost of the Sutherland Project.

Staff reported that an error on the West Okoboji's water bill dating back to 2005 was discovered. A credit of \$10,989.89 was issued to West Okoboji.

Wurtz/Feld made the motion to pay the final invoice of \$40,000 to Howard R. Green Company for engineering on the water plant and pumphouse projects. Motion carried unanimously.

The electric and water budgets were reviewed. Feld/Olsen made the motion to set March 2, 2009, at 6:00 PM as the date for the Public Hearing on the Budgets. Motion carried unanimously.

- Items discussed under the manager's report were:
- \$7,877 was received from the IAMU safety Group Insurance Program and this money has been deposited in the Safety Equipment Account for purchase of the protective clothing for employees.
  - The repairs done on the generator was under warranty.
  - Usage by category report was reviewed and the power cost adjustment for December was (14%).
  - Average Revenue per KWH for 2007 for Iowa was reviewed by the Board.
  - If the carbon tax goes into effect the cost of electricity will increase substantially.
  - Staff reported that one of the generators was leaking water and that Zeigler will cover this under the warranty.
  - Unit #4 needs to be junked and the flat bed will be put on Unit 8.
  - Jim Bockman went to Missouri to help with the ice storm.
  - West Bend Utilities requested that Bob help train their new staff on operating their generators. The consensus of the Board was that he could look into it, but not to spend a lot of time on it.

Wurtz/Cooper made the motion to adjourn the meeting. Motion carried unanimously. The next regular meeting of the Board of Trustees will be held on Monday, March 2, 2009, at 6:00 PM.

---

Jim Studer, Chairman

---

Joyce McCrea, Board Secretary