

OSAGE MUNICIPAL UTILITIES BOARD OF TRUSTEES MEETING

Regular Meeting
March 19, 2015 8:30 a.m.
OMU Board Room

1) Call Meeting To Order, Roll Call, Recognize Guests

Meeting called to order at 8:35 a.m. by Chairman Tack.

Present: Harlan Bremer, Jen Frein, Nan Jakobson, Tom Kenny, Royce Tack, Rob Stangel, and Laura Kuennen. Absent: None. Guests: None.

2) Public forum

None.

3) Communications

None.

4) Consent agenda

a) Approve agenda

A motion (Jakobson, Frein) was made and unanimously passed to approve the March 19, 2015 agenda.

b) Approve minutes of previous meeting – February 19, 2015

c) Approve trade accounts

d) Approve cash flow projections, financial statements, and energy reports

A motion (Bremer, Kenny) was made and unanimously passed to approve the minutes of the February 19, 2015 meeting, trade accounts, cash flow projections, financial statements, and energy reports.

5) Departmental reports

a) General Manager Report

A kickoff meeting with NISC for conversion to their accounting software will occur this summer with a conversion date likely in early 2016. GIS mapping is complete for the natural gas distribution system with work on electric and telecom system GIS mapping in progress. Cost estimates have been gathered for expansion of the natural gas system south of town, west of the river to the Cedar Ridge subdivision. Costs are favorable that the project will support itself with enough service commitments from the customers that would be served by the expansion. However, the project will not proceed without firm commitments from customers that they will hookup to the natural gas distribution system. Firm service commitments will also be needed from customers who are not currently served by OMU's internet service to justify an expansion of the telecom system leading up to and into the Cedar Bluff subdivision. Documents are being drawn up for both sets of service commitments and customers will be contacted in the upcoming weeks.

b) Telecom Director Report

The Federal Communications Commission voted to enforce net neutrality under Title II of the Communications Act. The FCC stated it will not enforce the stricter utility-style rules, additional reporting requirements or new taxes or fees. The Iowa legislature is supporting expanding broadband to areas with less than 25/3 Mbps service but has not yet funded a

grant program. New digital test meters were instrumental in assisting technicians in quickly identifying and correcting an issue causing cable modem connection issues on Sunday, March 15. Additional Internet bandwidth has been acquired to meet increases in customer usage.

6) Business items

- a) A motion (Jakobson, Bremer) was made and unanimously passed to approve the recommended list of More Cents grant recipients. Osage Fire Department was awarded \$1,000 for extrication equipment and Growing Tree Preschool was awarded \$450 for classroom technology.
- b) A motion (Kenny, Bremer) was made and unanimously passed to approve CFL and LED updates to OMU's Residential and Commercial and Industrial Energy Efficiency Lighting Program.
- c) A motion (Bremer, Frein) was made and unanimously passed to approve the revised CATV rate adjustment schedule.

7) Other business

- a) General Manager Stangel discussed upcoming large customer expansion projects and their impact on operations and natural gas supply. OMU's historical and projected natural gas consumption (with upcoming dryer additions included) was evaluated against current capacity resulting in a determination that no new additional firm entitlements will be necessary to meet Osage's upcoming natural gas demands. It is anticipated that any rare capacity shortfalls will be able to be purchased in the short term capacity release markets as needed.
- b) General Manager Stangel updated the board on management's progress toward initiating an OMU solar project. The potential project location will be identified and RFP developed in the next 3-5 weeks.
- c) Trustee Bremer gave the CRC update to the board.

8) Date of next meeting

The next regular meeting is scheduled for April 23, 2015 at 8:30 a.m.

9) Adjournment

Chairman Tack declared the meeting adjourned at 11:18 a.m.