

The Harlan Municipal Utilities' Board of Trustees met in regular session, July 28, 2022, pursuant to the rules and regulations as set forth in the office of the Secretary. The zoom option was available as a convenience for those unable to attend in person. All attendance is on-site unless noted (*Present via Zoom).

Absent: Michelle Erickson and Nella Seivert.

Staff Present: Joseph Rueschenberg, Jennifer Kelly, Colburn Warner, Donald Cote and Jim Gedwillo.

Legal Counsel: Matt Hudson.

Public: Gene Gettys, Todd Valline and Vaughn Perry.

Chairperson Tyrrel called the meeting to order at approximately 4:00 p.m. in the HMU Boardroom.

Moved by Rees, seconded by Shelton, to approve the agenda.

Moved by Shelton, seconded by Rees, to approve the consent agenda which included:

- A. Minutes of the July 14, 2022, Board Meeting;
- B. Abstract of Claims No. 1217 in the amount of \$774,326.37;
- C. Upcoming Board Meetings
 - August 11, 2022 – Electronic Board Meeting;
 - August 25, 2022 – Regular Board Meeting.

A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Rees, seconded by Shelton, to approve the Annual Router Software Three (3) Year Support Agreement in the amount of \$4,181.39 each year with CCI. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Rees, no second, to approve the Update to Drug Testing Policy. Shelton preferred different wording and will assist with response to the Iowa Utility Board and bring back to the next meeting. He stated HMU cannot be responsible for others actions that they can only make sure others adhere to policy.

Discussion on how to handle damages and claims of others property when HMU's liability insurance will not cover. The current situation is that a claim by a customer of a damage to a sewer line from over 20 years ago. EMC denied the claim due to the timeframe. Chairperson Tyrrel asked Hudson (legal counsel) if HMU board is authorized to use general funds when the insurance company denies a claim. Discussion will continue at next board meeting.

Moved by Rees, seconded by Shelton, to bid the Maintenance Project Identified as Avoca Line Ground Line Inspection and Treatment Project as presented. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to back bill or credit bills for a one (1) year time frame if an error is found effective July 28, 2022. General Policy regarding Billing Adjustments will be brought back for formal approval at the next board meeting. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Rees, seconded by Shelton, to approve the Audit Engagement Letter with Gronewold, Bell, Kynn & Co PC.. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to approve the annual Itron Maintenance Renewal in the amount of \$2,522.75 for term November 1, 2022 through October 31, 2023. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Rees, seconded by Shelton, to approve the Annual GIS billing in the amount of \$15,000. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to approve the Northern Municipal Distributors Group Legal & Regulatory Fund Assessment in the amount of \$1,499.81. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to approve the recommendation that Electric Policy No. 9 Lease Agreement for Joint Use of Communications Facilities be administered as it is currently with no changes and review again next year as stated in the policy. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to approve the following in relation to the upgrade phone system:

- A. Huntel Quote for Mitel system in the amount of \$25,055.00 (includes 3 years of software support;
- B. Oxen Quote for Mitel Server in the amount of \$2,495.00;
- C. Oxen Quote for Mitel Hard Drives in the amount of \$5,312.00.

It was discussed that although this was an unbudgeted item there was money for the purchase and the current system reliability has decreased since this was last discussed. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to approve the following banking documents:

- A. Resolution 43- 2022 for Machine Signed Signatures
- B. Resolution 44-2022 Corporate Authorization Resolution
- C. Resolution 45-2022 Wire Transfer Authorization .

A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

*Non-budgeted items in the water department were approved due to membrane replacement coming in under budget.

Moved by Shelton, seconded by Rees, to approve three additional wells be acidized & airburst in the amount of \$61,795.00 which was a *non-budgeted item. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Rees, seconded by Shelton, to approve the clear well inspection and cleaning by Liquid Engineering Corporation in the amount of \$9,135.00. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Rees, seconded by Shelton, to approve the clear well exterior cleaning and maintenance by Utility Service Com, Inc in the amount of \$48,074.00. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Information items only: McClure Invoice in the amount of \$6668.75; McClure Invoice in the amount of \$22,460.00 ; City Waiver Received to use Discharge Water for Public Swimming Pool; EMC return premium of \$1,603.00 for a rating error on the property & casualty policy; Received Revised Water Permit with the New Testing Requirements; Received \$110,000.00 from the City of Harlan for TIF refund for the berm removal; Fiscal Year End Transfers; Water Plant R/O Membrane Replacement cost from AquaQuote in the amount of \$108,032.00; Static Mixers for Clearwell in the amount of \$9,583.00 – *Non-Budgeted; Spare 100 HP R/O Unit pump motor in the amount of 16,196.00 - *Non-budgeted; and Dump Trailer – Hull Porter Trailers \$12,670.00.

Following the CEO's report the board entered closed session.

Moved by Rees, seconded by Shelton, to enter closed session in accordance with Iowa Code Section 21.5(c) to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent where its disclosure would be likely to prejudice or disadvantage the position of the governmental body in that litigation. Jennifer Kelly will take minutes in the closed session. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously. Closed session was entered at 5:22 pm.

Moved by Tyrrel, seconded by Shelton, to exit closed session at 5:36 pm. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye. Motion carried unanimously.

Moved by Shelton, seconded by Rees, to accept the Affidavit of Confession of Judgement signed upon receiving signed affidavit by Prairie Fire and first payment and empowering legal counsel to dismiss without prejudice. A roll call vote was taken on the motion as follows: Tyrrel – Aye; Rees – Aye; and Shelton – Aye.

Meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next meeting of the Board of Trustees.

CHAIRPERSON, David Tyrrel (*term 2023*)

VICE-CHAIRPERSON, Randall Rees (*term 2025*)

TRUSTEE, Nella Seivert (*term 2024*)

TRUSTEE, Michelle Erickson (*fill-in term 2022*)

TRUSTEE, James Shelton (*term 2027*)