

INDIANOLA MUNICIPAL UTILITIES



Electric • Network Services • Water

**IMU Board of Trustees of the
Electric, Water and Communications Utilities
February 13, 2017
City Hall Council Chambers
5:30 p.m.**

Agenda

1. Call to Order
2. Roll Call
3. Public Comments
4. Consent Agenda
 - A. Claims list for February 6, 2017
 - B. Minutes from the January 23, 2017 Board of Trustees Meeting
 - C. Salaries
 - D. Quarterly Write Offs to State Offset Program
5. Electric Utility Action Items
 - A. Electric SCADA System and Relay Replacement Project
6. Electric Utility Informational Items
 - A. MEAN Update
7. Water Utility Action Items
 - A. Resolution approving a professional services agreement with Snyder and Associates for Municipal Engineering Services
8. Water Utility Informational Items

9. Communications Utility Action Items
 - A. Fiber Project Infrastructure
 1. Consider the Fiber to the Premise Access Equipment
 2. Resolution ordering construction of public improvements and fixes May 8, 2017 for a public hearing and taking of construction bids on April 13, 2017
 3. Resolution ordering construction of certain public improvement and fixing a date for hearing, May 8, 2017, and taking of material bids, April 13, 2017
10. Communications Utility Informational Items
 - A. Architectural Services RFP
11. Combined Electric, Water and Communications Utilities Action Items
 - A. Resolution setting February 27, 2017 as the public hearing for the FY 2017-18 budget
 - B. Annual adoption of the Investment Policy
 - C. Resolution Naming Depositories
12. Combined Electric, Water and Communications Utilities Informational Items
13. Other Business
14. Adjourn

IMU Regular Downstairs

4. A.

Meeting Date: 02/13/2017

Information

Subject

Claims list for February 6, 2017

Information

Fiscal Impact

Attachments

Claims

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
WATER OPERATING FUND				
ACCO UNLIMITED CORP.	600-8110-65010	LIQUID CHLORINE	01/19/2017	1,321.00
CASUAL RAGS	600-8110-64990	YEARS OF SERVICE SHIRTS	01/06/2017	42.98
CCP INDUSTRIES INC.	600-8110-65500	GLOVES	12/07/2016	132.46
CDW GOVERNMENT INC	600-8120-63410	NETMOTION UPN LICENSE FOR MOBILE DEVICES	12/31/2016	322.67
CITY OF INDIANOLA - UTILITY	600-8110-63710	UTILITIES	01/31/2017	8,919.60
CUNNINGHAM, GARRY	600-8110-62300	GRADE 2 TEST	02/01/2017	30.00
DUST PROS JANITORIAL	600-8120-64090	MONTHLY CLEANING (DEC) - ADMIN & ELECTRIC DEPT(JAN) -	01/23/2017	180.00
GRAYMONT WESTERN LIME IN	600-8110-65010	HIGH CALCIUM QUICKLIME	01/11/2017	4,341.18
HD SUPPLY WATERWORKS	600-8150-65072	MATERIALS	01/25/2017	93.50
HY-VEE FOOD STORE	600-8190-61440	FLU SHOTS	12/15/2016	175.00
INTEGRIVault	600-8190-63730	OFFSITE BACKUP - JANUARY	02/01/2017	47.50
IOWA ASSOC OF MUN UTILITIE	600-8192-64990	JANUARY 2017 CHAIN SAW, BACKHOE, WORK ZONE, FLAGGE	01/31/2017	175.32
IOWA ONE CALL	600-8190-63730	WA-LOCATING NOTIFICATION/71 TICKETS	01/16/2017	63.90
IOWA SECTION AWWA	600-8110-62300	NATIONAL CONFERENCE	01/11/2017	810.00
IOWA SECTION AWWA	600-8110-62300	ANNUAL CONFERENCE	01/11/2017	810.00
IOWA UTILITIES BOARD	600-8190-62100	FY2017 REMAINDER ASSESSMENT & FY2016 ASSESSMENT RE	01/11/2017	1,671.43
KAPPELMAN APPLIANCE	600-8120-63410	SPEED QUEEN DRYER	01/24/2017	649.00
MAHASKA COMMUNICATION G	600-8190-63730	TELEPHONE 961-9444	01/01/2017	17.55
MAHASKA COMMUNICATION G	600-8190-63730	INTERNET CHARGES	01/01/2017	1.44
MUNICIPAL ENERGY AGENCY	600-8110-63710	PURCHASED POWER - DEC. (WELL KWH & TRANS)	01/10/2017	2,135.63
NOLASOFT DEVELOPMENT	600-8190-64990	E-MAIL HOSTING	02/01/2017	148.64
SHULL, DOUG	600-8190-64990	TREASURER CONTRACT	01/23/2017	15.84
U.S. CELLULAR	600-8110-63730	CELL PHONES - 4	01/12/2017	114.21
UNUM LIFE INSURANCE CO OF	600-8180-61550	LIFE, AD&D AND LTD INSURANCE	01/17/2017	149.66
VESSCO INC	600-8120-63410	BELT HEAVY DUTY WHITE	01/09/2017	817.02
WASTE MANAGEMENT OF IOW	600-8120-64090	TRASH - FEB 17	01/27/2017	64.34
Total WATER OPERATING FUND:				23,249.87
IMU ADMINISTRATION FUND				
BANKERS TRUST COMPANY	620-8090-64500	FEE CALCULATION - 4TH QTR 2016	01/10/2017	1,730.80
BOB'S CUSTOM TROPHIES	620-8090-65990	PLAQUE - WHITE	01/13/2017	49.50
BRICK GENTRY P.C.	620-8091-64110	CLOSED SESSION CORRESPONDENCE	12/25/2016	30.00
BRICK GENTRY P.C.	620-8091-64110	UNION STRATEGIC SESSION	12/25/2016	150.00
BRICK GENTRY P.C.	620-8090-64110	EMPLOYMENT ISSUES	12/25/2016	105.00
INFOMAX OFFICE SYSTEMS IN	620-8090-64990	SAVIN - IMAGING UNIT CONTRACT	01/23/2017	71.93
PELLA PRINTING	620-8090-64140	CASH RECEIPTS	12/15/2016	119.60
WARREN CO ECONOMIC DEV	620-8091-62300	2017 WCLI TUITION FOR ROB STANGEL	01/11/2017	300.00
Total IMU ADMINISTRATION FUND:				2,556.83
ELECTRIC OPERATING FUND				
BRICK GENTRY P.C.	630-8290-64110	POSTAGE	12/25/2016	.67
BRICK GENTRY P.C.	630-8290-64110	SALE OF COUNTRY CLUB SUBSTATION	12/25/2016	45.00
BRICK GENTRY P.C.	630-8290-64110	TOLBERT JUDGEMENT	12/25/2016	90.00
BRICK GENTRY P.C.	630-8290-64110	BIDDING QUESTION	12/25/2016	15.00
CASUAL RAGS	630-8250-64990	YEARS OF SERVICE SHIRTS	01/06/2017	81.96
CASUAL RAGS	630-8255-65990	YEARS OF SERVICE SHIRTS	01/06/2017	3.85
CASUAL RAGS	630-8210-65500	YEARS OF SERVICE SHIRTS	01/06/2017	38.48
CASUAL RAGS	630-8210-65500	YEARS OF SERVICE SHIRTS	01/06/2017	34.63
CINTAS CORPORATION	630-8250-65072	1ST AID SUPPLIES	01/13/2017	225.46
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	01/04/2017	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	12/19/2016	336.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	12/29/2016	200.00
CITY OF INDIANOLA - REBATE	630-8290-67306	A/C REBATE	12/19/2016	100.00
CITY OF INDIANOLA - REBATE	630-8290-67306	COMMERCIAL LIGHTING	01/19/2017	128.00
DUST PROS JANITORIAL	630-8220-64090	MONTHLY CLEANING (JAN) - ADMIN & ELECTRIC DEPT	01/24/2017	1,476.60

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - LINE SHOP	01/23/2017	36.92
DUST PROS JANITORIAL	630-8220-64090	JANITORIAL SUPPLIES - LINE SHOP	01/23/2017	63.67
ELECTRICAL ENG & EQUIP	630-8220-65072	KIT FOR LIGHT IN FRONT OFFICE	12/06/2016	40.57
ELECTRONIC ENGINEERING C	630-8260-65072	2 WAY RADIO FOR TRUCKS	01/20/2017	23.75
ELGIN, WADE	630-8280-64180	REFUND EL CONN FEE	01/19/2017	1.05
ELGIN, WADE	630-8290-66990	REFUND EL CONN FEE	01/19/2017	15.00
GREGG'S AUTOMOTIVE	630-8260-63320	2014 FORD F550	12/29/2016	155.74
HY-VEE FOOD STORE	630-8290-61440	FLU SHOTS	12/15/2016	250.00
INFOMAX OFFICE SYSTEMS IN	630-8290-64990	LEASE - FEBRUARY	01/23/2017	226.70
INTEGRIVault	630-8290-63730	OFFSITE BACKUP - JANUARY	02/01/2017	180.00
IOWA ASSOC OF MUN UTILITIE	630-8292-64990	JANUARY 2017 CHAIN SAW, BACKHOE, WORK ZONE, FLAGGE	01/31/2017	175.32
IOWA ONE CALL	630-8290-63730	EL-LOCATING NOTIFICATION/67 TICKETS	01/16/2017	60.30
IOWA UTILITIES BOARD	630-8290-62100	FY2017 REMAINDER ASSESSMENT & FY2016 ASSESSMENT RE	01/11/2017	6,333.84
MAHASKA COMMUNICATION G	630-8290-63730	INTERNET CHARGES	01/01/2017	5.47
MAHASKA COMMUNICATION G	630-8290-63730	TELEPHONE 961-9444	01/01/2017	66.51
METHODIST OCCUPATIONAL H	630-8250-64120	SUBSTANCE TESTING	12/31/2016	172.00
MID AMERICAN ENERGY CO.	630-8210-63710	80950-24015 PLANT GAS 12/19/16 - 01/20/17	01/20/2017	10.39
MID AMERICAN ENERGY CO.	630-8240-63710	52180-25018 LINE SHOP GAS (787 THERMS)	01/20/2017	489.78
MID AMERICAN ENERGY CO.	630-8210-63710	52390-25019 BOILER GAS (2266 THERMS)	01/20/2017	1,320.52
MID AMERICAN ENERGY CO.	630-8210-63710	07991-36014 WEST SUB (OKWH)	12/14/2016	10.00
MUNICIPAL ENERGY AGENCY	630-8200-45629	20% 69KV 30.9 CREDIT/ADMIN FEE - DEC	01/10/2017	7,743.25-
MUNICIPAL ENERGY AGENCY	630-8230-63990	WIND & LANDFILL GAS ATRIBUTES - DEC	01/10/2017	36,873.00
MUNICIPAL ENERGY AGENCY	630-8230-63991	PURCHASED POWER - DEC. (NET ELECTRIC)	01/10/2017	737,441.06
MUNICIPAL ENERGY AGENCY	630-8230-63992	TRANSMISSION/ADJUSTMENT - DEC	01/10/2017	33,970.08
MUNICIPAL ENERGY AGENCY	630-8230-63991	IND TRANS SYSTEM OPERATOR CHARGE	01/06/2017	5,141.54
NOLASOFT DEVELOPMENT	630-8290-64900	E-MAIL HOSTING	02/01/2017	274.65
SHULL, DOUG	630-8290-64990	TREASURER CONTRACT	01/23/2017	60.00
SPEE-DEE DELIVERY SERVICE	630-8290-65080	ON CALL SHIPMENT - TESTING IN AMES	01/09/2017	21.53
STANGEL, ROBERT	630-8290-62700	MILEAGE	01/18/2017	457.96
TIM HILDRETH COMPANY	630-8220-63100	PLANT BOILER REPAIR	01/05/2017	1,233.41
U.S. CELLULAR	630-8240-63730	CELL PHONES - 10	01/12/2017	206.71
UNUM LIFE INSURANCE CO OF	630-8280-61550	LIFE, AD&D AND LTD INSURANCE	01/17/2017	356.64
WESCO	630-8260-65072	HUSKIE FOR UNIT #29 & #7	12/16/2016	638.79
WESCO	630-8260-65072	HUSKIE FOR UNIT #29	12/16/2016	272.85
WESCO	630-8260-65072	HOT STICK BUCKET CANISTER UNIT 6	01/03/2017	139.85
WESCO	630-8250-65072	LOCK OUT/TAG OUT ENVELOPE	01/04/2017	156.47
WIEGERT DISPOSAL CO.	630-8220-64090	WASTE PICKUP - JAN 2017	02/01/2017	110.00
Total ELECTRIC OPERATING FUND:				822,224.47
FIBER/COMMUNICATIONS FUND				
BRICK GENTRY P.C.	640-8590-64110	OPEN RECORDS, NON-DISCLOSURE AGREEMENT	12/25/2016	120.00
INTEGRIVault	640-8590-63730	OFFSITE BACKUP - JANUARY	02/01/2017	22.50
IOWA ONE CALL	640-8590-63730	EL-LOCATING NOTIFICATION/50 TICKETS	01/16/2017	45.00
IOWA UTILITIES BOARD	640-8590-62100	FY2017 REMAINDER ASSESSMENT & FY2016 ASSESSMENT RE	01/11/2017	791.73
MAHASKA COMMUNICATION G	640-8590-63730	TELEPHONE 961-9444	01/01/2017	8.32
MAHASKA COMMUNICATION G	640-8590-63730	INTERNET CHARGES	01/01/2017	.69
NOLASOFT DEVELOPMENT	640-8590-64900	E-MAIL HOSTING	02/01/2017	27.16
SHULL, DOUG	640-8590-64990	TREASURER CONTRACT	01/23/2017	7.50
U.S. CELLULAR	640-8590-63730	CELL PHONE	01/12/2017	54.11
UNUM LIFE INSURANCE CO OF	640-8590-61550	LIFE, AD&D AND LTD INSURANCE	01/17/2017	8.36
Total FIBER/COMMUNICATIONS FUND:				1,085.37
WATER CAPITAL PROJECTS FUND				
METERING & TECHNOLOGY SO	700-8100-67905	METERS	01/03/2017	479.31
MUNICIPAL SUPPLY INC	700-8100-67905	METER	01/09/2017	1,347.00

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
Total WATER CAPITAL PROJECTS FUND:				1,826.31
ELECTRIC CAPITAL PROJECTS FUND				
BRICK GENTRY P.C.	730-8200-67605	NEWCOMM AGREEMENT	12/25/2016	195.00
ENERGY GROUP INC, THE	730-8200-67306	INDIANOLA YMCA MODELING PROJECT	01/06/2017	7,949.30
MAHASKA COMMUNICATION G	730-8200-67603	SERVICE DROPS	01/01/2017	305.00
METERING & TECHNOLOGY SO	730-8200-67906	TOU METERS	01/11/2017	707.17
MUNICIPAL ENERGY AGENCY	730-8200-45629	80% 69KV 30.9 CREDIT/ADMIN FEE - DEC	01/10/2017	30,973.00-
POWER & TEL	730-8200-67906	FIBER DROPS	01/11/2017	1,873.58
POWER & TEL	730-8200-67906	FIBER DROPS	01/11/2017	902.25
RESCO	730-8200-67906	1/0 TRIPLEX	01/16/2017	916.20
TERRY-DURIN CO.	730-8200-67906	LED STREET LIGHTS	01/09/2017	2,230.95
WESCO	730-8200-67906	OVERHEAD LINE PARTS	01/03/2017	897.47
WESCO	730-8200-67906	COMPR SLEEVE	01/04/2017	38.79
WESCO	730-8200-67906	3KV ARREST	01/05/2017	183.67
WESCO	730-8200-67906	ROMEX 12/2 UF	01/11/2017	71.16
WESCO	730-8200-67906	MISC. OVERHEAD PARTS	01/13/2017	1,069.96
Total ELECTRIC CAPITAL PROJECTS FUND:				13,632.50-
CASH ALLOCATION FUND				
CLASSIC BUILDERS	999-0000-11005	REFUND CREDIT ON ACCT 1605 W GIRARD	01/17/2017	74.58
IMPACT COMMUNITY ACTION P	999-0000-11005	REFUND EA - VERNA MC CAULEY	01/19/2017	97.23
INSPIRED TECHNOLOGIES INC	999-0000-11005	REFUND CREDIT ON ACCT #17-49009-02	02/01/2017	75.64
Total CASH ALLOCATION FUND:				247.45
Grand Totals:				837,557.80

Board of Trustees: _____

IMU Regular Downstairs

4. B.

Meeting Date: 02/13/2017

Information

Subject

Minutes from the January 23, 2017 Board of Trustees Meeting

Information

Fiscal Impact

Attachments

Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – JANUARY 23, 2017

The Board of Trustees met in regular session at 5:30 p.m. on January 23, 2017 in the City Hall Council Chambers. Chairperson Adam Voigts called the meeting to order and on roll call the following members were present: Lesley Forbush, Jim McClymond (via phone), Mike Rozga , Adam Voigts and Deb White.

There was no public comment.

The consent agenda consisting of the following was approved on a motion by White and seconded by Rozga. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Claims list for January 17, 2017

Minutes from January 9, 2017

December 2016 Treasurer and Financial Reports

Communications Utility Informational Items

Jim Petro and Bob Lyons of NewCom Technologies presented an update to the Board regarding the fiber network design.

Communications Utility Action Items

It was moved by McClymond and seconded by White to approve NewCom Technologies proposal of \$48,820 for additional fiber network design work. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

The following resolution entitled, “RESOLUTION AUTHORIZING GENERAL MANAGER ROBERT STANGEL TO EXECUTE NON-DISCLOSURE AGREEMENTS FOR THE FIBER PROJECT” subject to legal review and approval was approved on a motion by White and seconded by Rozga. On roll call the vote was, AYES: Rozga, McClymond, Forbush, Voigts and White. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 2017-174
RESOLUTION AUTHORIZING GENERAL MANAGER ROBERT STANGEL TO EXECUTE NON-
DISCLOSURE AGREEMENTS FOR THE FIBER PROJECT

(The complete resolution may be viewed at the City Clerk’s Office)

Electric Utility Action Items

A motion was made by Rozga and seconded by White to approve the following resolution entitled, “RESOLUTION FOR MUNICIPAL ENERGY AGENCY OF NEBRASKA AND NEBRASKA MUNICIPAL ENERGY AGENCY APPOINTMENTS” (General Manager Robert Stangel as representative and Chris DesPlanques as alternate). On roll call the vote was, AYES: McClymond,

Forbush, Voigts, White and Rozga. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 2017-175
RESOLUTION FOR MUNICIPAL ENERGY AGENCY OF NEBRASKA AND NEBRASKA
MUNICIPAL ENERGY AGENCY APPOINTMENTS

(The complete resolution may be viewed at the City Clerk's Office)

Electric Utility Informational Items - General Manager Robert Stangel presented the January 2016 MEAN Meeting Update.

Water Utility Informational Items – Water Superintendent Lou Elbert presented the water utility informational items.

Combined Electric, Water and Communications Utilities Action Items

The Board finalized the 2017 General Manager goals and approved the following resolution entitled, "RESOLUTION APPROVING REVISED EMPLOYMENT AGREEMENT WITH ROBERT STANGEL AS GENERAL MANAGER" was approved on a motion by White and seconded by Forbush. On roll call the vote was, AYES: Rozga, McClymond, Forbush, Voigts and White. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 2017-176
RESOLUTION APPROVING REVISED EMPLOYMENT AGREEMENT WITH
ROBERT STANGEL AS GENERAL MANAGER

(The complete resolution may be viewed at the City Clerk's Office)

Combined Electric, Water and Communications Utilities Informational Items – General Manager Robert Stangel updated the Board on the reorganization and the hiring of a Utility Service Rep.

Meeting adjourned at 7:03 p.m. on a motion by White and seconded by Forbush.

Adam Voigts, Chair

Diana Bowlin, City Clerk

IMU Regular Downstairs

4. C.

Meeting Date: 02/13/2017

Information

Subject

Salaries

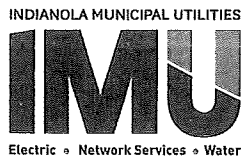
Information

Garry Cunningham has successfully passed his Grade II Water Operator, and will go from Range 21-4 \$48,961/year (includes longevity) to Range 24-1 \$51,394/year effective February 5, 2017. Congratulations to Garry.

Fiscal Impact

Attachments

PCN Garry Cunningham



PERSONNEL CHANGE NOTICE (PCN)

Employee Name: Garry Cunningham

Effective Date (must be at beginning of a pay period, except new hires): 2/5/17

New Hire: ☐ Rehire: ☐ Status Change: ☐ Step Increase: ☒

Other Pay Change: ☐ Job Title Change: ☐ Department Change: ☐ FTE Change: ☐

Promotion: ☐ Transfer: ☐ Other Change: _____

	FROM	TO
JOB TITLE	Water Operator, Grade I	Water Operator, Grade II
STATUS	FT	FT
PAY RANGE	R21-4	R24-1
PAY RATE W/OUT LONGEVITY	48,661 / 23.395	51,094 / 24.564
PAY RATE W/ LONGEVITY (if not eligible, put N/A)	48,961 / 23.539 (\$300)	51,394 / 24.708 (\$300)
EXEMPT/NONEXEMPT	Non Exempt	Non Exempt
DEPARTMENT NAME	Water	Water
ACCOUNT NUMBER		
FTE	1.0	1.0
UNION STATUS	City Non Union ☐ City Union ☐ IMU Non Union ☐ IMU Union ☒	City Non Union ☐ City Union ☐ IMU Non Union ☐ IMU Union ☒

Termination: Voluntary: ☐ Involuntary: ☐ Retirement: ☐ Eligible for Rehire: Yes ☐ No ☐

Reason for Termination: _____ Vaca/Pers Payout: Yes ☐ No ☐

Last Day Worked: _____ Termination Effective Date: _____

COMMENTS: _____

APPROVALS:

Dept Head: Lois Elliott Date: 2-6-17

Human Resources: Melissa Moley Date: 2/6/17

Finance (pay changes only): [Signature] Date: 2/7/17

City Manager or GM: [Signature] Date: 2-6-17

City Council or Board of Trustee: ☐ Yes ☐ No Date: _____

FOR OFFICE USE: HR Entered: Initial: _____ Date: _____ Payroll Reviewed: Initial: _____ Date: _____

Meeting Date: 02/13/2017

Information

Subject

Quarterly Write Offs to State Offset Program

Information

Attached are the 4th Quarter (October-December) 2016 uncollected electric and water billings that will be sent to the state offset program. The amount for the Electric Utility is \$18,544.02 (.54% of quarterly billings) and the amount for the Water Utility is \$3,669.20 (.63% of quarterly billings).

Financial Impact

Staff Recommendation

Simple motion is in order.

Attachments

Write Offs

January 2017

(Billed from September 2016 thru November 2016)

Electric Billed	\$3,377,834.20
Electric Sent to State Offsets	\$18,544.02
Water Billed	\$577,645.81
Water Sent to State Offsets	\$3,669.20

Total # of accounts wrote off - 73

<u>Service</u>	<u>Total Dollar Amount</u>
Electric	\$18,544.02
Water	\$3,669.20
Sewer	\$4,204.15
Recycling	\$553.39
Disconnect Notice Fee	\$1,247.68
I&I	0
Daamaged Meter	2527.2
Stormwater Fee	\$111.24

Grand Total \$30,856.88

Information

Subject

Electric SCADA System and Relay Replacement Project

Information

At the January 9, 2017 meeting (see packet) the Trustees approved Open Systems International, Inc. (OSI) in an amount of \$175,952.00 subject to the City Attorney, staff and OSI working out a mutual acceptance of the terms for a reduction to the proposal. OSI proposed a reduction in the revised proposal in the amount of \$12,732.56 to bring the new total to \$163,219.56. This would only be applied if we agreed to use OSI's terms and conditions as well as not requiring performance and payment bonds.

Amy Beattie with Brick Gentry, Rich Kline with P&E and IMU staff worked with OSI on the Service Contract Terms and Conditions as well as the Software License Agreement for our electric SCADA project. The only issue remaining was the Limitation of Liability. Amy wanted to make sure the Board of Trustees felt like the risk was low and the limitations acceptable. OSI provided us with a Certificate of Liability Insurance (packet) and stated they had never been sued. In reviewing the other vendors, they had the same language in their terms and conditions. Accepting the terms and conditions will be a savings of \$12,732.56 bring OSI's total cost down to \$163,219.44.

Staff's recommendation is to accept OSI' Service Contract Terms and Conditions as well as the Software License Agreement.

Simple motion is in order.

Fiscal Impact

Attachments

January 9 Minutes
Service Contract
Software License
Certificate of Insurance

**BOARD OF TRUSTEE MINUTES
REGULAR SESSION – JANUARY 9, 2017**

The Board of Trustees met in regular session at 5:30 p.m. on January 9, 2017 in the City Hall Council Chambers. Chairperson Adam Voigts called the meeting to order and on roll call the following members were present: Lesley Forbush, Mike Rozga and Adam Voigts. Absent: Jim McClymond and Deb White.

There was no public comment.

The consent agenda consisting of the following was approved on a motion by Forbush and seconded by Rozga. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

January 3, 2017 claims

December 27, 2016 minutes

Salaries:

Stephen Clingman, Line Apprentice, from Range 26-3 \$52,392/year to \$54,893/year (includes longevity), effective December 25, 2016.

Eric Schreier, Line Apprentice, from Range 26-3 \$52,044/year to Range 26-4 \$54,643/year effective December 25, 2016.

Tyler Offenburger, Lineman to temporary Crew Chief from Range 26-6 \$60,495/year to Range 27-6 \$66,312/year (includes longevity) effective December 25, 2016.

Chris Longer, IMU Program Coordinator to Utility Services Supervisor from CE 9-7 \$67,697/year to CE 10-4 \$68,251/year effective January 8, 2017.

Mary Zimmerman, Cashier to Utility Services Rep from Range 18-4+ \$45,937/year to CE 4-10 \$46,935/year (includes longevity) effective January 8, 2017. She will also be receiving a temporary 5% increase while helping out with additional duties (utility billing). Her salary will be \$49,260/year (includes longevity) effective January 8, 2017.

Michelle Klootwyk, from IMU Office Manager to Utility Services Rep. From CE 3-8 \$39,774/year to CE 4-5 \$40,891/year (includes longevity) effective January 8, 2017.

Cassandra Mosher, from Clerk 1 to Utility Services Rep. From CE 3-1 \$15.532/hour to CE 4-1 \$35,895/year effective January 8, 2017.

Electric Utility Action Items

Rich Kline, P&E Engineering, spoke regarding the electric SCADA System and Relay Replacement Project. Staff solicited proposals and received the following. OSI proposed a reduction in the revised proposal in an amount of \$12,732.56 bringing the total to \$163,219.56.

Name and Address

OSI – Open Systems International, Inc.
Medina, MN

Proposal

\$175,952.00

QEI, LLC
Springfield, NJ

\$149,707.00

Survallent Technology Corporation
Brampton, On, Canada

\$187,866.00

BTE Corporation
Huntington, NY

Non-responsive

A motion was made by Rozga and seconded by Forbush to approve the proposal from OSI (Open Systems International, Inc.) subject to the City Attorney, staff and OSI working out a mutual acceptance of the terms for a reduction to the proposal. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Electric Utility Informational Items – Electric Superintendent Mike Metcalf reported on the electric utility informational items.

Water Utility Informational Items – Water Superintendent Lou Elbert reported on the water utility informational items.

Communications Utility Informational Items – General Manager Rob Stangel reported on the communications utility informational items.

Combined Electric, Water and Communications Utilities Informational Items – General Manager Rob Stangel reported on the combined electric, water and communications utility informational items.

Meeting adjourned at 6:15 p.m. on a motion by Forbush and seconded by Rozga.

Adam Voigts, Chair

Diana Bowlin, City Clerk



SERVICES CONTRACT

STANDARD TERMS AND CONDITIONS

Effective Date: _____

Customer Name, Entity Type and Address: Indianola Municipal Utilities ("Customer")

Customer Site Location (Country/State): 111 South Buxton Street, Indianola, Iowa 50125 ("Facility")

This Services Contract ("Contract") is by and between Open Systems International, Inc. ("OSI") and Customer.

WHEREAS, Customer desires to purchase/license the Products and Services listed in Part B, below, the List Of Deliverables (collectively referred to as the "Work"), which may include but not be limited to, OSI software (Software), third-party software, hardware, other equipment, and OSI engineering and development services, to be installed at the Customer Facility in accordance with the terms of the attached Contract documents and operating pursuant to the Software License Agreement (Part D). [As used in this Contract, "Parts" shall refer to the individual attachments to and part of this Services Contract each of which is included as a specific element of this Contract. All of these Parts are identified and listed in Section 6, below.]

WHEREAS, the parties have agreed upon the definitive terms, conditions, prices, equipment, specifications, and procedures setting forth their agreement for the purchase/licensing by Customer of the Products and Services to be furnished by OSI.

NOW, THEREFORE, Customer and OSI, each for themselves and their successors and assigns and in consideration of their

respective undertakings and promises hereinafter set forth, agree as follows:

1. **Scope of Contract** OSI agrees to furnish the Work, including installation and testing of same, in a good and workmanlike manner in accordance with the terms, conditions and provisions of this Contract.
2. **Change Orders** The Terms of this Contract, including but not limited to, Price, Deliverables and Schedule, among others, may only be modified or amended by mutually agreed, written Change Orders executed by both parties. Change Orders shall have precedence over other conflicting Contract documents.
3. **Pricing** The Pricing in Part A states the prices payable and manner in which payment is to be made by Customer for the Work furnished under this Contract. All prices are stated inclusive of sales and use taxes and shipping charges. Payment terms will be net 30.
4. **Warranties** Warranty and Support are as described in Part A and Part E.
5. **Milestones** For the Work delivered, Customer shall pay OSI upon the following milestones schedule:

<u>Milestone</u>	<u>Payment Amount</u>	<u>Conditions</u>
1	10%	Upon Contract Award
2	15%	Upon System Staging at Factory
3	10%	Upon Delivery of Engineering Console/Development System Onsite

4	15%	Upon Completion of Factory Acceptance Testing
5	15%	Upon Delivery and Installation Onsite
6	15%	Upon Completion of Site Acceptance Testing
7	15%	Upon System Ready for Cutover, Start of Warranty
8	5%	Payment of Retention 31 days following System Ready for Cutover

6. **Contract Documents** This Services Contract consists of this Standard Terms and Conditions document and the identified attached Parts listed below. In the event of any contradiction or discrepancy between various technical and commercial documents comprising this Contract, this Standard Terms and Conditions document, as modified by any subsequently executed Change Orders, shall be of first precedence then the following Order of Precedence shall apply:

Part	Document Name/Description
------	---------------------------

Part A	Price Forms (including Notes)
Part B	List of Deliverables
Part C	System Configuration Diagram
Part D	OSI Software License Agreement
Part E	OSI Responses to IMU SCADA Master Station Replacement Project Manual Section 13300 – General Provisions, Section 13305 – Testing and Section 13310 – Specific Provisions
Reference	OSI Proposal dated November 30, 2016 (incorporated by reference due to its extensive volume)*
Reference	Pre-Bid Responses dated November 4, 2016, November 8, 2016, November 15, 2016 and November 16, 2016*

**These documents are non-binding and are to be used for reference purposes only.*

7. **Software License Agreement**

Customer agrees to execute OSI's standard Software License Agreement concurrently with this Contract. All use and operation of the Software shall be pursuant to and governed by the Software License Agreement. If this Contract is terminated by either party prior to complete performance, acceptance and payment hereunder, the Software License granted under this Contract shall be revoked.

8. **Limitation of Liability** Liability for the following claims shall not be limited under this Contract: 1) those excepted elsewhere in this Contract; 2) for acts or omissions constituting gross negligence, reckless or willful misconduct; 3) for intellectual property infringement; 4) for breaches of the Non-Solicitation obligations under Section 9; 5) for breaches of Confidentiality obligations under

Section 10 or 6) for indemnification under Section 15.

In all other situations liability shall be limited as follows:

- Neither party shall be liable, whether in contract, warranty, tort (including negligence), strict liability, indemnity or any other legal theory, for loss of use, revenue or profit; for costs of capital or of substitute use or performance; for indirect, liquidated, incidental or consequential damages; for any other loss or cost of a similar type; or for claims by either party for damages claimed by the other party's customers; and,
- The maximum liability under this Contract for damages or losses under this Contract for direct, compensatory or similar damages shall not exceed the total of all

sums paid or payable by Customer to OSI prior to the date on which the act or omission giving rise to the claim arose.

Both parties agree that the exclusions and limitations set forth in this Section 8 do not preclude either party from obtaining equitable or injunctive relief or pursuing others who may be responsible for some or all of the losses incurred including but not limited to any actual recoveries against insurance policies provided pursuant to Section 13 of this Services Contract. Nothing herein limits the right of OSI to make a claim to collect payments due for Work performed under this Contract.

9. Non-Solicitation of Employees

Neither party shall, during the term of this Contract and for a period of 36 months thereafter, solicit or offer employment to any person who is or was an employee of the other party during the 36 months preceding such solicitation or offer and with whom such party had substantial contact in the course of the performance of the parties' obligations under this Contract.

OSI declares and Customer acknowledges that OSI has strict Confidentiality/Non-Disclosure Agreements with its employees which may bar a former employee from working directly on an OSI system owned or controlled by a customer following the termination of that employee's employment with OSI.

- 10. Confidentiality** Except as required under the Iowa Open Records law, each party agrees that should information which is proprietary or confidential (hereinafter "Confidential Information"), as designated and marked by the party providing the information (the "Disclosing Party"), be shared with the other party (the "Receiving Party"), the Receiving Party shall not disclose this Confidential Information to anyone or use this Confidential Information for

any purpose independent of the fulfillment of this Contract. The Receiving Party shall not use any Confidential Information to the detriment of the Disclosing Party and shall use efforts to protect the confidentiality of any such Confidential Information commensurate with those which it employs to protect its own Confidential Information. The Receiving Party will ensure that it enters into agreements with employees, consultants, agents, shareholders and any other who have or may obtain access to the Confidential Information to maintain such Confidential Information in confidence.

In the event the Receiving Party receives a subpoena or other validly issued administrative or judicial process demanding the production of Confidential Information previously provided by the Disclosing Party, the Receiving Party shall promptly notify the Disclosing Party of this fact and tender the defense of or opposition to this subpoena or demand to the Disclosing Party. If the subpoena or demand is not timely limited, quashed or extended, the Receiving Party shall thereafter be entitled to comply with such subpoena or demand to the extent required by law. If requested by the Disclosing Party after the tender of defense or opposition is accepted, the Receiving Party shall cooperate in such defense or opposition at the expense of the Disclosing Party.

These confidentiality rights and obligations shall apply to all Confidential Information provided by either party at any time before or after execution of this Contract.

Confidential Information which constitutes trade secrets or critical infrastructure information is exempt from disclosure under the Iowa Open Records law.

- 11. Schedule** The Work covered by this Contract shall be completed in accordance with the mutually agreed

upon Project Schedule. If OSI's Work is impeded or delayed by acts or omissions for which Customer is directly responsible (including those of Customer's principals, employees, engineer, consultants or representatives) or delays caused by Customer's lack of resources or inability for other reasons to perform its assigned responsibilities on the project, OSI reserves the right to reassess project implementation costs and seek compensation from the Customer for OSI's additional cost of managing such delays.

12. Risk of Loss Customer is not required to accept the Work until after completion of Site Acceptance Testing, if any is required under this Contract. Notwithstanding any other language in this Contract, including any of the attached Parts, the risk of loss for OSI supplied hardware shall pass to Customer no later than when the equipment reaches the Customer dock. Customer shall insure all equipment delivered by OSI from the time the equipment is received at Customer's dock until the completion of the project performed under this Contract.

13. Insurance OSI shall secure and maintain at its expense in accordance with the laws of the State of Minnesota (1) Worker's Compensation and Employer's Liability Insurance with minimum statutory limits and (2) Comprehensive General Liability Insurance including bodily injury and property damage protection with limits not less than \$1,000,000 per occurrence.

14. Disputes Either party may pursue emergency equitable or injunctive relief where necessary to prevent irreparable harm for which damages or other remedies at law may be inadequate. Otherwise, disputes arising out of or relating to this Contract and not resolved in the normal course of business shall be resolved as follows: a.) the claimant shall provide written notice of the

dispute and claimant's desired remedy to the other party; b.) executives authorized to resolve the dispute shall meet and attempt in good faith to resolve such dispute by negotiations; c.) if negotiations are unsuccessful, the dispute shall be referred to arbitration by a sole arbiter in accordance with the American Arbitration Association Rules for Commercial Disputes. The arbiter shall have substantial expertise in information technology disputes and may allow reasonable discovery and expert testimony and issue a reasoned opinion as part of any arbitration award. The language to be used in the arbitral proceedings will be English. Judgment upon the award rendered by the arbiter may be entered by any court having jurisdiction. The laws of the State of Iowa, United States of America, shall govern the validity, interpretation and enforcement of this Contract.

15. Indemnification To the extent allowed by Iowa law, each party, as indemnitor, will indemnify and hold harmless the other party (including its affiliates, and all directors, officers and employees), as indemnitee(s), from all third party claims, liabilities, legal actions, costs and expenses, including reasonable legal fees, arising out of or in any way connected with the performance of this Contract by indemnitor, its agents or employees, to the extent of its fault or negligence, and shall, upon indemnitee's request, defend at its sole cost any suit asserting a third party claim covered by this indemnity. The indemnitee shall give written notice to the indemnitor of any claim under this Section.

OSI shall indemnify and hold Customer (including its affiliates, and all directors, officers and employees) harmless from all third party claims, liabilities, legal actions, costs and expenses, including reasonable legal fees, which Customer may face, suffer or incur as a result of a breach of the warranty against infringement

provided in this Contract. Should the Work become, or in OSI's or Customer's opinion be likely to become, the subject of any claim or action that would constitute a violation of the warranty against infringement, OSI shall, at Customer's option and OSI's expense, either (i) procure for Customer the right to continue using the Work as contemplated hereunder; (ii) modify the Work to make it non-infringing, provided such modification does not adversely affect Customer's intended use of the Work as contemplated herein; or (iii) replace the Work with an equally suitable, functionally equivalent, compatible, non-infringing product.

- 16. Force Majeure** Neither party shall be considered in default in the performance of its obligations under this Contract to the extent that the performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of the affected party such as acts of God (including hurricanes, major natural disasters), regulations or orders of governmental authorities, fire, flood, explosion, acts of terrorism, war, disorder, civil disaster, or other emergency. If either party claims that performance of its obligations was prevented or delayed by any such cause, that party shall

promptly notify the other party of that fact, and of the circumstances preventing or delaying performance. Such party so claiming a cause-delayed performance shall endeavor, to the extent reasonable, to remove the obstacles which preclude performance. Re-assignment, resignation, or incapacity of assigned personnel are specifically excluded from consideration as force majeure.

- 17. No Assignment** Neither party may assign or otherwise transfer its rights or obligations under this Contract except with the written consent of the other party, which will not be unreasonably withheld. Any prohibited assignment will be null and void.
- 18. Term and Termination** This Contract remains in effect unless terminated. Customer may terminate for convenience following 30 days written notice and payment of all fees due to OSI. Either party may terminate for the other party's breach of a material term of the Contract which remains substantially uncured 45 days after written notice of breach was provided by the party seeking termination.
- 19. Survival** Sections 4, 7, 8, 9 10, 12, 14 and 15 survive termination of this Contract for any reason.

IT IS SO AGREED TO BY THE PARTIES by and through their duly authorized representatives.

OPEN SYSTEMS INTERNATIONAL, INC.

BY: _____
(Signature)

NAME: _____

TITLE: _____

DATE: _____

INDIANOLA MUNICIPAL UTILITIES

BY: _____
(Signature)

NAME: _____

TITLE: _____

DATE: _____



SOFTWARE LICENSE AGREEMENT

This Software License Agreement is made this ____ day of ____, 20__, between Open Systems International, Inc., with offices at 4101 Arrowhead Drive, Medina, Minnesota, USA 55340-9457 (hereinafter "Licensor"), and Indianola Municipal Utilities, with offices at 111 South Buxton Street, Indianola, Iowa 50125 (hereinafter "Licensee").

1. Definitions.

1.1 Software.

"Software" shall mean machine-readable "object code" or "executable code" along with Documentation (electronic or hardcopy), and media (tape, CD ROM, DVD, or diskette). A description of the Software being licensed under this Software License Agreement is included in Attachment A.

1.2 Server.

"Server" shall mean and include any physical server and/or any virtual server created by logically partitioning a physical Server to create multiple virtual platforms or systems within a single physical server.

1.3 Server Software.

"Server Software" shall mean that

portion of the Software, which is installed on a single physical or virtual server, or on a redundant pair of physical or virtual servers (i.e. 2 computers), which serve a number of simultaneous users in a production environment. Some systems may also be licensed with additional server licenses for development and test environments as well as disaster recovery and emergency backup purposes, which, if any, are defined in Attachment A.

1.4 Client Software.

"Client Software" shall mean that portion of the Software, which is physically or virtually installed on a single user workstation or computer, which allows connection with the Server Software, and use of the Software.

2. License.

2.1 Grant of License.

Licensor hereby grants to Licensee, pursuant to the following terms and conditions, a perpetual, non-exclusive, non-transferable, license to use the Software in support of its primary business mission and in operation of its own assets located as described in Attachment A.

Licensee agrees not to assign, sublicense, transfer, pledge, lease, rent, share, sell, lend or otherwise transfer all or part of its right under this Software License Agreement except to a successor of all of Licensee's assets and business, provided the successor is not a competitor of the Licensor and the successor agrees to be fully bound by this Software License Agreement.

Licensee agrees not to use the Software to provide Software services to third-party entities whose assets are not owned by the Licensee as part of a facility management, timesharing, service provider, or service bureau arrangement or otherwise in direct competition with the

Licensors or to derive competitive products to compete with the Licensor or to otherwise harm or damage the business or goodwill of Licensor.

2.2 Use on Designated Equipment.

Licensee agrees to install the Software (Server and Client Software) only on computers owned, leased, or otherwise controlled by Licensee.

The Server Software use shall be limited to physical or virtual sites consistent with the number of Server Software licenses purchased as listed in Attachment A. Any installed instance of the Server Software on a physical or virtual server shall be counted as an instance and shall be consistent with the number of licensed copies.

Client Software shall only be installed on single workstations or single personal computers and in accordance with the number of Client Software licenses purchased as listed in Attachment A.

Licensee may not install the Software on any computers controlled by third parties, or give direct access to third parties via remote access processes to the Licensed Software.

Licensee may transfer the Software to other equipment if the particular primary equipment is inoperative, provided that at any time, the Server Software is active in accordance with the number of Server Software licenses purchased, and the Client Software is active in accordance with the number of Client Software licenses purchased.

Licensee may not create multiple-use operations or multiple hosting facilities by installing the Software in more than a single physical or virtual location to allow simultaneous and parallel use of the Software.

Licensee shall not create images of the software on virtual servers to override or bypass the number of required licensed copies, or to create back up control centers or hot back up sites by not licensing these extensions to the license from the Licensor. For all practical purposes any machine (physical or virtual instance) which has an Operating System licensed and installed on it, shall need a licensed copy of the Licensor's software, should that machine be used in the operation of the Licensed Software and the Licensee is to derive benefit and value from such action. This is regardless of whether the machine is normally powered up or powered off.

2.3 Disassembly or Decryption.

Licensee shall not disassemble, decompile, reverse-engineer or otherwise reduce the Licensed Software to human-perceivable form in whole or in part, including but not limited to translating or creating derivative works, or to bypass any licensing restrictions.

3. License Fees.

In consideration for the foregoing license, Licensee shall pay Licensor all applicable license fees in accordance with terms of the Contracts, Service Agreements, Work Orders or Authorizations between Licensee and Licensor.

During the term of this Software License Agreement, Licensor shall have the right to direct a recognized accounting firm to conduct, during normal business hours, an audit of (and to copy) the appropriate records of the Licensee to verify the number of physical or virtual copies of the Software in use by the Licensee, the computer systems on which such copies are installed and in the case of limited user licenses, the number of users using such copies,

and the database sizing dictating the database size-dependent license fees. If an audit reveals that Licensee has underpaid fees to Licensor, Licensee shall be invoiced for such underpaid fees based on Licensor's readily ascertainable prices in effect at the time the audit was completed. Representatives of the accounting firm shall protect the confidentiality of the Licensee's Confidential Information and abide by the Licensee's reasonable security regulations and conduct themselves in such a manner as not to interfere unreasonably with Licensee's normal business operations while on Licensee's premises.

4. Copies.

Licensee, solely to enable it to use the Software, may make archival copies of the Software, provided that such copies shall include Licensor's copyright and other proprietary notices. All copies made by Licensee are the exclusive property of Licensor.

Solely with respect to electronic Documentation supplied with the Software, Licensee may make copies (either in hardcopy or electronic form) provided that such copies shall be used only for Licensee's internal purposes and are not republished or distributed beyond Licensee's premises. For back up and archiving of the static software, Licensee may only make copies of the software on any magnetic media, including CD, DVD, tape or the removable hard drives. At no times shall this copying create an unlicensed replication of the Software for use on unauthorized computers.

5. Software Ownership.

5.1 Licensor's Representation.

Licensor represents that it is the owner of the Software and all portions thereof or has appropriate sublicensing rights.

5.2 Modifications.

Licensee shall have the right to use the Software and develop applications in support of its business using the Licensor-provided Applications Programming Interfaces (APIs) and tools. Such enhancements or modifications are not considered part of the Licensor's Software.

Only Licensor shall have the right to modify, maintain, enhance, or otherwise alter the Software source code, unless specified otherwise.

6. Title to Software and Confidentiality.

The Software and all related Documentation are protected under the laws and treaties regarding copyright, trade secrets and other intellectual property rights. All right, title and interest in and to the Software and any copies thereof are owned and retained by Licensor. Licensee may copy and use the Software only as expressly permitted in this Software License Agreement. Although copyrighted, the Software is unpublished and contains proprietary and confidential information of the Licensor, and is considered by Licensor to constitute valuable trade secrets. This includes the Software processes, user interface displays, reports, database definitions and formats, and all Documentation.

Enhancements or derivative work developed solely by the Licensee using the License granted herein shall remain the property of the Licensee.

All applicable rights to copyrights, trade secrets, patents and trademarks in the Software or any modifications or enhancements made by Licensor or at Licensee's request pursuant to any Special Provisions listed in Attachment A to this Software License Agreement, shall remain with Licensor. Licensee shall not sell, publish, disclose, display or otherwise make available the Software or copies thereof to others.

Violations of the above are subject to the mutual confidentiality obligations between Licensor and Licensee.

7. Confidentiality.

Except as required under the Iowa Open Records law, each party agrees that should information which is proprietary or confidential (hereinafter "Confidential Information"), as designated and marked by the party providing the information (the Disclosing Party), be shared with the other party (the Receiving Party), the Receiving Party shall not disclose this Confidential Information to anyone or use this Confidential Information for any purpose independent of the efforts and purposes intended under any applicable Contracts, Service Agreements, Work Orders, Authorizations or Software License Agreement between the parties. The Receiving Party shall not use any Confidential Information to the detriment of the Disclosing Party and shall use efforts to protect the confidentiality of any such Confidential Information commensurate with those which it employs to protect its own Confidential Information. The Receiving Party will ensure that it enters into agreements with its employees, consultants, agents, shareholders and any other who have or may obtain access to the Confidential Information, to maintain such Confidential Information in confidence. Confidential Information which constitutes trade secrets or critical infrastructure information is exempt from disclosure under the Iowa Open Records law.

In the event the Receiving Party receives a subpoena or other validly issued administrative or judicial process demanding production of Confidential Information previously provided by the Disclosing Party, the Receiving Party shall promptly notify the Disclosing Party of this fact and tender the defense of or opposition to this subpoena or demand to the Disclosing Party. If the subpoena or demand is not timely limited, quashed or extended, the Receiving Party shall thereafter be entitled to comply with such subpoena or demand to the extent required by law. If requested by the Disclosing Party after the tender of defense or opposition is accepted, the Receiving Party shall cooperate in the defense or opposition at the expense of the Disclosing Party.

8. Warranty.

8.1 Scope of Warranty.

- (a) Licensor hereby represents and warrants to Licensee that:
 - (i) Licensor is the lawful owner of the Software described in Attachment A and has the right and authority to grant the license granted pursuant to this Software License Agreement without the approval or consent of any third party; and
 - (ii) the Software does not and shall not infringe upon any patent, trademark, copyright, trade secret, or the intellectual property, or proprietary right of any other third party and there is no actual or threatened suit against Licensor based on the alleged violation of such rights; and

- (iii) there is no action, suit claim, investigation, or proceeding pending, or to the best of Licensor's knowledge, threatened against, by or affecting Licensor or the Software which, if adversely decided, might adversely affect Licensor's ability to enter into this Software License Agreement or perform its obligations herein; and
 - (iv) Licensor's execution of this Software License Agreement and granting of the license hereunder does not infringe upon the rights of any third party.
- (b) EXCEPT AS SET FORTH IN THIS SECTION 8, LICENSOR MAKES AND LICENSEE RECEIVES NO EXPRESSED OR IMPLIED REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SOFTWARE, ITS CONDITION, MERCHANTABILITY, OR FITNESS FOR ANY PARTICULAR PURPOSE OR USE BY LICENSEE. LICENSOR FURNISHES THE ABOVE WARRANTIES IN LIEU OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

9. Assignment.

Licensee may not assign the Software or this Software License Agreement to anyone, including any parent, subsidiary or affiliate or as part of the sale of any portion of its business, or pursuant to any merger, consolidation or reorganization, without Licensor's prior written consent, except to a successor of all of Licensee's assets and business provided the successor agrees to be bound by this Software License Agreement and that the successor is not a direct competitor of the Licensor. Licensee acknowledges that as a condition to such consent, Licensor may require the assignee to update all Software to the then-current version and purchase one year of Software support.

10. Termination.

Licensor shall have the right to terminate this Software License Agreement and the license granted herein:

- (a) Upon written notice in the event that Licensee, its officers, agents, or employees materially breach any provision of this Software License Agreement. Such notice shall identify and describe the default upon which termination is based and the Licensee shall have thirty (30) days following receipt of the written notice to cure such default which, if affected, shall prevent termination of the Software License Agreement.
- (b) In the event Licensee
 - (i) becomes subject to any bankruptcy or insolvency proceeding under Federal or State statute(s) which filing is not withdrawn within sixty (60) days for the filing thereof,
 - (ii) becomes insolvent or becomes subject to direct control by a trustee, receiver or similar authority, or
 - (iii) has wound up or liquidated, Licensee's business, voluntarily or otherwise.

In an event of violation of any of the terms of this Software License Agreement, if both parties are not able to amicably agree on the resolution and should the Licensee be unable or

unwilling to remedy the violation to the satisfaction of the Licensor within the set cure period, the License shall terminate. In such event, the Licensee shall cease the use of the Software and either return or on request by the Licensor, destroy the Software and provide a written affidavit to the Licensor of the destruction of the Software. Termination under this paragraph shall not relieve Licensee of its obligations regarding confidentiality of the Software, nor relieve the Licensee of further claims made by the Licensor under the law for damages as a result of the violation of the terms of the Software License Agreement.

11. Limitation of Liability.

Licensor shall not be liable, whether in contract, warranty, tort (including negligence), strict liability, indemnity or any other legal theory, for loss of use, revenue or profit, or for business interruption or loss of or damage to data or costs of capital or of substitute use or performance, or for indirect, liquidated, incidental or consequential damages, or for any other commercial or economic loss or cost of a similar type, or for claims by Licensee for damages of Licensee's customers even if Licensor has been advised of the possibility of such damages or they are foreseeable. Licensor is also not responsible for any claims asserted by a third party. Licensor's maximum liability under this Software License Agreement shall be the total of all sums paid by Licensee to Licensor during the one year period immediately preceding the act or omission giving rise to the claim arose except for claims made for intellectual property infringement or violation of the mutual confidentiality obligations hereunder. Both parties agree that the exclusions and limitations set forth in this Article 11 are separate and independent from any other remedies that they may have including but not limited to any actual recoveries against insurance policies provided pursuant to the requirements of the contract under which the Software was provided.

Licensee acknowledges and agrees that Licensor has set its prices and entered into this Software License Agreement in reliance upon the disclaimer of warranty and limitation of liability set forth herein, that same reflect an allocation of risk between the parties (including the risk that a contract remedy may fail of its essential purpose and cause consequential loss), and that the same form an essential basis of the bargain between the parties.

12. Miscellaneous.

12.1 Complete Agreement.

Each party acknowledges that it has read and understands this Software License Agreement and agrees to be bound by its terms. The parties further agree that this Software License Agreement, including Attachment A, are the complete and exclusive statement of this Software License Agreement between the parties, which supersedes and merges all prior proposals, understandings and all other agreements, oral or written, between the parties governing operation and use of the Software. This Software License Agreement may not be modified or altered except by written instrument duly executed by both parties.

The Contract, Service Agreement, Work Order or Authorization(s) which dictate the terms under which this Software is delivered solely govern the execution of the Work and the terms and conditions of delivery of the Software based on the agreed upon terms.

12.2 Governing Law.

The validity, interpretation, and enforcement of this Software License Agreement shall be governed by the laws of, and the parties agree and consent to the jurisdiction of the State

and Federal courts in: Licensee's local legal jurisdiction (e.g., home state, province, country, etc.).

12.3 Limitation of Actions Period.

No action, regardless of form, arising out of this Software License Agreement, may be brought by either party more than twelve (12) months after the cause of action has arisen.

12.4 Waiver.

The waiver or failure of either party to exercise in any respect any right provided for herein shall not be deemed a waiver of any other right hereunder.

12.5 Severability.

If any provision of this Software License Agreement is invalid, illegal or unenforceable under any applicable statute or rule of law, only that provision is to be deemed omitted, and the remaining provisions shall not be affected in any way.

13. Dispute Resolution.

The Parties acknowledge that unauthorized disclosure of Confidential Information in violation of Section 7 above or other breach of any obligation under this Software License Agreement may result in irreparable harm for which monetary damages or other remedy at law may be inadequate. Each party shall be entitled, without waiving any other rights or remedies, to such injunctive or equitable relief as may be deemed proper and necessary by a court of competent jurisdiction to prevent any irreparable harm which may be caused by a breach or threatened breach of this Software License Agreement.

Any dispute for claims which will not result in irreparable harm if not immediately addressed may be brought for decision in the applicable court of competent jurisdiction only after the parties have met and attempted to amicably resolve the dispute.

14. Export Controls on the Software.

Licensee agrees that U.S. export control laws and other applicable export and import laws and regulations may govern Licensee's use of the Software (including technical data) and any Software licensed under this Software License Agreement and that Licensee shall be fully responsible for ensuring that its use of the Software will comply with all such laws, rules and regulations. Licensee agrees that neither the Software nor any data, information, program and/or materials resulting from Licensor's services (or any direct product thereof) will be exported, directly or indirectly, in violation of these laws, or will be used for any purpose prohibited by these laws including, without limitation, nuclear, chemical, or biological weapons proliferation, or development of missile technology. Licensee will indemnify and hold Licensor harmless from any and all liability arising out of Licensee's use of the Software in violation of these laws, rules or regulations.

15. U.S. Government Restricted Rights.

All Open Systems International, Inc. Software and Documentation are commercial in nature and qualify as "Commercial Items" as that term is defined at Federal Acquisition Regulation ("FAR") (48 C.F.R.) Section 2.101, consisting of "Commercial Computer Software" and "Commercial Computer Software Documentation" as such terms are used in FAR 12.212.

Consistent with FAR 12.212 and DoD FAR Supp 227.7202-1 through 227.7202-4, and notwithstanding any other FAR or other contractual clause to the contrary in any agreement into which this Software License Agreement may be incorporated, Licensor or Licensor's contractor may provide to the U.S. Government end user (as Licensee) the Software and related Documentation with only those rights as granted to all other end users, according to the terms and conditions contained in this Software License Agreement. Use of either the Software or Documentation or both constitutes agreement by the U.S. Government that the Software and Documentation are "Commercial Computer Software" and "Commercial Computer Software Documentation," and constitutes acceptance of the rights and restrictions herein.

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LICENSOR:

OPEN SYSTEMS INTERNATIONAL, INC.
4101 ARROWHEAD DRIVE
MEDINA, MINNESOTA USA 55340-9457

LICENSEE:

INDIANOLA MUNICIPAL UTILITIES
111 SOUTH BUXTON STREET
INDIANOLA, IOWA 50125

BY: _____
(Signature)

NAME: _____

TITLE: _____

DATE: _____

BY: _____
(Signature)

NAME: _____

TITLE: _____

DATE: _____

ATTACHMENT A

Client Software:

(List licensed products along with documentation plus number of licenses purchased)

Refer to the List of Deliverables, Part B of the Services Contract, dated _____, 20____, along with any contract change orders and/or purchase orders thereafter.

Server Software:

Refer to the List of Deliverables, Part B of the Services Contract, dated _____, 20____, along with any contract change orders and/or purchase orders thereafter.

Additional Software:

Any Software provided to Licensee by Licensor which updates or supplements the original Software is governed by this Software License Agreement unless alternative terms are provided by Licensor with such update or supplements.

Location of Physical or Virtual Servers:

(List address of site)

Primary site:

Backup/Disaster Recovery site:

Special Provisions:

(List any special provisions)

N/A



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/7/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Commercial Lines - (952) 830-3000 Wells Fargo Insurance Services USA, Inc. 400 Highway 169 South, 8th Floor St. Louis Park, MN 55426	CONTACT NAME: Alice Brutcher PHONE (A/C, No, Ext): 952-242-3075 FAX (A/C, No): E-MAIL ADDRESS: alice.brutcher@wellsfargo.com														
INSURED Open Systems International Inc. Attn: Liz Geris 4101 Arrowhead Drive Medina, MN 55340	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: left;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: left;">NAIC #</th> </tr> <tr> <td>INSURER A: Great Northern Insurance Company</td> <td>20303</td> </tr> <tr> <td>INSURER B: Chubb Indemnity Insurance Co.</td> <td>12777</td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Great Northern Insurance Company	20303	INSURER B: Chubb Indemnity Insurance Co.	12777	INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES

CERTIFICATE NUMBER: 11407877

REVISION NUMBER: See below

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ including Global General Liability ☒ \$1,000,000 GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☒ LOC ☐ OTHER:	X		36025344	07-15-16	07-15-17	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☒ Y ☒ N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	71749263	07-15-16	07-15-17	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Indianola Municipal Utilities is additional insured as it relates to general liability in accordance with the terms and conditions of the policy.

CERTIFICATE HOLDER

Indianola Municipal Utilities
 PO Box 356
 Indianola, IA 50125

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Jean Bruden

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Meeting Date: 02/13/2017

Information

Subject

MEAN Update

Information

MEAN Financial Statements – MEAN Financials as of December 2016 are attached for your review. MEAN had net revenue in December of approximately \$38,000. Fiscal year to date, MEAN's net revenue is approximately \$2,869,000 compared to net revenue of \$5,890,111 at this time last year. Please see the title page for narrative regarding December 2016 financial results.

Fiscal Impact

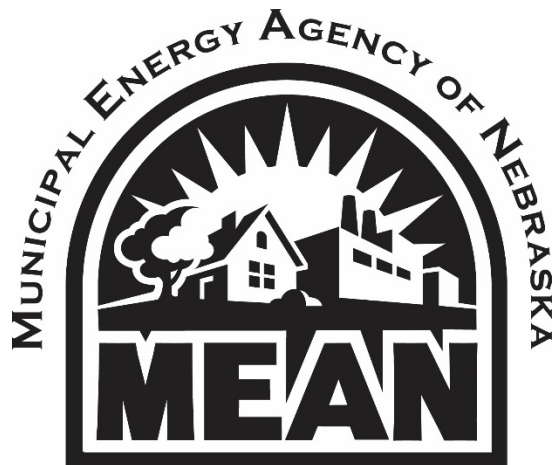
Attachments

December 2016 MEAN Financials

Municipal Energy Agency of Nebraska

*Financial Statements
For the Period Ended*

December 31, 2016



**Municipal Energy Agency of Nebraska
Financial Statements
December 31, 2016**

Table of Contents	Page
Balance Sheets	1
Statement of Revenues & Expenses – Actual vs. Budget	2
Statement of Revenues & Expenses – Actual vs. Prior Year	3
Statements of Cash Flows	4
Charts of Selected Financial Results	5

MEAN Overall Financial Results:

Net revenue/(loss) in December was \$38,000 compared to a budget of \$226,000 for a negative variance of \$188,000. See below for further explanation.

Operating Revenues – Operating revenues for December were \$11.3M compared to a budget of \$10.8M, 4.5% greater than budget.

Revenues from Participant energy sales were greater than budgeted by \$0.1M as participant energy usage was greater than budget. Energy sales revenues from non-participants were greater than budgeted by \$0.4M. More MWh's were sold in the East at higher average \$/MWh due to favorable market conditions, as well as more MWh's were sold in the West.

Electric Energy Costs – Total electric energy costs for December were \$9.2M compared to a budget of \$8.5M, 8.0% greater than budget.

Purchased Power expenses for December were \$7.0M compared to a budget of \$6.5M, 7.5% greater than budget. Significant components of purchased power expense include:

Contracted Purchases

- MWhs purchased from contracted resources were less than budget by 16% due to various resource outages; however, the lower production resulted in increased \$/MWh.
 - o PPGA WEC 2 was offline about a week due to economics. Furthermore, PPGA WEC 2 continues to see savings related to their 2016 debt refunding.
 - o Louisa was offline 18 days. 9 of those days were due to economic outage.
 - o NPPD GGS continues to run at a lower capacity factor due to economics. This resulted in fewer MWhs generated leading to a direct decrease in fuel costs.
 - o Wind units produced more MWh due to favorable wind conditions. This led to a direct increase in energy expense.
 - o MISO excess capacity costs continue to exceed budget. This variance is expected to continue for the remainder of 16-17. This is offset in part by related MISO market revenues reported in other operating revenues.

Market Activity

- Total MWhs purchased for load in the RTO markets were greater than budget by 3%.
 - o MISO MWhs purchased were greater than budget at a higher \$/MWh.
 - o SPP MWhs purchased were greater than budget but at a lower \$/MWh.
- MISO – Market MWh were greater than budget leading to an increase in MISO – Market expense.
- SPP – Market MWh were greater than budget but at a lower \$/MWh leading to an overall decrease in SPP – Market expense.
- West – Market MWh were nearly identical to budget but at a lower \$/MWh leading to an overall decrease in West – Market expense.

- Generation sales revenues received, which partially offset energy expense of related generation, were less than budget.
 - o MISO units (WSEC4 & Louisa) net generated less MWs than budget & the \$/MWh received were less than budget. Overall this led to a decrease in MISO generation sales revenues received compared to budget.
 - o SPP Market (IM) units (WEC1, PPGA WEC2 & Wessington Springs) net generated less MWs than budget. In addition, \$/MWh received were less than budget for a net decrease in SPP generation sales revenues received compared to budget.
 - o SPP Market (BL) units (LRS Unit 1, NPPD CNS, NPPD GGS & NPPD wind facilities) net generated less MWs than budget and \$/MWh received were less than budget for a net decrease in generation sales revenues received compared to budget.

Production expenses for December were \$1.7M compared to a budget of \$1.5M, 12.0% greater than budget. Significant components of production expense include:

- Produced MWs generated from owned resources were 7% less than budget, however, the lower production resulted in increased \$/MWh.
 - o WSEC 4 fuel costs were greater than budget due to timing of coal purchases.

Transmission expenses for December were nearly identical to budget of \$0.4M.

Operating Income/(Loss) – December operating income/(loss) was \$639,000 compared to a budget of \$902,000 for a negative variance of \$263,000.

Net Nonoperating Revenues/(Expenses) – December net nonoperating expenses were (\$601,000) compared to a budget of (\$676,000) for a variance of \$75,000, or 11.1%. The variance consists primarily of interest expense savings experienced due to the 2016A bond refunding transaction. This variance will continue for the remainder of the fiscal year.

**Municipal Energy Agency of Nebraska
Balance Sheets
December 31, 2016 and 2015**

	2016	2015
<u>Assets & Deferred Outflows of Resources</u>		
Cash and Cash Equivalents	\$ 20,843,351	\$ 19,796,094
Investments	16,539,105	15,652,859
Accounts Receivable	18,217,596	19,937,292
Prepaid Expenses & Other	294,081	262,514
Productive Capacity Operating Assets	4,116,781	3,231,187
Restricted Investments		
Debt Service Funds	5,883,375	6,220,844
Debt Service Reserve Funds	13,006,716	13,820,959
Total Restricted Investments	<u>18,890,091</u>	<u>20,041,804</u>
Contracts Receivable	2,176,904	3,325,582
Productive Capacity, Net	123,123,360	129,308,078
Capital Assets, Net	5,687,919	5,956,451
Costs Recoverable from Future Billings	42,278,156	42,754,667
Total Assets	<u>252,167,344</u>	<u>260,266,528</u>
Deferred Outflows of Resources		
Deferred Cost of Refunded Debt	<u>9,639,155</u>	<u>2,925,401</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 261,806,499</u>	<u>\$ 263,191,929</u>
<u>Liabilities, Deferred Inflows of Resources and Net Position</u>		
Current Liabilities		
Current Maturities of Long-Term Debt		
2009 Series A Bonds	\$ -	\$ 190,000
2012 Series A Bonds	3,480,000	3,155,000
2013 Series A & B Bonds	<u>2,235,000</u>	<u>2,185,000</u>
Total Current Maturities of Long-Term Debt	<u>5,715,000</u>	<u>5,530,000</u>
Accounts Payable & Accrued Expenses	7,501,788	7,178,500
Accrued Interest Payable	<u>1,593,082</u>	<u>2,069,875</u>
Total Current Liabilities	<u>14,809,870</u>	<u>14,778,375</u>
Long Term Debt		
2009 Series A Bonds	2,550,000	72,235,000
2012 Series A Bonds	51,985,000	55,465,000
2013 Series A & B Bonds	33,615,000	35,850,000
2016 Series A Bonds	<u>68,905,000</u>	<u>-</u>
Total Long Term Debt	<u>157,055,000</u>	<u>163,550,000</u>
Bond Premium, net	17,622,682	10,674,354
Total Liabilities	<u>189,487,552</u>	<u>189,002,728</u>
Deferred Inflows of Resources		
Deferred Revenue - Rate Stabilization		
RITA Funds	2,849,966	4,101,219
Capital Funds	3,292,700	1,792,703
General Funds	<u>15,542,859</u>	<u>15,280,909</u>
Total Deferred Revenue - Rate Stabilization	<u>21,685,524</u>	<u>21,174,830</u>
Net Position		
Net Position, Beginning of Year	47,764,198	47,124,259
YTD Net Revenue / (Loss)	<u>2,869,224</u>	<u>5,890,111</u>
Net Position	<u>50,633,422</u>	<u>53,014,370</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 261,806,499</u>	<u>\$ 263,191,929</u>

Municipal Energy Agency of Nebraska
Statement of Revenues & Expenses - Actual vs. Budget
For Period Ended December 31, 2016

	Current Month				Fiscal YTD				Fiscal Year
	Actual	Budget	+ / -	% + / -	Actual	Budget	+ / -	% + / -	Budget
Electric Energy Sales - MWh's									
Schedule M	150,473	150,667	(195)	-0.1%	1,143,431	1,160,376	(16,945)	-1.5%	1,574,750
Schedule K	10,207	10,027	180	1.8%	73,170	76,172	(3,002)	-3.9%	103,480
Schedule J	4,229	3,271	958	29.3%	24,774	21,972	2,802	12.8%	30,603
Non-Participants	20,116	7,440	12,676	170.4%	191,212	133,283	57,929	43.5%	133,283
Renewables - Wind	15,008	14,945	63	0.4%	93,590	92,330	1,260	1.4%	130,856
Landfill Gas - Energy	84	84	-	0.0%	756	756	-	0.0%	1,008
Total Electric Energy Sales - MWh's	200,117	186,434	13,683	7.3%	1,526,933	1,484,889	42,044	2.8%	1,973,980
Operating Revenues									
Electric Energy Sales									
Schedule M	\$ 9,631,131	\$ 9,626,622	\$ 4,509	0.0%	\$ 77,797,575	\$ 78,420,268	\$ (622,693)	-0.8%	\$ 105,773,064
Schedule K	703,138	695,812	7,326	1.1%	5,572,757	5,691,378	(118,621)	-2.1%	7,667,730
Schedule J	213,005	172,142	40,863	23.7%	1,239,928	1,132,389	107,539	9.5%	1,581,856
Non-Participants	539,251	161,516	377,735	233.9%	4,931,149	3,454,936	1,476,213	42.7%	3,454,936
Renewables - Wind	767,010	763,808	3,202	0.4%	4,782,226	4,718,202	64,024	1.4%	6,687,642
Landfill Gas - Energy	3,189	3,189	0	0.0%	28,705	28,701	4	0.0%	38,268
Landfill Gas - Attributes	33,480	33,480	-	0.0%	301,320	301,320	-	0.0%	401,760
Total Electric Energy Sales	11,890,205	11,456,569	433,636	3.8%	94,653,659	93,747,194	906,465	1.0%	125,605,256
Transfer From / (Provision For) Rate Stab									
Rate Stabilization - General	(999,213)	(999,213)	-	0.0%	816,851	816,851	-	0.0%	-
Rate Stabilization - Capital	166,667	166,667	-	0.0%	1,500,003	1,500,003	-	0.0%	2,000,000
Rate Stabilization - RITA	105,000	105,000	-	0.0%	945,000	945,000	-	0.0%	1,260,000
Total Trans From / (Prov For) Rate Stab	(727,546)	(727,546)	-	0.0%	3,261,854	3,261,854	-	0.0%	3,260,000
Other	102,883	51,184	51,699	101.0%	722,412	362,911	359,501	99.1%	499,932
Total Operating Revenues	11,265,542	10,780,207	485,335	4.5%	98,637,926	97,371,959	1,265,967	1.3%	129,365,188
Operating Expenses									
Electric Energy Costs									
Purchased Power	7,038,236	6,544,166	494,070	7.5%	59,823,283	58,571,057	1,252,226	2.1%	77,736,519
Production	1,726,138	1,540,831	185,307	12.0%	13,401,021	14,512,427	(1,111,406)	-7.7%	19,086,695
Transmission	447,778	441,153	6,625	1.5%	3,916,605	3,846,387	70,218	1.8%	5,134,911
Total Electric Energy Costs	9,212,152	8,526,150	686,002	8.0%	77,140,908	76,929,871	211,037	0.3%	101,958,125
Administrative & General									
Payroll & Benefits	622,050	490,583	131,467	26.8%	4,155,795	4,415,247	(259,452)	-5.9%	5,887,000
Internal Office	52,205	94,233	(42,028)	-44.6%	744,074	903,450	(159,376)	-17.6%	1,367,613
Member	14,412	17,140	(2,728)	-15.9%	213,169	263,846	(50,677)	-19.2%	322,043
Consultants & Outside Services	124,414	144,826	(20,412)	-14.1%	1,364,507	1,304,482	60,025	4.6%	1,753,443
Total Administrative & General	813,081	746,782	66,299	8.9%	6,477,546	6,887,025	(409,479)	-5.9%	9,330,099
Depreciation and Amortization	600,918	605,708	(4,790)	-0.8%	5,405,633	5,451,372	(45,739)	-0.8%	7,268,457
Total Operating Expenses	10,626,151	9,878,640	747,511	7.6%	89,024,087	89,268,268	(244,181)	-0.3%	118,556,681
Operating Income/(Loss)	639,391	901,567	(262,176)	-29.1%	9,613,839	8,103,691	1,510,148	18.6%	10,808,507
Nonoperating Revenues/(Expenses)									
Net Costs To Be Recovered in Future Periods	(65,539)	(65,539)	0	0.0%	(896,261)	(589,851)	(306,410)	51.9%	(786,465)
Investment Return	36,896	26,309	10,587	40.2%	319,669	236,781	82,888	35.0%	315,700
Interest Expense	(613,372)	(674,572)	61,200	-9.1%	(5,948,745)	(6,071,148)	122,403	-2.0%	(8,094,858)
Amortization of Def. Cost of Refunded Debt	40,879	37,804	3,075	8.1%	345,497	340,236	5,261	1.5%	453,634
Bond Issue Costs	-	-	-	100.0%	(583,195)	-	(583,195)	100.0%	-
Other	-	-	-	100.0%	18,420	-	18,420	100.0%	-
Net Nonoperating Revenues/(Expenses)	(601,136)	(675,998)	74,862	-11.1%	(6,744,615)	(6,083,982)	(660,633)	10.9%	(8,111,989)
Net Revenue / (Loss)	\$ 38,255	\$ 225,569	\$ (187,314)	-83.0%	\$ 2,869,224	\$ 2,019,709	\$ 849,515	42.1%	\$ 2,696,518

Municipal Energy Agency of Nebraska
Statement of Revenues & Expenses - Actual vs. Prior Year
For Period Ended December 31, 2016 and 2015

	Month				Fiscal YTD			
	Current	Prior Year	+ / -	% + / -	Current	Prior Year	+ / -	% + / -
Electric Energy Sales - MWh's								
Schedule M	150,473	141,597	8,876	6.3%	1,143,431	1,118,319	25,112	2.2%
Schedule K	10,207	9,933	274	2.8%	73,170	75,130	(1,960)	-2.6%
Schedule J	4,229	2,609	1,620	62.1%	24,774	60,411	(35,637)	-59.0%
Non-Participants	20,116	14,104	6,011	42.6%	191,212	238,684	(47,472)	-19.9%
Renewables - Wind	15,008	15,209	(201)	-1.3%	93,590	97,172	(3,582)	-3.7%
Landfill Gas - Energy	84	84	-	0.0%	756	420	336	80.0%
Total Electric Energy Sales - MWh's	200,117	183,536	16,580	9.0%	1,526,933	1,590,136	(63,203)	-4.0%
Operating Revenues								
Electric Energy Sales								
Schedule M	\$ 9,631,131	\$ 9,496,071	\$ 135,060	1.4%	\$ 77,797,575	\$ 78,244,516	\$ (446,941)	-0.6%
Schedule K	703,138	673,042	30,096	4.5%	5,572,757	5,475,888	96,869	1.8%
Schedule J	213,005	133,837	79,167	59.2%	1,239,928	3,707,847	(2,467,920)	-66.6%
Non-Participants	539,251	270,599	268,653	99.3%	4,931,149	5,832,123	(900,974)	-15.4%
Renewables - Wind	767,010	781,672	(14,662)	-1.9%	4,782,226	5,142,767	(360,541)	-7.0%
Landfill Gas - Energy	3,189	3,171	18	0.6%	28,705	15,856	12,849	81.0%
Landfill Gas - Attributes	33,480	33,480	-	0.0%	301,320	298,740	2,580	0.9%
Total Electric Energy Sales	11,890,205	11,391,873	498,332	4.4%	94,653,659	98,717,737	(4,064,078)	-4.1%
Transfer From / (Provision For) Rate Stab								
Rate Stabilization - General	(999,213)	(722,631)	(276,582)	38.3%	816,851	(121,199)	938,050	-774.0%
Rate Stabilization - Capital	166,667	(2,568)	169,235	-6589.6%	1,500,003	(2,568)	1,502,571	-58506.6%
Rate Stabilization - RITA	105,000	102,083	2,917	2.9%	945,000	918,747	26,253	2.9%
Total Trans From / (Prov For) Rate Stab	(727,546)	(623,116)	(104,430)	16.8%	3,261,854	794,980	2,466,874	310.3%
Other Revenues	102,883	65,899	36,984	56.1%	722,412	375,505	346,907	92.4%
Total Operating Revenues	11,265,542	10,834,656	430,886	4.0%	98,637,926	99,888,223	(1,250,297)	-1.3%
Operating Expenses								
Electric Energy Costs								
Purchased Power	7,038,236	6,262,345	775,891	12.4%	59,823,283	57,523,579	2,299,705	4.0%
Production	1,726,138	1,381,186	344,952	25.0%	13,401,021	14,464,741	(1,063,721)	-7.4%
Transmission	447,778	407,268	40,510	9.9%	3,916,605	4,655,026	(738,421)	-15.9%
Total Electric Energy Costs	9,212,152	8,050,799	1,161,352	14.4%	77,140,908	76,643,346	497,563	0.6%
Administrative & General Expenses								
Payroll & Benefits	622,050	370,756	251,294	67.8%	4,155,795	3,605,183	550,613	15.3%
Internal Office	52,205	51,731	474	0.9%	744,074	638,178	105,897	16.6%
Member	14,412	7,370	7,041	95.5%	213,169	165,507	47,662	28.8%
Consultants & Outside Services	124,414	131,012	(6,597)	-5.0%	1,364,507	986,348	378,159	38.3%
Total Administrative & General Expenses	813,081	560,869	252,212	45.0%	6,477,546	5,395,215	1,082,330	20.1%
Depreciation and Amortization	600,918	785,975	(185,057)	-23.5%	5,405,633	7,082,245	(1,676,612)	-23.7%
Total Operating Expenses	10,626,151	9,397,643	1,228,508	13.1%	89,024,087	89,120,806	(96,719)	-0.1%
Operating Income/(Loss)	639,391	1,437,013	(797,622)	-55.5%	9,613,839	10,767,416	(1,153,578)	-10.7%
Nonoperating Revenues/(Expenses)								
Net Costs To Be Recovered in Future Periods	(65,539)	139,917	(205,455)	-146.8%	(896,261)	1,259,249	(2,155,510)	-171.2%
Investment Return	36,896	35,296	1,600	4.5%	319,669	259,854	59,815	23.0%
Interest Expense	(613,372)	(689,958)	76,586	-11.1%	(5,948,745)	(6,209,625)	260,880	-4.2%
Amortization of Def. Cost of Refunded Debt	40,879	(22,562)	63,441	-281.2%	345,497	(203,062)	548,558	-270.1%
Bond Issue Costs	-	-	-	100.0%	(583,195)	-	(583,195)	100.0%
Other	-	2,568	(2,568)	-100.0%	18,420	16,278	2,142	13.2%
Total Nonoperating Revenues/(Expenses)	(601,136)	(534,740)	(66,396)	12.4%	(6,744,615)	(4,877,305)	(1,867,310)	38.3%
Net Revenue / (Loss)	\$ 38,255	\$ 902,273	\$ (864,018)	-95.8%	\$ 2,869,224	\$ 5,890,111	\$ (3,020,887)	-51.3%

Note: Prior Year information (Current month and YTD) has been restated to consistently present Electric Energy Sales to Non-Participants and Purchased Power Expenses related to MISO & SPP market transactions as a net purchase or net sale on an hourly basis within each separate day-ahead and real-time market based on net volumes purchased or sold.

**Municipal Energy Agency of Nebraska
Statements of Cash Flows
For Period Ended December 31, 2016**

	Current Month	Fiscal YTD
Cash Received From Participants & Customers		
Schedule M	\$11,643,426	\$93,018,180
Schedule K	824,178	7,570,264
Schedule J	264,835	1,330,190
Service Schedule	224,984	2,189,076
Non-Participants	502,713	4,349,139
Other	101,872	1,403,228
	<u>13,562,008</u>	<u>109,860,076</u>
Cash Paid To Suppliers	(13,681,043)	(101,517,663)
Cash Received From (Paid To) Coalition Members, Net		
NMPP	(380,000)	(4,253,330)
NPGA	2,376	26,500
ACE	2,995	27,309
Transfer from / (to) Escrow	-	193,323
Debt Service Activity		
Transfer to Debt Service Accounts	(1,089,622)	(9,926,761)
2016A Bonds refunding activity	-	(309,130)
Interest Received On Debt Service Investments	-	139,203
Additions of Productive Capacity	(307,274)	(1,359,676)
Purchase of Capital Assets	(10,157)	(108,416)
Purchases, Sales, & Maturities Of Investments, Net	-	98,197
Interest Received On Investments	12,072	120,787
Increase (Decrease) In Cash & Cash Equivalents	<u>(1,888,647)</u>	<u>(7,009,581)</u>
Cash & Cash Equivalents, Beginning Of Period	22,731,999	27,852,932
Cash & Cash Equivalents, End Of Period	<u><u>\$20,843,351</u></u>	<u><u>\$20,843,351</u></u>

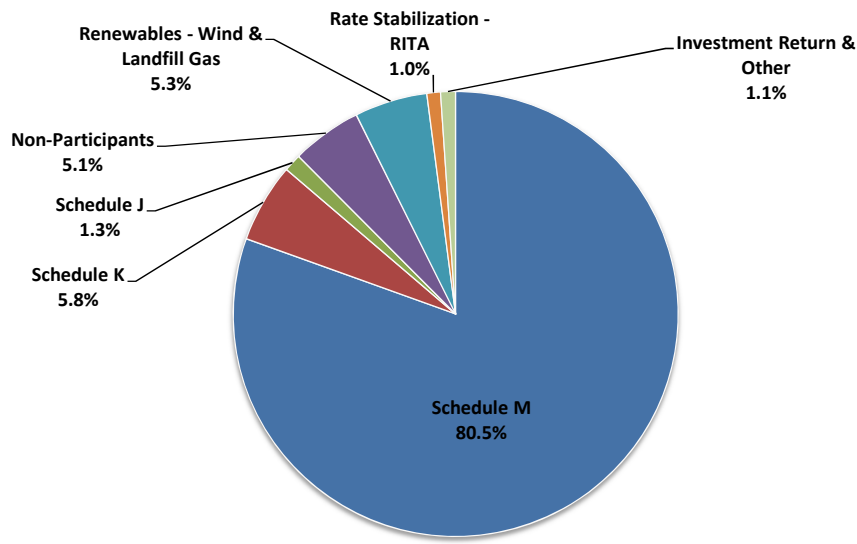
Municipal Energy Agency of Nebraska

Selected Financial Results

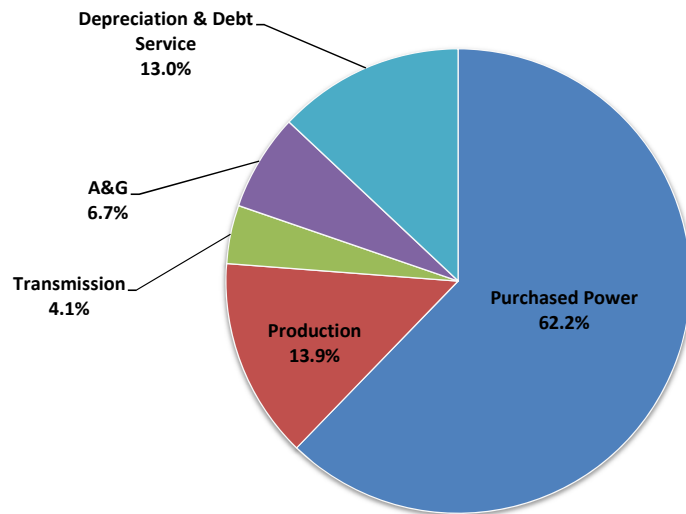
Fiscal Year to Date Ended December 31, 2016

Actual Revenues By Type - % of Total Revenues

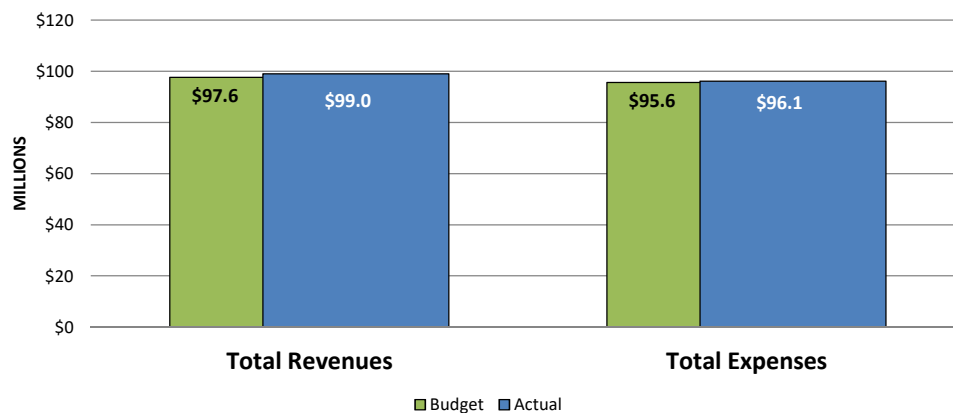
Excludes Rate Stabilization - General & Capital Activity



Actual Expenses By Type - % of Total Expenses



YTD - Actual vs. Budget



Meeting Date: 02/13/2017

Information**Subject**

Resolution approving a professional services agreement with Snyder and Associates for Municipal Engineering Services

Information

In your packet is a resolution and agreement that provides the framework for Snyder and Associates to perform the municipal engineering services for IMU. Exhibit B in your packet includes costs associated with three block of water main replacements to be included with the capital street improvement. This includes:

- North Buxton Street from West Girard Avenue to West Henderson Avenue
- Euclid Avenue from north Buxton Street to North Howard Street
- Iowa Avenue from North "D" Street to North "C" Street

The proposed fees are as follows:

Topographic Survey	\$5,000.00
Design & Construction Document Preparation	\$6,800.00
Construction Services	\$4,800.00
Total	\$16,600.00

Roll call is in order.

Fiscal Impact**Attachments**

Snyder & Associates Information

RESOLUTION NO. 2017-_____

**RESOLUTION APPROVING A PROFESSIONAL SERVICES
AGREEMENT WITH SNYDER & ASSOCIATES FOR MUNICIPAL
ENGINEERING SERVICES**

WHEREAS, the Indianola Municipal Utilities, Indianola, Iowa, is in need of engaging an engineering firm to provide municipal engineering services for the Indianola Municipal Utilities (hereinafter referred to as “Services”); and

WHEREAS, the Indianola Municipal Utilities, Indianola Iowa, has solicited proposals for said Services; and

WHEREAS, after review of the proposals the IMU Board of Trustees believes it to be in the best interest of the Indianola Municipal Utilities to engage Snyder & Associates of Ankeny, IA to perform the Services; and

WHEREAS, it is the determination of the IMU Board of Trustees that the Indianola Municipal Utilities should enter into a Professional Services Agreement with Snyder & Associates in the form attached as Exhibit “A”.

NOW, THEREFORE, BE IT RESOLVED by the IMU Board of Trustees of the City of Indianola, Iowa, that:

1. The Professional Services Agreement with Snyder & Associates for the Services is in the public interest of the citizens of the Indianola Municipal Utilities and is hereby approved.
2. The Chair is authorized and directed to execute the Professional Services Agreement on behalf of the Indianola Municipal Utilities and the City Clerk is authorized and directed to attest to the signature.

PASSED this 13th day of February 2017.

Adam Voigts, Chair

ATTEST:

Diana Bowlin, City Clerk

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT, made and entered this ____ day of _____, 2017, by and between the **INDIANOLA MUNICIPAL UTILITIES (IMU)**, a municipal corporation of the State of Iowa, hereinafter referred to as "IMU," and **SNYDER & ASSOCIATES, INC.**, hereinafter referred to as "SERVICE PROVIDER."

WHEREAS, IMU is in need of a qualified firm to provide Municipal Engineering Services, hereinafter referred to as "Services"; and

WHEREAS, IMU solicited proposals for said Services; and

WHEREAS, the SERVICE PROVIDER was determined by the IMU Board of Trustees to be the best suited to meet the IMU's needs for the Services.

NOW, THEREFORE, THE PARTIES HEREBY MUTUALLY AGREE AS FOLLOWS:

The parties hereby agree to be bound by the terms and conditions and all promises contained in the proposal submitted by the SERVICE PROVIDER to IMU, a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference as if set out in full. In addition, the parties agree as follows:

1. SERVICE PROVIDER shall indemnify and save harmless IMU, its agents, servants and employees from and against any claim, demand or cause of action arising out of negligent or intentional act or error or omission of SERVICE PROVIDER, its agents, servants or employees in the performance of services under this agreement, whether direct or indirect, except that SERVICE PROVIDER shall not be liable under this section for damages arising out

of injury or damage to persons or property directly caused or resulting from the sole negligence of IMU or any of its officers, agents or employees.

The execution of the agreement by SERVICE PROVIDER shall obligate SERVICE PROVIDER to comply with the foregoing indemnification provision, however, the collateral obligation of insuring this indemnity must be complied with as set forth below.

2. SERVICE PROVIDER shall not commence operations and/or labor pursuant to the terms of this Agreement until certification of proof of insurance detailing terms and provisions of coverage has been received and approved by the IMU. Minimum insurance coverage shall be required as set forth in ATTACHMENT "A."

3. Payment for Services will be made in accordance with the fee schedule as set forth in Exhibit "B". In the event a fee is not provided for in Exhibit B, then the fee shall be mutually agreed upon by the Parties.

4. This Agreement may be terminated by either party for cause or by IMU for convenience upon fourteen (14) days' written notice by the terminating party to the other party of such termination in which event SERVICE PROVIDER will be paid its compensation for services actually performed to termination date. "Cause" is defined to be, but not limited to, violation of any of the covenants, duties or terms of this Agreement. In the event that SERVICE PROVIDER abandons this Agreement or causes it to be terminated, SERVICE PROVIDER shall indemnify IMU against any loss resulting from this termination.

5. This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, or understanding applicable to the matters contained herein, and the parties agree that there are no commitments, agreements or understanding concerning the subject matter of this Agreement that are not contained in this document.

IN WITNESS WHEREOF, the parties to this Agreement have set their hands on the
day and year first written above.

"IMU":

INDIANOLA MUNICIPAL UTILITIES

By: _____
Adam Voigts, Chair

Attest: _____
Diana Bowlin, City Clerk

"SERVICE PROVIDER":

By: _____
Name: _____
Title: _____

ATTACHMENT A

STANDARD INSURANCE REQUIREMENTS

1. GENERAL

The SERVICE PROVIDER shall protect itself and the CITY OF INDIANOLA throughout the duration of the Agreement by purchasing and maintaining insurance, as indicated below. Said insurance shall be provided by an insurance company(ies), “admitted” and “nonadmitted” to do business in the State of Iowa, having no less than an A. M. Best Rating of “B+.” All policies shall be written on a per occurrence basis, not a claims-made basis. SERVICE PROVIDER shall submit Certificates of Insurance or other evidence of coverage, as provided in paragraph 2.F below, confirming coverage prior to the Agreement execution or commencement of work and/or services included in this Agreement.

2. INSURANCE REQUIREMENTS

A. WORKER’S COMPENSATION & EMPLOYER’S LIABILITY INSURANCE: The SERVICE PROVIDER shall procure and maintain during the life of this Agreement, Worker’s Compensation Insurance, including *Employer’s Liability Coverage*, in accordance with all applicable statutes of the State of Iowa. The coverage limits shall include \$500,000 each accident for Bodily Injury by Accident, \$500,000 each accident for Bodily Injury by Disease, and \$500,000 policy limit for Bodily Injury by Disease.

B. COMMERCIAL GENERAL LIABILITY INSURANCE: The SERVICE PROVIDER shall procure and maintain during the life of this Agreement, Commercial General Liability insurance on a per occurrence basis with limits of liability not less than \$2,000,000 per occurrence and aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (a) Contractual Liability, (b) Premises and Operations, (c) Products and Completed Operations, (d) Independent Contractors Coverage, (e) Personal and Advertising Injury and (f) deletion of Explosion, Collapse and Underground (XCU), where applicable.

Coverage shall be no less comprehensive and no more restrictive than the coverage provided by a standard form Commercial General Liability Policy (ISO CG 0001, Ed 07/98 with standard exclusions “a” through “o” or any subsequent ISO equivalent or a non-ISO equivalent form).

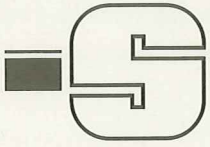
C. AUTOMOBILE LIABILITY INSURANCE: The SERVICE PROVIDER shall procure and maintain during the life of this Agreement, Automobile Liability Insurance with limits of liability of not less than \$2,000,000 per occurrence combined

single limit including Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

- D. UMBRELLA/EXCESS INSURANCE: The General Liability and Automobile Liability Insurance requirements above may be satisfied with a combination of primary and Umbrella/Excess Insurance. The Umbrella/Excess Insurance shall also be written on a per occurrence basis.
- E. SUBCONTRACTORS: The SERVICE PROVIDER shall require that any of its agents and subcontractors who perform work and/or services pursuant to the provisions of this Agreement meet the same insurance requirements as are required of the Party. The option of self-insurance is not extended to subcontractors.
- F. PROOF OF INSURANCE: The SERVICE PROVIDER shall provide to the CITY OF INDIANOLA proof that all required insurance or coverage is in force by submitting to the CITY OF INDIANOLA a Certificate(s) of Insurance utilizing the latest version of the ACORD form. The form(s) of proof of insurance or coverage shall specify the title of the Agreement.

3. WAIVER OF SUBROGATION

- A. WAIVER OF SUBROGATION: To the fullest extent permitted by law, SERVICE PROVIDER hereby releases the CITY OF INDIANOLA including its elected and appointed officials, agents, employees and volunteers and others working on their behalf from and against any and all liability or responsibility to the SERVICE PROVIDER or anyone claiming through or under the SERVICE PROVIDER by way of subrogation or otherwise, for any loss for which the SERVICE PROVIDER has agreed to defend, indemnify and hold harmless the CITY OF INDIANOLA as provided in the Agreement to which this Attachment A is included and made part thereof. This provision shall be applicable and in full force and effect only with respect to loss or damage occurring during the time of this Agreement. The SERVICE PROVIDER policies of insurance shall contain a clause or endorsement to the effect that such releases shall not adversely affect or impair such policies or prejudice the right of the SERVICE PROVIDER to recover thereunder.



ENGINEERS & PLANNERS
SNYDER & ASSOCIATES, INC.
 IOWA | MISSOURI | NEBRASKA | SOUTH DAKOTA | WISCONSIN

January 27, 2017

Lou Elbert
 Indianola Municipal Utilities
 111 South Buxton St.
 Indianola, IA 50125

RE: CAPITAL STREET IMPROVEMENTS
 REVISED PROPOSAL FOR ENGINEERING SERVICES

Dear Lou:

As discussed at our meeting on January 23, 2017, additional water main replacement areas have been identified for the Capital Street Improvements Project. There are now 3 blocks of water main replacement to be included with this construction project along the following blocks:

- N Buxton Street from W Girard Avenue to W Henderson Avenue
- Euclid Avenue from N Buxton Street to N Howard Street
- Iowa Avenue from N D Street to N C Street

We have reviewed the work and are proposing the following fees:

TOPOGRAPHIC SURVEY (from back of curb to right-of-way line on the side proposed for the watermain route. Utility survey will include visible above ground utility facilities, such as manholes, valve boxes, posts, etc., and correlating this information with existing utility records.).....\$5,000.00 (Lump Sum)

DESIGN AND CONSTRUCTION DOCUMENT PREPARATION (assumes design details will be incorporated into Capital Street Improvements construction documents, with a separate division for the quantities. Statewide Urban Design Standards for Public Improvements, 2017 edition, will be utilized for this work.).....\$6,800.00 (Lump Sum)

CONSTRUCTION SERVICES (assumes 2 weeks of additional construction time. General services during construction include consulting with IMU on any issues that arise during construction, preparing and processing routine change orders, coordinating work of testing laboratories (does not include payment for testing), assisting in interpretation of plans and specs, and reviewing shop drawings. Services also include the detailed review of the work of the contractor and the review of materials and work compliance with plans and specifications.).....\$4,800.00(Lump Sum)

C:\snyder\pw_data\greeder\d0128346\1161088_IMULetter.docx

Lou Elbert
Indianola Municipal Utilities
January 27, 2017
Page 2 of 2

Please find attached an agreement form for the additional services described above. The fees for this work will be separate from those of the Capital Street Improvements Project. Please note that this proposal will be considered 'Exhibit A' as referenced in the attached agreement. We trust you will find the Scope self-explanatory; however, we are flexible to your needs and are most willing to discuss the Scope for a mutual agreement.

Please review and provide an authorized signature of the Agreement and return one copy for our files. Thank you.

Sincerely,

SNYDER & ASSOCIATES, INC.



Garret D. Reeder, P.E.
Project Engineer

GDR

Enclosure

CC: Dave N. Moeller, P.E., Snyder & Associates, Inc.



STANDARD PROFESSIONAL SERVICES AGREEMENT (Short Form)

NOW ON THIS ____ day of _____, 2017, **Snyder & Associates, Inc.**,
2727 SW Snyder Boulevard., Ankeny, IA 50023 (hereinafter, Professional), and
Indianola Municipal Utilities
(hereinafter, Client) do hereby agree as follows:

1. **PROJECT:** Professional agrees to provide Professional Services (Services) for Client's project known and identified as: Capital Street Improvements
2. **SCOPE AND FEES:** The Scope of and the fees to be paid for said Services are set forth on Exhibit A attached hereto and by this reference made a part of this Agreement. Any Services not shown on Exhibit A shall be considered Additional Services. Additional Services may only be added by written change order, amendment or supplement to this agreement signed by both parties.
3. **TIMELINESS:** Professional will perform its services with reasonable diligence and expediency consistent with sound professional practices and within the time period(s), if any, set forth in Exhibit A.
4. **STANDARD OF CARE:** In providing Services under this Agreement, the Professional shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same professional discipline currently practicing under similar circumstances at the same time and in the same or similar locality. Professional makes no warranty, express or implied, as to its professional services rendered under this Agreement. Client shall promptly report to Professional any defects or suspected defects in the Professional's Services of which Client becomes aware. Withholdings, deductions or offsets shall not be made from the Professional's compensation for any reason unless the professional has been found to be legally liable for such amounts by a court of competent jurisdiction.
5. **INVOICE, PAYMENT, INTEREST, SUSPENSION:** Professional shall prepare invoices in accordance with its standard invoicing practices and submit the invoice(s) to Client on a monthly basis. Client agrees to timely pay each invoice within 30 days of the invoice date. Payments not paid within said 30 days shall accrue interest on unpaid balances at the rate of 1.5% per month (or the maximum rate of interest permitted by law, if less) from said 30th day. In addition, Professional may, after giving 7 days written notice to Client, suspend services under this Agreement until Professional has been paid in full for Services, interest, expenses and other related charges rendered, accrued, advanced and/or incurred by Professional to the date of suspension. Client waives any and all claims against Professional arising out of or resulting from said suspension. Payments will be credited first to interest, then to expenses, then to principal.
6. **RELIANCE:** The Client shall furnish, at its expense, all information, requirements, reports, data, surveys and instructions required by this Agreement and Professional may use such furnished information and material in performing its services and is entitled to rely upon the accuracy and completeness thereof. The Professional shall not be held responsible for any errors or omissions that may arise as a result of erroneous or incomplete information provided by the Client and/or the Client's consultants and contractors.
7. **ASSIGNMENT:** Client shall not transfer, sublet or assign any rights or duties under or interest in this Agreement, without the prior written consent of Professional.
8. **OWNERSHIP OF INSTRUMENTS OF SERVICE:** All reports, drawings, specifications, electronic and hard copy files, field data, notes and other documents and instruments prepared by Professional for the Project are acknowledged to be instruments of service and shall remain the property of the Professional. The Professional shall retain all common law, statutory and other reserved rights, including, without limitation, the copyrights thereto. If Professional agrees to allow transfer of its electronic media file(s), Client understands and agrees that as a condition precedent, it will sign the Professional's "Electronic Media Transfer Agreement" form prior to the transfer of an electronic media file.

ADDITIONAL TERMS AND CONDITIONS

9. **MUTUAL INDEMNIFICATION:** The Professional and the Client mutually agree, to the fullest extent permitted by law, to indemnify and hold each other harmless from any and all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising from their own negligent acts, errors or omissions, or willful misconduct in the performance of their services, duties and responsibilities under this Agreement, to the extent that each party is responsible for such damages, liabilities and costs on a comparative basis of fault.
10. **MUTUAL WAIVERS:** Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the Client nor the Professional, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the Project or to this Agreement.
11. **LIMITATION:** In allocating the risks of this Project and notwithstanding any other provision of this Agreement, the Client agrees to limit, to the maximum extent permitted by law, the Professional's liability for the Client's damages to the aggregate sum of five(s) times the Professional's fee for this Project. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.
12. **DISPUTE RESOLUTION:** Any disputes that arise during the Project or following the completion of the Project will be resolved by representatives from each party who have authority to settle. Those issues not resolved shall be submitted to formal nonbinding mediation prior to submission to a court of competent jurisdiction. Each party shall endeavor to include a similar dispute resolution in all agreements with other consultants, contractors and subcontractors of any tier who are retained for the project so that formal mediation is required as the primary form of dispute resolution.
13. **SEVERABILITY:** If any term or provision of this Agreement is held to be invalid or unenforceable under any applicable statute or rule of law, such holding shall be applied only to the provision so held, and the remainder of this Agreement shall remain in full force and effect.
14. **SURVIVAL:** Notwithstanding completion or termination of this Agreement for any reason, all rights duties and obligations of the parties to this Agreement shall survive such completion or termination and remain in full force and effect until fulfilled.
15. **GOVERNING LAW AND JURISDICTION:** The Client and the Professional agree that this Agreement and any legal actions concerning its validity, interpretation and performance shall be governed by the laws of the State of Iowa, without regard to any conflict of laws provisions, which may apply the laws of other jurisdictions. It is further agreed that any legal action between the Client and the Professional arising out of this Agreement or the performance of the services shall be brought in a court of competent jurisdiction in the State of Iowa.
16. **ATTORNEYS FEES, COSTS:** In the event legal action is necessary to enforce the payment terms of this Agreement, Professional shall be entitled to collect from Client and Client agrees to pay to Professional any judgment or settlement sum(s) due, plus reasonable attorneys' fees, court costs and other expenses incurred by Professional for such collection action and, in addition, the reasonable value of the Professional's time and expenses spent for such collection action, computed according to the Professional's prevailing fee schedule and expense policy.
17. **INCORPORATION BY REFERENCE:** It is understood and agreed that the provisions of the following attached Exhibits are incorporated herein and by this reference made a part of this Agreement:

Exhibit A Scope & Fees

Exhibit

Indianola Municipal Utilities (Client)

By: _____
(Authorized agent)

(Printed or typed signature)

Exhibit

Exhibit

SNYDER & ASSOCIATES, INC. (Professional)

By: _____
(Authorized agent)

(Printed or typed signature)

Route executed copy to:

IMU Regular Downstairs

9. A.

Meeting Date: 02/13/2017

Information

Subject

Fiber Project Infrastructure

Information

Fiscal Impact

Attachments

No file(s) attached.

Information

Subject

Consider the Fiber to the Premise Access Equipment

Information

IMU published a RFP for FTTP access equipment on 12/16/16. Submissions were due 1/17/17 and IMU received proposals from five different vendors. One of the five only sold AE equipment rather than GPON as requested in the RFP and was not brought in to present. The other vendors presented to IMU staff and Eric Lampland of Lookout Point on the following dates.

1/25/17 – Adtran

1/26/17 – Calix

1/30/17 – Nokia

1/31/17 – Zhone

Additional information was requested from the vendors by Eric and IMU following the presentations. IMU staff reviewed an initial draft of Eric Lampland's findings this past Wednesday, 2/8/17. Eric will present the findings in person and have presentation materials available for review at the board meeting on Monday.

Fiscal Impact

Attachments

No file(s) attached.

Meeting Date: 02/13/2017

Information

Subject

Resolution ordering construction of public improvements and fixes May 8, 2017 for a public hearing and taking of construction bids on April 13, 2017

Information

In your packet is the resolution which sets April 13, 2017 at 2:00 p.m. as the date and time to receive proposals and May 8, 2017 as the public hearing on the plans, specs, form of contract for the 2017 Indianola Fiber To The Home Project.

Roll call is in order.

Fiscal Impact

Attachments

Resolution for Construction

The Meeting was called to order by Adam Voigts, Chair, and on roll call the following Board members were present:

Board Member _____ introduced the following Resolution entitled "RESOLUTION ORDERING CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS AND FIXING A DATE FOR HEARING AND TAKING OF BIDS", and moved that it be adopted. Board Member _____ seconded the motion to adopt. The roll was called and the vote was, AYES: _____ NAYS: None. Whereupon, the Chair declared the following resolution duly adopted:

RESOLUTION ORDERING CONSTRUCTION OF
CERTAIN PUBLIC IMPROVEMENTS AND
FIXING A DATE FOR HEARING AND TAKING OF BIDS

WHEREAS, the Board of Trustees deems it advisable and necessary to make certain public improvements for the Indianola Municipal Utilities described in general as:

2017 Indianola Fiber To the Home Network Project for Indianola Municipal Utilities,
Indianola, Iowa.

and has caused to be prepared plans, specifications and form of contract together with an estimate of costs which are now on file in the office of the City Clerk and open to the public and the plans, specifications and form of contract are deemed suitable for the public improvements, and

WHEREAS, the plans, specifications and form of contract and estimate of cost may be adopted in a contract for the making of the public improvements, and it is necessary pursuant to Chapter 384, Code of Iowa, as amended, to hold a public hearing and to advertise for bids, and

WHEREAS the IMU General Manager is allowed under Board of Trustee Resolution #133, Section 4(f) to supervise making public improvements including the solicitation of bids and matters related thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES:

Section 1. That the Board of Trustees determines that it is necessary and advisable to make certain public improvements described as:

2017 Indianola Fiber To The Home Project for Indianola Municipal Utilities, Indianola,
Iowa. The extent of the improvements is as follows:

Construct GPON Fiber to the home including all labor, materials (Conduit and Fittings, Tracer Wire, Muletape, backfill, peagravel, hydroseeding, and all aerial components (Everything else furnished by IMU) and equipment necessary for approximately 70 miles of new network. The network will serve single family homes, multiple dwelling units, and businesses. The build consists of 90% of underground and 10% of aerial. Part of the 70 miles will be 2.5 miles of aerial self-supporting fiber and strand-supported fiber to be replaced. The Point of Presence (POP)/Head End is located at the IMU facility building of 110 South Buxton Rd., Indianola, IA 50125. Anticipated completion will be 12 months after work commences

and has caused to be prepared plans, specifications and form of contract together with an estimate of costs which are now on file in the office of the Clerk for public inspection. The plans, specifications and form of contract are deemed suitable for the public improvements. The cost of the public improvements is to be paid out of the reserves and revenue of the Indianola Municipal Utilities and by such other means as may be legally permissible.

Section 2. The amount of the bid security to accompany each bid for the supplying of the public materials, supplies and equipment shall be in the amount of 5 percent of the bid price consisting of a check drawn on and certified by an Iowa bank or a bank chartered under the laws of the United States, a cashier's check drawn on an Iowa bank or a bank chartered under the laws of the United States, a certified share draft drawn on a credit union in Iowa or chartered under the laws of the United States or a bid bond authorized and executed by a corporation authorized to contract as a surety in the State of Iowa pursuant to the provisions of Section 384.98 of the Code of Iowa.

Section 3. A public hearing on the plans, specifications, form of contract and estimated costs of the public improvements will be held in the City Council Chambers in the Indianola Municipal Building, 110 North 1st Street, Indianola, Iowa, at 5:30 p.m. on May 8, 2017, at which time and place the Board of Trustees

will consider the adoption of the plans, specifications, form of contract and estimate of costs and will consider any objections offered for the construction of the contemplated public improvements.

Section 4. Sealed proposals will be received by the Board of Trustees at the Municipal Building, Indianola, Iowa, until 2:00 p.m. on April 13, 2017. Diana Bowlin, City Clerk, is hereby authorized and directed at 2:00 p.m. on that date to open and tabulate the results of all sealed bids received. The bids will be acted upon by the Board of Trustees at its regular meeting to be held in the council chambers of the Indianola Municipal Building, Indianola, Iowa, at 5:30 p.m. on May 8, 2017, or at such later time and place as may then be fixed.

Section 5. BE IT FURTHER RESOLVED, that the City Clerk of the Indianola Municipal Utilities is hereby directed to post a notice to bidders once in a relevant contractor plan room service with statewide circulation and a relevant construction lead generating service with statewide circulation and on an internet site sponsored by either the Indianola Municipal Utilities or a statewide association that represents the Indianola Municipal Utilities. Posting shall be not less than thirteen clear days nor more than forty-five days prior to April 13, 2017, which is hereby fixed as the date for receiving bids. The bids are to be filed prior to 10:30 A.M., on such date.

Section 6. BE IT FURTHER RESOLVED, that the City Clerk be and is hereby directed to publish notice of hearing once in the "Indianola Record Herald and Tribune", a legal newspaper, printed wholly in the English language, published at least once weekly and having general circulation in this City. Publication shall be not less than four clear days nor more than twenty days prior to the date hereinafter fixed as the date for a public hearing on the plans, specifications, form of contract and estimate of costs for the project, the hearing to be at 5:30 P.M. on May 8, 2017.

PASSED AND APPROVED this 13th day of February, 2017.

ADAM VOIGTS, CHAIR

ATTEST:

DIANA BOWLIN, CITY CLERK

Information

Subject

Resolution ordering construction of certain public improvement and fixing a date for hearing, May 8, 2017, and taking of material bids, April 13, 2017

Information

In your packet is the resolution setting April 13, 2017 as the date to receive bids for following material and May 8, 2017 as the public hearing for approval of the plans and specs.

The materials to be included in the purchase contract are as follows:

- Fiber optic cable, Multi Subscriber Terminals (MST), Handholes, Vaults, Fiber Distribution Cabinets with splitters, Splice Enclosures, ground rods and connectors, warning tape, patch panels with splitters for existing cabinet upgrades, and a patch panel for the PoP/Central Office

Roll call is in order.

Fiscal Impact

Attachments

Resolution Materials

INDIANOLA MUNICIPAL UTILITIES

PUBLIC IMPROVEMENT CONSTRUCTION
DOCUMENTS FOR:

**2017 FIBER TO THE HOME PROJECT - MATERIAL
PROCUREMENT FOR INDIANOLA MUNICIPAL UTILITIES,
INDIANOLA, IOWA.**

The Meeting was called to order by Adam Voigts, Chair, and on roll call the following Board members were

Present:

Absent:

Board Member _____ introduced the following Resolution entitled "RESOLUTION ORDERING CONSTRUCTION OF CERTAIN PUBLIC IMPROVEMENTS AND FIXING A DATE FOR HEARING AND TAKING OF BIDS", and moved that it be adopted. Board Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES:

NAYS:

Whereupon, the Chair declared the following resolution duly adopted:

RESOLUTION ORDERING CONSTRUCTION OF
CERTAIN PUBLIC IMPROVEMENTS AND
FIXING A DATE FOR HEARING AND TAKING OF BIDS

WHEREAS, the Board of Trustees deems it advisable and necessary to make certain public improvements for the Indianola Municipal Utilities described in general as:

2017 Fiber To The Home Project – Material Procurement for Indianola Municipal Utilities,
Indianola, Iowa.

and has caused to be prepared plans, specifications and form of contract together with an estimate of costs which are now on file in the office of the City Clerk and open to the public and the plans, specifications and form of contract are deemed suitable for the public improvements, and

WHEREAS, the plans, specifications and form of contract and estimate of cost may be adopted in a contract for the making of the public improvements, and it is necessary pursuant to Chapter 384, Code of Iowa, as amended, to hold a public hearing and to advertise for bids,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES:

Section 1. That the Board of Trustees determines that it is necessary and advisable to make certain public improvements described as:

2017 Fiber To The Home Project – Material Procurement for Indianola Municipal Utilities,
Indianola, Iowa.

The materials to be included in the purchase contract are as follows:

Fiber optic cable, Multi Subscriber Terminals (MST), Handholes, Vaults, Fiber Distribution Cabinets with splitters, Splice Enclosures, ground rods and connectors, warning tape, patch panels with splitters for existing cabinet upgrades, and a patch panel for the PoP/Central Office.

and has caused to be prepared plans, specifications and form of contract together with an estimate of costs which are now on file in the office of the Clerk for public inspection. The plans, specifications and form of contract are deemed suitable for the public improvements. The cost of the public improvements is to be paid out of the reserves and revenue of the Indianola Municipal Utilities and by such other means as may be legally permissible.

Section 2. The amount of the bid security to accompany each bid for the supplying of the public materials, supplies and equipment shall be in the amount of 5 percent of the bid price consisting of a check drawn on and certified by an Iowa bank or a bank chartered under the laws of the United States, a cashier's check drawn on an Iowa bank or a bank chartered under the laws of the United States, a certified share draft drawn on a credit union in Iowa or chartered under the laws of the United States or a bid bond authorized and executed by a corporation authorized to contract as a surety in the State of Iowa pursuant to the provisions of Section 384.98 of the Code of Iowa.

Section 3. A public hearing on the plans, specifications, form of contract and estimated costs of the public improvements will be held in the City Council Chambers in the Indianola Municipal Building, 110 North 1st Street, Indianola, Iowa, at 5:30 p.m. on May 8, 2017, at which time and place the Board of Trustees will consider the adoption of the plans, specifications, form of contract and estimate of costs and will consider any objections offered for the construction of the contemplated public improvements.

Section 4. Sealed proposals will be received by the Board of Trustees at the Municipal Building, Indianola, Iowa, until 2:00 p.m. on April 13, 2017. Diana Bowlin, City Clerk, is hereby authorized and directed at 2:00 p.m. on that date to open and tabulate the results of all sealed bids received. The bids will be acted upon by the Board of Trustees at its regular meeting to be held in the council chambers of the Indianola

Municipal Building, Indianola, Iowa, at 5:30 p.m. on May 8, 2017, or at such later time and place as may then be fixed.

Section 5. BE IT FURTHER RESOLVED, that the City Clerk of the Indianola Municipal Utilities is hereby directed to post a notice to bidders once in a relevant contractor plan room service with statewide circulation and a relevant construction lead generating service with statewide circulation and on an internet site sponsored by either the Indianola Municipal Utilities or a statewide association that represents the Indianola Municipal Utilities. Posting shall be not less than thirteen clear days nor more than forty-five days prior to April 13, 2017, which is hereby fixed as the date for receiving bids. The bids are to be filed prior to 2:00 P.M., on such date.

Section 6. BE IT FURTHER RESOLVED, that the City Clerk be and is hereby directed to publish notice of hearing once in the "Indianola Record Herald and Tribune", a legal newspaper, printed wholly in the English language, published at least once weekly and having general circulation in this City. Publication shall be not less than four clear days nor more than twenty days prior to the date hereinafter fixed as the date for a public hearing on the plans, specifications, form of contract and estimate of costs for the project, the hearing to be at 5:30 P.M. on May 8, 2017.

PASSED AND APPROVED this 13th day of February, 2017.

ADAM VOIGTS, CHAIR

ATTEST:

DIANA BOWLIN, CITY CLERK

Information

Subject

Architectural Services RFP

Information

OPN Architects conducted an in-depth Building Master Plan Study in 2012 that included analysis and cost estimates of building upgrades if IMU expanded the communications utility. IMU Staff contacted OPN in recent months to get an estimate of costs to refresh the information on three of the components for 2017. Their proposal and other supporting documentation is attached with a brief summary below for discussion on Monday.

1. IMU Proposal 1.23.17 – OPN’s proposal which includes architectural services, structural engineering, MEPT engineering, cost estimates, and bid specifications.
2. Proposal Savings memo – The proposal for professional services seemed high to IMU staff given that we requested OPN to revise/refresh design work that had already been completed in 2012. Staff requested that OPN provide documentation that quantified any cost savings seen in this proposal since it is a refresh of prior work done compared to a new design.
3. IMU Initial Cost Estimate Updates – OPN’s initial cost estimates for the three components of the prior building study that IMU requested they look at.

4-6. Attachments to the IMU Initial Cost Estimate Updates.

IMU Staff is exploring alternatives for the work to be completed prior to recommending that we take on this expense.

Fiscal Impact

Attachments

IMU Proposal
Proposal Savings Memo
IMU Initial Cost Estimate Update
New IT Room Conceptual
Line Shop Conceptual
Admin Bldg Conceptual

January 23, 2017

Mr. Rob Stangel
General Manager – Indianola Municipal Utilities
PO Box 356
111 South Buxton Street
Indianola, Iowa 50125

RE: IMU Line Building and Administration Building
Preliminary Fee Proposal

Rob:

We would like to thank you for the opportunity to learn more on potential plans to consider advancing portions of the master plan we prepared together in 2012.

As we discussed, the work currently under consideration is 1) installation of a new IT room in the current line building and exterior improvements, 2) construction of a new line service building on the Iowa Avenue storage site, and 3) remodel of the existing administration building for IMU and portions of city administration. As you will find in the following proposal, with our previous design work as our starting point, this will allow you a jump start on the design process that will offer a savings your design/engineering costs and reduce the time to a construction start.

We offer the following as our understanding of the Scope of Work base on our recent discussions and include a Summary of Fees for our professional services for your review:

Anticipated Scope of Work shall include:

- Installation of a new IT room in the current line building on the corner of First Ave and B Street in 2017. This space is to be similar to the space currently in the POP building. This space is to be conditioned to meet equipment needs and limited site utility work is anticipated. Limited exterior improvements will include new overhead doors, masonry veneer repair, and other minor exterior envelope repairs. This is the first phase of work required for IMU.
- Construction of a new line service building in 2017 on the Iowa Avenue storage site. This work is anticipated to be similar to the building in the 2012 master plan. The building will have 8 bay rather than the 12 previously under consideration. The office area is to be approximately 2200 sf with an adjacent shop space of 650 sf. Garage will be single loaded from the east and west drive and paving may be eliminated. Garage and shop are anticipated to be tempered space with dedicated separate maintenance and wash bays.
- Remodeling of the Administration Building will include new office and support spaces for IMU and the city. Remodeling is anticipated to be on the first floor only with minimal work to the exterior as described in the master plan.
- Project delivery will be a design-bid-build process typical of requirements for publicly bid projects.
- Professional Services for the design of the building will now include a typical design team including architecture, structural engineering, MEP engineering and civil engineering where necessary.
- OPN will procure civil survey for Iowa Avenue site for IMU as a reimbursable cost.

Daniel J. Thies, AIA

Steven K. Knierim, AIA

Bradd A. Brown, AIA

Terry L. Gebard, AIA

David J. Sorg, AIA

Roger B. Worm, AIA

Richard S. Seely, AIA

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Project Team:

Rick Seely AIA	OPN Principal-In-Charge
Aaron Twedt AIA	OPN Project Representative
Structural Engineering	Shuck Britson Engineering
MEP Engineering	Alvine Engineering
Civil Engineering	Snyder and Associates
Cost Estimation	Stecker Harmsen

Daniel J. Thies, AIA

Steven K. Knierim, AIA

Bradd A. Brown, AIA

Terry L. Gebard, AIA

David J. Sorg, AIA

Roger B. Worm, AIA

Richard S. Seely, AIA

Services by Phase:

PreDesign Services – abbreviated services

- Review previously prepared Building Program Requirements and update this to reflect current needs with IMU and building occupants to confirm expectations and Scope of Work.
- Use previous cost estimates to develop and updated conceptual estimate of probable costs for each project.

Schematic Design Services – abbreviated services

- Adapt previous design to address new Building Program Requirements
- Provide new design concepts considering portions of previous designs as possible and meet with the owner to review the preliminary design solutions and discuss options.
- Provide conceptual site plan, building plans, and images of proposed designs for use by IMU with city officials and the community.

Design Development Services

- Development of approved schematic plans.
- Use previously prepared portions of designs and construction drawings to inform new design as possible.
- Preliminary meeting with regulatory agencies on building code requirements.
- Meetings with owner as necessary to advance and inform the design.
- Prepare an estimate of probable construction cost.

Construction Document Services

- Prepare construction drawings and specifications for a single bid for each facility based on approved Design Development drawings.
- Use previously prepared portions of construction drawings as possible.
- Meet with the Owner to review final construction documents.
- Prepare an Opinion of Probable Cost for construction.
- Submit documents to appropriate regulatory agencies.

Bidding Phase Services

- Prepare construction documents for bid release.
- Attend pre-bid meeting.
- Prepare responses to bidder's questions.
- Prepare addenda.
- Review requests for product substitutions.
- Attend bid opening.
- Assist in the review of bids and construction contract.

Construction Administration Services

- Attending a pre-construction meeting.
- Shop drawing review.
- Responses to Contractor RFI's.

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- Review Change Order requests.
- Payment application review and certification.
- Attend monthly project construction progress meetings and prepare minutes and a site observation report for each visit.
- Attend a final project review meeting and facilitate the preparation of a punch list.

Final Drawings

- Provide electronically updated Record Drawings. Final Documents to be prepared in AutoCad or Revit.

Assumptions:

- The preliminary budget will be confirmed following the updated conceptual estimate.
- Professional Fees reflect the time necessary to prepare documents and provide services to address a project of this assumed size and scope.
- Two estimates of probable cost will be prepared. One at Design, Design Development and 70% Construction Documents.
- MEP, fire protection engineering, and typical telecommunication system pathway design are included in our anticipated services. Telecommunication equipment and security system design is not included at this time.
- Soil Borings, and Soil testing are not included in this proposal at this time. Civil engineering required for the new Line Service Building is included. A site survey will be prepared by Snyder and Associates for IMU and will be invoiced as a reimbursable expense by OPN.
- Project Delivery does not anticipate coordination with Construction Management firm retained by the owner.
- Record drawings are to be prepared for the work based on contractor's mark ups.

Proposal Summary:

Schedule: The OPN team is prepared to begin the investigation immediately. The following suggested dates and phases comprise our preliminary schedule:

Phase I – Programming, Schematic Design and Bond Referendum Preparation

Jan 2017	Restart project and confirm Program and Scope of Work. Release survey approval for Iowa Ave site.
Feb 2017	Updated conceptual estimate by 2/15/17. Preliminary concepts for consideration. Preparation of Construction Documents for IT Room.
Mar 2017	Finalize Schematic Design for Line Building & Administration remodeling. Release IT room and associated improvements for bid.
May 2017	Release Line Building for bid.
TBD	Release of Administration Remodel bid.

Daniel J. Thies, AIA

Steven K. Knierim, AIA

Bradd A. Brown, AIA

Terry L. Gebard, AIA

David J. Sorg, AIA

Roger B. Worm, AIA

Richard S. Seely, AIA

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Compensation: Professional fees to update programming, adapt our previous design and provide construction services as outlined for each phase of service in this proposal will be a stipulated sum as follows:

Primary Project Scope

A. IT & Exterior Facade Improvements and for existing Line Building

Basic Services:

Architectural services - OPN Architects	\$ 13,800
Structural engineering services	\$ 0
MEPT engineering services - Alvine Engineering	\$ 6,500
Basic services:	\$ 20,300

Additional Services:

Update Space Plan & Programming [included below]	\$ 0
Cost Estimation	\$ 1,200
Civil engineering [allowance - if necessary]	\$ 2,000
Record documents	\$ 0

Professional Fee	\$ 23,500
------------------	-----------

B. New Line Service Building

Basic Services:

Architectural services - OPN Architects	\$ 96,800
Structural engineering services - Shuck Britson	\$ 17,500
MEPT engineering services – Alvine Engineering	\$ 40,250
Basic services:	\$ 154,550

Additional Services:

Update Space Plan & Programming	\$ 4,500
Cost Estimation	\$ 10,500
Civil engineering	\$ 17,000
Landscape Architecture	\$ 6,000
Record documents	\$ 3,000

Professional Fee	\$ 195,550
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C. Administration Building Remodel

Basic Services:

Architectural services - OPN Architects	\$ 71,800
Structural engineering services - Shuck Britson [allowance]	\$ 10,000
MEPT engineering services – Alvine Engineering	\$ 33,000
Basic services:	\$ 114,800

Additional Services:

Daniel J. Thies, AIA

Steven K. Knierim, AIA

Bradd A. Brown, AIA

Terry L. Gebard, AIA

David J. Sorg, AIA

Roger B. Worm, AIA

Richard S. Seely, AIA

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Update Space Plan & Programming	\$ 4,500
Cost Estimation	\$ 8,800
Civil engineering	\$ 0
Record documents	\$ 3,000

Professional Fee	\$ 131,100
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Total Professional Fees	\$ 350,150
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Estimated Reimbursable Expenses

Civil survey of south half of Iowa Avenue storage site	\$ 3,500
Other estimated reimbursable expenses	\$ 10,500

Total Estimated Expenses	\$ 14,000
---------------------------------	------------------

Reimbursable expenses include travel, courier services, express mail, plan review fees, reproduction of project documents, photography, out-of-house digital processing, and mileage.

OPN will invoice monthly based on a percentage of work completed-to-date. Payment is due the Architect within (30) days from the date the invoice.

Form of contract we recommend is the *AIA B101 – 2007, Standard Form of Agreement Between the Owner and Architect*.

Again, we thank you for offering us the opportunity to present our proposal. We are thrilled at the possibility of this project restarting and we look forward to working with you and your staff in the near future.

If you find you have any questions or desire additional information, please do not hesitate to call. Should you find our proposal acceptable, we will follow up with a formal contract as directed and start work immediately.

We thank you for considering OPN Architects and I look forward to your response.

OPN ARCHITECTS

Rick Seely, AIA
Principal

Cc: Proposals

Daniel J. Thies, AIA

Steven K. Knierim, AIA

Bradd A. Brown, AIA

Terry L. Gebard, AIA

David J. Sorg, AIA

Roger B. Worm, AIA

Richard S. Seely, AIA

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Madison

301 N. Broom Street Ste. 100
Madison, Wisconsin 53703
(608) 819-0260

opnarchitects.com

January 23, 2017

Mr. Rob Stangel
General Manager – Indianola Municipal Utilities
PO Box 356
111 South Buxton Street
Indianola, Iowa 50125

RE: IMU Line Building and Administration Building
Preliminary Fee Proposal & Savings to IMU

Rob:

Thank you for the opportunity to sit and review our proposal in detail with you and Mike. As we discussed the proposal represents our scope of work and fees for 3 separate projects that can proceed together or separately as funding becomes available. All projects are based on our information contained in our 2011/2012 master plan and anticipate modifications to adapt this scope as necessary to meet your current needs.

We are certain this approach will offer IMU an efficiency to 'jump start' the projects quickly, and accordingly, will reduce the professional fees for the IMU in early phases of the design. Both the **Pre-Design** phase and the **Schematic Design** phase time can be reduced for our design team due to the information in our master plan, previous data gathered by our team, and our familiarity with the site and existing facilities.

In addition, we have completed a demolition set for the administration building that will remove the generators and start a process for repurposing the building. Again this is work complete and can be ready to go to bid in a manner of a few days or weeks when you approve the work. This portion of the work is also a savings now in place and reflected in our proposal.

Included in our proposal dated 1.23.17, we offer the following summary of savings for your consideration:

A. IT & Exterior Facade Improvements and for existing Line Building

Savings included in proposal:

Architectural services - OPN Architects	(\$ 180)
MEPT engineering services - Alvine Engineering	(\$ 230)
Cost Estimation	(\$ 100)
Estimated savings in fee:	(\$ 510)

Reduced Professional fee in proposal: \$ 20,300



B. New Line Service Building

Savings included in proposal:

Architectural services - OPN Architects	(\$ 4,840)
Structural engineering services - Shuck Britson	(\$ 1,500)
MEPT engineering services - Alvine Engineering	(\$ 2,012)
Cost Estimation	(\$ 1,000)
Space Plan & Programming	(\$ 1,500)
Estimated savings in fee:	(\$ 10,852)

Professional fee in proposal: \$ 195,550

C. Administration Building Remodel

Savings included in proposal:

Architectural services - OPN Architects	(\$ 3,590)
Structural engineering services - Shuck Britson	(\$ 500)
MEPT engineering services - Alvine Engineering	(\$ 1,650)
Cost Estimation	(\$ 1,600)
Space Plan & Programming	(\$ 1,800)
Cost to prepare generator & tower Demolition Set	(\$ 28,803)
Estimated savings in fee:	(\$ 37,943)

Professional fee in proposal: \$ 131,100

Total Savings in Professional Fee (\$ 49,305)

I'm hopeful this summary will add clarity to our credits considered and included in our 1.23.17 proposal. We would welcome any additional questions you may have and are ready to restart any or all of your projects. Please let us know if we can assist further - we look forward to your reply.

We thank you for considering OPN Architects.

OPN ARCHITECTS

A handwritten signature in black ink, appearing to read 'Rick Seely', is written over a light blue horizontal line.

Rick Seely, AIA
Principal

Cc: Proposals
Encl: 1.23.17 Proposal

MEMO

TO:	Rob Stangel 111 South Buxton St P.O. Box 356 Indianola IA, 50125	PROJECT:	Indianola Municipal Utilities
		PROJECT NO:	17801000
		DATE:	2/10/2017
RE:	IMU Initial Cost Estimate Updates		



Rob,

Wanted to reach out and provide the updated building construction cost estimates for your use related to the IMU building projects discussed. The attached estimates cover the construction costs only (not soft cost, design fees or construction contingencies) and would reflect anticipated 2017 construction costs for each project.

Below is a summary break down for each building showing the previous estimated cost from the initial Master plan and the updated cost adjusted for inflation and, as best as possible, the revised scope per our conversations. If you would like to see a more broken down estimate for each building we have included those in the attached documents.

New IT Room:

2011 Master Plan IT Relocation Estimate: \$483,250

2017 – IT Room Relocation Conceptual Estimate: \$192,233

* Most of the cost difference of these numbers is related to the reduction of scope. Removed from scope was Roof Work, Wash Bay Demo, Office space remodel. Please let us know if there are parts of this scope you would want to add back in to the estimate.

Line Shop Building:

2011 Master Plan Line Shop Estimate: \$2,029,305

2017 – Line Shop Building Conceptual Estimate: \$2,598,079

Administration Building:

2012 Master Plan IMU Estimate: \$1,558,717

2017 – Administration Building Conceptual Estimate: \$1,915,240

Please review and let us know if there are any questions and we would be happy to help answer. We are available by cell or email whichever would be most convenient. Thanks!

BY: Aaron B. Twedt, AIA
OPN Architects, Inc.

CC: Rick Seely

Attachments:

- New IT Room Conceptual Estimate
- Line Shop Conceptual Estimate
- Administration Building Conceptual Estimate

PROJECT: **IMU - NEW IT ROOM**
OWNER: **CITY OF INDIANOLA, IOWA**
ARCHITECT **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
DATE: **FEBRUARY 10, 2017**
STATUS: **CONCEPTUAL**

DESCRIPTION OF WORK	TOTAL	%TOTAL
SITework	35,863	18.7%
IT ROOM RELOCATION	123,907	64.5%
EXISTING BUILDING IMPROVEMENTS	32,464	16.9%
COST ESTIMATE TOTAL	\$192,233	

PROJECT: **IMU - NEW IT ROOM**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
1	SITEWORK				
2					
3	NO SITEWORK REQUIRED				
4					
5					
6	<u>SITE UTILITIES</u>				
7	INSTALL FIBER TO NEW ROOM - ALLOWANCE	1	LS	27500.00	27500
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	IT ROOM RELOCATION				
21					
22	<u>DEMOLITION @ EXISTING P.O.P. BLDG</u>				
23	NOTHING REQUIRED				
24					
25					
26					
27	<u>NEW CONSTRUCTION @ EXTG LINE SHOP BLDG</u>				
28	MISC. DEMOLITION TO PREPARE FOR NEW ROOM	600	SF	3.30	1980
29					
30					
31	INTERIOR PARTITIONS				
32	- STEEL STUD FRAMING - 6"	1000	SF	5.50	5500
33	- GYPBOARD	1000	SF	4.40	4400
34	- BATT INSULATION	1000	SF	1.10	1100
35	- 5/8" PLYWOOD SHEATHING	1000	SF	2.20	2200
36	- FRP PANELS & TRIM	1000	SF	10.11	10109
37					
38					
39	CEILING				
40	- FRAMING	600	SF	11.00	6600
41	- GYPBOARD	600	SF	4.40	2640
42	- INSULATION	600	SF	1.65	990
43	- PLYWOOD LID	600	SF	3.30	1980
44					
45					

PROJECT: **IMU - NEW IT ROOM**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
46	DOORS				
47	- HM DOORS & FRAMES	2	EA	1004.85	2010
48	- FINISH HARDWARE	2	EA	507.93	1016
49					
50					
51	FLOORING - PAINT EXTG CONCRETE	600	SF	1.65	990
52	RUBBER WALL BASE	200	LF	2.75	550
53					
54	PAINTING				
55	- GYPBOARD	1600	SF	0.55	880
56	- DOORS & FRAMES	2	EA	165.00	330
57					
58	PLYWOOD SHEATHING FOR EQUIPMENT MOUNTING	200	SF	4.15	829
59					
60	CABINETRY - NOTHING REQUIRED				
61					
62					
63	ALL EQUIPMENT BY OWNER				
64					
65	ALL FURNISHINGS BY OWNER				
66					
67					
68					
69					
70					
71	<u>MECHANICAL ESTIMATE BY ALVINE ENGINEERING</u>				
72	MECHANICAL	1	LS	8182.00	8182
73					
74	PLUMBING - NOTHING REQUIRED				
75					
76					
77					
78	<u>ELECTRICAL ESTIMATE BY ALVINE ENGINEERING</u>				
79	ELECTRICAL	1	LS	42727.00	42727
80					
81	TECHNOLOGY - NOTHING REQUIRED				
82					
83					
84					
85					
86					
87					
88					
89					
90					

PROJECT: **IMU - NEW IT ROOM**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
91	EXISTING BUILDING IMPROVEMENTS				
92					
93	CLEAN & GROUT/CAULK BRICK JOINTS	1	LS	4545.00	4545
94					
95	REMOVE EXTG OVERHEAD DOORS	3	EA	136.36	409
96	NEW OVERHEAD DOORS - 15' X 15'	3	EA	3181.82	9545
97	- ELECTRIC OPERATORS	3	EA	1136.36	3409
98					
99	REMOVE EXTG FIBERGLASS WALL PANELS	288	SF	2.72	785
100	PATCH IN OPENINGS				
101	- METAL SIDING TO MATCH EXTG	288	SF	10.91	3142
102	- INSULATION	288	SF	2.73	785
103					
104	MISC. CLEAN-UP	1	LS	2273.00	2273
105					
106					
107					
108					
109					
110					
111					
112					
113					
114	COST ESTIMATE SUBTOTAL				147407
115					
116	ADD FOR GENERAL REQUIREMENTS	5.00%			7,370
117					
118					154,777
119					
120	CONTRACTOR'S MARKUP	8.00%			12,382
121					
122					167,159
123					
124	DESIGN CONTINGENCY	15.00%			25,074
125					
126	COST ESTIMATE TOTAL				\$192,233
127					

PROJECT: **IMU - LINE SHOP BUILDING**
OWNER: **CITY OF INDIANOLA, IOWA**
ARCHITECT **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
DATE: **FEBRUARY 10, 2017**
STATUS: **CONCEPTUAL**

DESCRIPTION OF WORK	TOTAL	%TOTAL
SITework	387,216	14.9%
GENERAL CONSTRUCTION	1,509,020	58.1%
MECHANICAL CONSTRUCTION	477,182	18.4%
ELECTRICAL CONSTRUCTION	224,661	8.6%
COST ESTIMATE TOTAL	\$2,598,079	

PROJECT: **IMU - LINE SHOP BUILDING**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
1	SITEWORK				
2					
3	SITE DEMOLITION				
4	REMOVE EXTG FENCING	197	LF	2.92	575
5					
6	REMOVE EXTG TREES	20	EA	495.00	9900
7					
8	REMOVE EXTG ELECTRICAL STORAGE ITEMS - BY OWNER				
9					
10	STRIP & STOCKPILE TOPSOIL - 6"	798	CY	4.40	3510
11					
12	MISC. DEMOLITION	1	LS	1650.00	1650
13					
14					
15	CONSTRUCTION FENCING & GATES - ORANGE PLASTIC	401	LF	4.40	1765
16					
17					
18	NEW WORK				
19	SITE GRADING	43075	SF	0.39	16584
20	- IMPORT 2' OF FILL FOR BLDG PAD	1103	CY	15.93	17570
21					
22	COMPACT BLDG PAD	14891	SF	0.22	3276
23					
24	NEW CONCRETE PAVING - 6"	21016	SF	5.50	115588
25	- 6" GRANULAR FILL BASE	21016	SF	1.10	23118
26	- INTEGRAL CURB	757	LF	13.20	9991
27					
28	SIDEWALK	1340	SF	4.40	5896
29	- ADD FOR THICKENED EDGE @ PAVING	171	LF	14.77	2526
30					
31	WOOD FENCING - 8"	106	LF	44.00	4668
32					
33	DECORATIVE FENCE - 8'	155	LF	71.50	11095
34	- SLIDING GATES	2	EA	3300.00	6600
35					
36	RESPREAD TOPSOIL & FINISH GRADE	798	CY	4.02	3203
37	SODDING	14019	SF	0.50	6940
38					
39	LANDSCAPING ALLOWANCE	1	LS	16500.00	16500
40					
41					
42	<u>SITE UTILITIES</u>				
43	WATER SERVICE	80	LF	44.00	3520
44	- CONNECT TO EXTG MAIN	1	EA	385.00	385
45					

PROJECT: **IMU - LINE SHOP BUILDING**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
46	SANITARY SEWER SERVICE	80	LF	44.00	3520
47	- CONECT TO EXTG MAIN	1	EA	385.00	385
48					
49	STORM SEWER - SURFACE DRAIN				
50					
51	GAS SERVICE BY OTHERS				
52					
53	ELECTRIC SERVICE	100	LF	33.00	3300
54	FIBER LINE	80	LF	22.00	1760
55					
56	SITE LIGHTING				
57	- LIGHT POLES	6	EA	3850.00	23100
58					
59					
60					
61					
62					
63					
64					
65					
66	GENERAL CONSTRUCTION				
67					
68	<u>FOUNDATIONS & SLABS</u>				
69	FOOTING TRENCH EXCAVATION				
70	- 12" X 4'	475	LF	5.50	2610
71	- COLUMN PIER EXCAVATION - 3' X 4' X 4'	22	EA	82.50	1815
72	- INTERIOR - 1' X 2'	61	LF	3.30	201
73					
74	CONCRETE FOUNDATIONS - 10" X 4'	475	LF	34.73	16481
75	- PIERS - 3' X 4' X 4'	22	EA	489.89	10777
76	- INTERIOR - 1' X 2'	61	LF	22.03	1344
77					
78	PERIMETER INSULATION - 2"	1898	SF	1.91	3628
79					
80	SLAB-ON-GRADE - GARAGE - 6" W/MESH, POLY & 4" GRAN. FILL	7800	SF	6.33	49378
81	- ADD FOR TRENCH DRAIN	185	LF	61.55	11386
82	- OFFICE - 4" W/MESH, POLY & 4" GRAN. FILL	3191	SF	5.04	16078
83					
84	STOOPS - SINGLE DOORS	4	EA	935.00	3740
85					
86	CONCRETE TOPPING @ SECOND FLOOR	3191	SF	3.05	9740
87	CONCRETE FILL @ METAL PAN STAIRS	51	SF	5.90	301
88					
89					
90					

PROJECT: **IMU - LINE SHOP BUILDING**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
91	<u>BUILDING ENCLOSURE</u>				
92	PRE-ENGINEERED STRUCTURE				
93	- STRUCTURAL STEEL - 20' - 25' TALL	10991	SF	18.39	202151
94	- ADD FOR OVERHANG	499	SF	10.30	5135
95					
96	OVERHEAD DOOR FRAMES W/STRUCTURAL				
97	MEZZANINE FLOOR FRAMING	3191	SF	13.61	43423
98	- DECKING	3191	SF	2.38	7609
99					
100					
101	STEEL SIDING - GARAGE & NORTH ELEVATION	4683	SF	13.20	61809
102	- EAST, WEST, & SOUTH SIDES OF OFFICE	2988	SF	16.50	49298
103	- FLASHING @ TOP OF PRECAST PANELS	471	LF	13.20	6211
104					
105	STANDING SEAM METAL ROOF PANELS W/TRIM	11305	SF	11.00	124355
106	- SOFFIT @ WEST SIDE	499	SF	8.80	4389
107					
108	GUTTERS	166	LF	11.00	1829
109	DOWNSPOUTS	160	LF	11.00	1760
110					
111	PRECAST CONCRETE SANDWICH PANELS - 8" - TO 4'	1882	SF	28.82	54239
112	- DIVIDER WALL BETWEEN OFFICE & SHOP	690	SF	28.82	19886
113					
114	RAILING @ MEZZANINE	65	LF	79.04	5137
115					
116	METAL LINER PANELS @ GARAGE WALLS	4083	SF	4.40	17963
117					
118	WALL INSULATION	6839	SF	1.65	11284
119	ROOF INSULATION	10806	SF	2.20	23774
120					
121	BOLLARDS	32	EA	550.55	17618
122					
123	METAL PAN STAIRS - 3'	17	RSRS	557.15	9472
124					
125	OVERHEAD DOORS - 12' X 14' W/2 PANELS OF GLASS	8	EA	4400.00	35200
126	- ELECTRIC OPENERS	8	EA	1375.00	11000
127					
128	EXTERIOR DOORS - SINGLE	4	EA	4400.00	17600
129					
130	CLERESTORY WINDOWS ON WEST SIDE - ALUMINUM FRAMED	600	SF	55.00	33000
131	OFFICE ADDITION - 7 EA - 4' X 4'	112	SF	60.50	6776
132					
133	CURTAIN SEPARATION @ WASHING BAY	65	LF	82.50	5363
134					
135					

PROJECT: **IMU - LINE SHOP BUILDING**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
136	<u>INTERIOR OFFICE AREA FINISHOUT</u>				
137	OFFICES	781	SF	55.00	42969
138					
139	TEMPERED SHOP SPACE	736	SF	22.00	16192
140					
141	RECEPTION	200	SF	77.00	15400
142					
143	LOCKER ROOMS	874	SF	93.50	81719
144					
145	BREAK ROOM	600	SF	66.00	39600
146					
147	MAINTENANCE LEVEL STORAGE	3191	SF	16.50	52656
148					
149	OPEN LOCKERS @ BAYS	14	EA	345.95	4843
150					
151					
152					
153	ALL EQUIPMENT BY OWNER				
154					
155	ALL FURNISHINGS BY OWNER				
156					
157					
158					
159					
160					
161					
162					
163					
164					
165	MECHANICAL CONSTRUCTION				
166					
167	<u>MECHANICAL ESTIMATE BY ALVINE ENGINEERING</u>				
168	MECHANICAL	1	LS	182727.00	182727
169					
170	PLUMBING	1	LS	183182.00	183182
171					
172					
173					
174					
175					
176					
177					
178					
179					
180					

PROJECT: **IMU - LINE SHOP BUILDING**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
181	ELECTRICAL CONSTRUCTION				
182					
183	<u>ELECTRICAL ESTIMATE BY ALVINE ENGINEERING</u>				
184	ELECTRICAL	1	LS	152273.00	152273
185					
186	TECHNOLOGY	1	LS	20000.00	20000
187					
188					
189					
190					
191					
192					
193					
194					
195					
196					
197	COST ESTIMATE SUBTOTAL				1992239
198					
199	ADD FOR GENERAL REQUIREMENTS	5.00%			99,612
200					
201					2,091,851
202					
203	CONTRACTOR'S MARKUP	8.00%			167,348
204					
205					2,259,199
206					
207	DESIGN CONTINGENCY	15.00%			338,880
208					
209	COST ESTIMATE TOTAL				\$2,598,079
210					

PROJECT: **IMU - REMODEL EXTG ADMINISTRATION BLDG**
OWNER: **CITY OF INDIANOLA, IOWA**
ARCHITECT **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
DATE: **FEBRUARY 10, 2017**
STATUS: **CONCEPTUAL**

DESCRIPTION OF WORK	TOTAL	%TOTAL
SITework	92,926	4.9%
GENERAL CONSTRUCTION	708,072	37.0%
MECHANICAL & ELECTRICAL CONSTRUCTION	661,595	34.5%
GENERATOR DEMOLITION	452,647	23.6%
COST ESTIMATE TOTAL	\$1,915,240	

PROJECT: **IMU - REMODEL EXTG ADMINISTRATION BLDG**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
1	SITEWORK				
2					
3	SITE DEMOLITION				
4	REMOVE EXTG COOLING TOWER	1	LS	28154.00	28154
5	- CONCRETE BASES	8	EA	563.08	4505
6	- PATCH EXTG PAVING	8	EA	394.16	3153
7					
8	RELOCATE EXTG GAS LINE	1	LS	28154.00	28154
9					
10					
11	MISC. SITE CLEAN-UP	1	LS	2815.00	2815
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24	GENERAL CONSTRUCTION				
25					
26	<u>RENOVATION COSTS</u>				
27	1ST & 2ND FLOOR				
28	- DEMOLITION	4259	SF	5.63	23982
29	- FINISH-OUT	4259	SF	45.05	191853
30					
31	1ST FLOOR - GENERATOR ROOM				
32	- DEMOLITION	5245	SF	5.63	29534
33	- FINISH-OUT	5245	SF	33.78	177202
34					
35	BASEMENT				
36	- DEMOLITION	350	SF	5.63	1971
37	- FINISH-OUT	350	SF	11.26	3942
38					
39					
40	NEW CONCRETE FLOOR SLAB ON SUPPLEMENTAL STRUCTURE	4247	SF	7.88	33480
41					
42					
43					
44					
45					

PROJECT: **IMU - REMODEL EXTG ADMINISTRATION BLDG**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
46	<u>EXTERIOR BLDG IMPROVEMENTS</u>				
47	NEW ALUMINUM CLAD WOOD WINDOWS IN EXTG GENRATOR RM	336	SF	56.31	18920
48					
49	NEW ALUMINUM CLAD WOOD STOREFRONT IN EXTG GENRATOR RM	128	SF	61.94	7928
50					
51	NEW CURTAIN WALL IN SHOWROOM	196	SF	56.31	11036
52					
53	EXTERIOR TUCKPOINTING	1000	SF	9.01	9009
54					
55					
56					
57					
58					
59					
60					
61	MECHANICAL & ELECTRICAL CONSTRUCTION				
62					
63	<u>MECHANICAL ESTIMATE BY ALVINE ENGINEERING</u>				
64	MECHANICAL	1	LS	188182.00	188182
65					
66	PLUMBING	1	LS	44091.00	44091
67					
68					
69	<u>ELECTRICAL ESTIMATE BY ALVINE ENGINEERING</u>				
70	ELECTRICAL	1	LS	214091.00	214091
71					
72	TECHNOLOGY	1	LS	29091.00	29091
73					
74					
75					
76					
77					
78					
79					
80					
81	GENERATOR DEMOLITION				
82					
83	DEMOLITION ESTIMATE BY DECARLO DEMOLITION				
84	<u>GENERATOR & ACCESSORIES</u>				
85	GENERATOR REMOVAL/DEMOLITION	4	EA	78211.97	312848
86	TECH. OFFICE REMOVAL	1	LS	3942.00	3942
87	4 EXTERIOR STACKS	1	LS	8446.00	8446
88	ABATEMENT ESTIMATES	1	LS	4324.00	4324
89	WEST WALL DEMOLITION FOR REMOVAL ACCESS	1	LS	5631.00	5631
90					

PROJECT: **IMU - REMODEL EXTG ADMINISTRATION BLDG**
 OWNER: **CITY OF INDIANOLA, IOWA**
 ARCHITECT: **OPN ARCHITECTS**

LOCATION: **INDIANOLA, IOWA**
 DATE: **FEBRUARY 10, 2017**
 STATUS: **CONCEPTUAL**

NO.	DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL
91	<u>ELECTRICAL DEMOLITION & SCADA REWIRE</u>	1	LS	17103.00	17103
92					
93	<u>RECYCLING VALUES OF GENERATORS</u>				
94	STEEL VALUE OF MOTORS	1	LS	-18000.00	-18000
95	COPPER VALUE OF WINDINGS	1	LS	-7600.00	-7600
96	ALUMINUM VALUE OF WINDINGS	1	LS	-1400.00	-1400
97					
98					
99					
100					
101					
102					
103	COST ESTIMATE SUBTOTAL				<u>1376385</u>
104					
105	ADD FOR GENERAL REQUIREMENTS	10.00%			137,639
106					
107					<u>1,514,024</u>
108					
109	CONTRACTOR'S MARKUP	10.00%			151,402
110					
111					<u>1,665,426</u>
112					
113	DESIGN CONTINGENCY	15.00%			249,814
114					
115	COST ESTIMATE TOTAL				<u>\$1,915,240</u>
116					

Information

Subject

Resolution setting February 27, 2017 as the public hearing for the FY 2017-18 budget

Information

A public hearing is required prior to Trustee's final approval of the FY 17-18 budget. Staff is recommending that it be held at the February 27, 2017 meeting. Iowa Code requires public notice of the hearing not less than 10 and no more than 20 days before the hearing on February 27th. The publication will be in the Record Herald and Indianola Tribune on February 15th to meet notice requirements.

Roll call setting February 27, 2017 as the budget public hearing is in order.

Fiscal Impact

Attachments

Resolution
PH Notice for Budget
Revenues & Expenses

RESOLUTION NO. 2017-_____

RESOLUTION SETTING TIME AND PLACE FOR A PUBLIC HEARING
OF THE INDIANOLA MUNICIPAL UTILITIES BUDGET FOR
FISCAL YEAR 2017/18

WHEREAS, the Indianola Municipal Utilities is required to hold a public hearing concerning IMU's budget for fiscal year July 1, 2017 through June 30, 2018; and

NOW, THEREFORE, BE IT RESOLVED BY THE IMU BOARD OF TRUSTEES OF INDIANOLA, IOWA, that a public hearing will be held February 27, 2017 beginning at 5:30 p.m. in the City Hall Council Chambers, 110 N. 1st Street, concerning the IMU's budget for fiscal year 2017/2018, and the City Clerk is directed to publish notice of said meeting in the Indianola Record Herald and Tribune.

PASSED AND APPROVED this 23rd day of February, 2017.

Adam Voigts, Chair

ATTEST:

Diana Bowlin, City Clerk

NOTICE OF PUBLIC HEARING Budget Estimate

Indianola Municipal Utilities
(Name of Enterprise)

The IMU Board of Trustees will conduct a public hearing on
(Governing Board)

the proposed FISCAL year 2018 budget at Indianola City Hall, Council Chambers
(specify fiscal or calendar) (xxxx/xxxx)
on 2/27/17, beginning at 5:30 o'clock. PM The Budget Estimate Summary of proposed revenues
(xx/xx/xx) (x:xx) (AM/PM)
and expenditures is shown below. Copies of the **detailed** proposed budget may be obtained or viewed at the office of the
City Clerk or Utility Finance Officer and at the city library. At the public hearing, any resident or taxpayer may present
objections to, or arguments in favor of, any part of the proposed budget.

2-9-17
(date)

Diana Paul
(signature)

Secretary

(specify budget years)
Revenues & Other Financing Sources
Use of money and property
Charges for services
Miscellaneous
Other Financing Sources
Total Revenues & Financing Sources

Expenditures & Transfers Out
Expenditures
Transfers Out
Total Expenditures & Transfers Out

Excess of Revenues & Other Sources
(+) (-) Expenditures & Transfers Out

Beginning Fund Balance July 1
(month)

Ending Fund Balance June 30
(month)

Budget	Re-estimated	Actual
2018	2017	2016
(xxxx)	(xxxx)	(xxxx)
489,100	506,100	476,409
17,600,900	18,861,300	16,323,798
477,000	454,000	1,273,190
2,578,700	2,950,600	2,631,680
21,145,700	22,772,000	20,705,077
17,313,825	18,349,800	16,766,159
4,210,900	4,911,100	3,821,904
21,524,725	23,260,900	20,588,063
-379,025	-488,900	117,014
6,971,317	7,460,217	7,343,203
6,592,292	6,971,317	7,460,217

Indianola Municipal Utilities
NAME OF ENTERPRISE

REVENUES DETAIL

						Fiscal Year 2018	
						(specify if budget is fiscal or calendar year)	
						</	

Meeting Date: 02/13/2017

Information

Subject

Annual adoption of the Investment Policy

Information

The IMU Investment Policy is in your packet. Approval of this policy is an annual item and no changes are being recommended.

Simple motion is in order.

Fiscal Impact

Attachments

Investment Policy

INDIANOLA MUNICIPAL UTILITIES INVESTMENT POLICY

SECTION 1 -- SCOPE OF INVESTMENT POLICY

The Investment Policy of the Indianola Municipal Utilities shall apply to all operating funds, bond proceeds and other funds and all investment transactions involving operating funds, bond proceeds and other funds accounted for in the financial statements of the Indianola Municipal Utilities. Each investment made pursuant to this Investment Policy must be authorized by applicable law and this written Investment Policy.

The investment of bond funds or sinking funds shall comply not only with this investment policy, but also be consistent with any applicable bond resolution.

This Investment Policy is intended to comply with Iowa Code Chapter 12B and 12C.

Upon passage and upon future amendment, if any, copies of this Investment Policy shall be delivered to all of the following:

1. The governing body or officer of the Indianola Municipal Utilities to which the Investment Policy applies.
2. All depository institutions or fiduciaries for public funds of the Indianola Municipal Utilities.
3. The auditor engaged to audit any fund of the Indianola Municipal Utilities.

In addition, a copy of this Investment Policy shall be delivered to every fiduciary or third party assisting with or facilitating investment of the funds of the Indianola Municipal Utilities.

SECTION 2 -- DELEGATION OF AUTHORITY

In accordance with Section 12B.10(1), the responsibility for conducting investment transactions resides with the Treasurer and Finance Director of Indianola. Only the Treasurer and Finance Director and those authorized by ordinance or resolution may invest public funds and a copy of any empowering ordinance or resolution shall be attached to this Investment Policy.

All contracts or agreements with outside persons investing public funds, advising on the investment of public funds, directing the deposit or investment of public funds or acting in a fiduciary capacity for the Indianola Municipal Utilities shall require the outside person to notify in writing the Finance Director Clerk within thirty days of receipt of all communication from the Auditor of the outside person or any regulatory authority of the existence of a material weakness in internal control structure of the outside person or regulatory orders or sanctions regarding the type of services being provided to the Indianola Municipal Utilities by the outside person.

The records of investment transactions made by or on behalf of the Indianola Municipal Utilities are public records and are the property of the Indianola Municipal Utilities whether in the custody of the Finance Director Clerk or in the custody of a fiduciary or other third party.

The Treasurer and Finance Director shall establish a written system of internal controls and investment practices. The controls shall be designed to prevent losses of public funds, to document those officers and

employees of the Indianola Municipal Utilities responsible for elements of the investment process and to address the capability of investment management. The controls shall provide for receipt and review of the audited financial statement and related report on internal control structure of all outside persons performing any of the following for this public body.

1. Investing public funds.
2. Advising on the investment of public funds.
3. Directing the deposit or investment of public funds.
4. Acting in a fiduciary capacity for this public body.

A Bank, Savings and Loan Association or Credit Union providing only depository services shall not be required to provide an audited financial statement and related report on internal control structure.

The Treasurer of Indianola and all employees authorized to place investments shall be bonded in the amount of \$25,000.

SECTION 3 -- OBJECTIVE OF INVESTMENT POLICY

The primary objectives, in order of priority, of all investment activities involving the financial assets of the Indianola Municipal Utilities shall be the following:

1. Safety: Safety and preservation of principal in the overall portfolio is the foremost investment objective.
2. Liquidity: Maintaining the necessary liquidity to match expected liabilities is the second investment objective.
3. Return: Obtaining a reasonable return is the third investment objective.

SECTION 4 -- PRUDENCE

The Treasurer of Indianola, when investing or depositing public funds, shall exercise the care, skill, prudence and diligence under the circumstances then prevailing that a person acting in a like capacity and familiar with such matters would use to attain the Section 3 investment objectives. This standard requires that when making investment decisions, the Treasurer shall consider the role that the investment or deposit plays within the portfolio of assets of the Indianola Municipal Utilities and the investment objectives stated in Section 3.

SECTION 5 -- INSTRUMENTS ELIGIBLE FOR INVESTMENT

Assets of the Indianola Municipal Utilities may be invested in the following:

- Interest bearing savings accounts, interest bearing money market accounts, and interest bearing checking accounts at any bank, savings and loan association or credit union in the State of Iowa. Each bank must be on the most recent Approved Bank List as distributed by the Treasurer of the State of Iowa or as amended as necessary by notice inserted in the monthly mailing by the Rate Setting Committee. Each financial institution shall be properly declared as a depository by the governing body of the Indianola Municipal Utilities. Deposits in any

financial institution shall not exceed the maximum approved by the governing body of the Indianola Municipal Utilities.

- Obligations of the United States government, its agencies and instrumentality's.
- Certificates of deposit and other evidences of deposit at federally insured depository institutions approved and secured pursuant to Chapter 12C.
- Iowa Public Agency Investment Trust (IPAIT).
- Prime bankers' acceptance that mature within 180 days of purchase and that are eligible for purchase by a federal reserve bank.
- Commercial paper or other short-term corporate debt that matures within 270 days of purchase and is rated within the highest classification, as established by at least one of the standard ratings services approved by the superintendent of banking. If rated by two services, the highest classification in both.
- Repurchase agreements collateralized at no less than 102% and provided that the underlying collateral consists of obligations of the United States government, its agencies and instrumentality's and the Trustee Clerk takes delivery of the collateral either directly or through an authorized custodian. Broker/dealer must be of highest rating or bank must be on Approved Bank List discussed earlier in this Policy Section.
- An open-end management investment company registered with the Securities & Exchange Commission under the federal Investment Company Act of 1940, 15 U.S.C. Section 80(a) and operated in accordance with 17 C.F.R. Section 270.2a-7, whose portfolio investments are limited to those instruments individually authorized in Section 5 of this Investment Policy.
- Mortgage Backed Securities that are unleveraged, straight fixed or floating rate and are issued directly by a U.S. Government Agency or securitized by Government Agency sponsored mortgages.
- All instruments eligible for investment are further qualified by all other provisions of this Investment Policy, including Section 7 investment maturity limitations and Section 8 diversification requirements.

SECTION 6 -- PROHIBITED INVESTMENTS AND INVESTMENT PRACTICES

DERIVATIVES AND STRUCTURED SECURITIES DEFINED

Financial derivatives are broadly defined as financial instruments which derive their value from the performance of a wide assortment of financial contracts, including structured debt obligations and deposits, swaps, exchange traded futures, exchange traded over the counter options, caps, floors, collars, mortgage backed securities, foreign exchange forwards, tender option bonds, and various combinations thereof.

Assets of the Indianola Municipal Utilities shall not be invested in the following:

1. Any derivative or structured security which does not have a readily available pricing service or broker/dealer quote source.
2. Any derivative or structured security whose duration cannot be modeled effectively.
3. Any derivative or structured security with exposure to the following: borrowing/external leverage, foreign currency, equity, commodity licenses or other non-fixed income instruments.
4. Any other derivative or structured security not specifically named as eligible in Section 5.
5. Reverse repurchase agreements.
6. Futures and options contracts.

Assets of the Indianola Municipal Utilities shall not be invested pursuant to the following investment practices:

1. Trading of securities for speculation or the realization of short-term trading gains.
2. Pursuant to a contract providing for the compensation of an agent of fiduciary based upon the performance of the investment assets.
3. If a fiduciary or other third party with custody of public investment transaction records of the Indianola Municipal Utilities fails to produce requested records when requested by this public body within a reasonable time, the City Treasurer shall make no new investment with or through the fiduciary or third party and shall not renew maturing investments with or through the fiduciary or third party.

SECTION 7 -- INVESTMENT MATURITY LIMITATIONS

- Operating Funds must be identified and distinguished from all other funds available for investment. Operating Funds are defined as those funds which are reasonably expected to be expended during a current budget year or within fifteen months of receipt.
- All investments authorized in Section 5 are further subject to the following investment maturity limitations:
 1. Operating Funds may only be invested in instruments authorized in Section 5 of this Investment Policy that mature within three hundred ninety-seven (397) days.
 2. The Treasurer may invest funds of the Indianola Municipal Utilities that are not identified as Operating funds in investments with maturities longer than three hundred ninety-seven (397) days. However, all investments of the Indianola Municipal Utilities shall have maturities that are consistent , with the needs and uses of the Indianola Municipal Utilities.
 3. The diversity of fixed income securities shall match cash flow needs with an absolute effective duration range of 2-5 years.

SECTION 8 -- DIVERSIFICATION

Investments of the Indianola Municipal Utilities are subject to the following diversification requirements:

Prime bankers' acceptances:

1. At the time of purchase, no more than ten percent (10%) of the investment portfolio of the Indianola Municipal Utilities shall be invested in prime bankers' acceptances, and
2. At the time of purchase, no more than five percent (5%) of the investment portfolio of the Indianola Municipal Utilities shall be invested in the securities of a single issuer.

Commercial paper or short-term corporate debt:

1. At the time of purchase, no more than ten percent (10%) of the investment portfolio of the Indianola Municipal Utilities shall be in commercial paper or other short-term corporate debt, and
2. At the time of purchase, no more than five percent (5%) of the investment portfolio of the Indianola Municipal Utilities shall be invested in the securities of a single issuer.

Where possible, it is the policy of the Indianola Municipal Utilities to diversify its investment portfolio. Assets shall be diversified to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. In establishing specific diversification strategies, the following general policies and constraints shall apply:

1. Portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific maturity sector. Maturities shall be selected which provide stability of income and reasonable liquidity.
2. Liquidity practices shall ensure that the next scheduled disbursement is covered through maturing investments, marketable U.S. Treasury bills or cash on hand.
3. Risks of market price volatility shall be controlled through maturity diversification so that aggregate price losses on instruments with maturities approaching one year shall not be greater than coupon interest and investment income received from the balance of the portfolio.

SECTION 9 -- SAFEKEEPING AND CUSTODY

All invested assets of the Indianola Municipal Utilities involving the use of a public funds custodial agreement, as defined in Section 12B.10, shall comply with all rules adopted pursuant to Section 12B.10. All custodial agreements shall be in writing and shall contain a provision that all custodial services be provided in accordance with the laws of the state of Iowa.

SECTION 10 -- ETHICS AND CONFLICT OF INTEREST

The Treasurer and all officers and employees of the Indianola Municipal Utilities involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

SECTION 11 -- REPORTING

The Treasurer shall submit annually an investment report that summarizes recent market conditions and investment strategies employed since the last investment report. The investment report shall set out the current portfolio in terms of maturity, rates of return and other features and summarize all investment transactions that have occurred during the reporting period and compare the investment results with the budgetary expectations. A quarterly review of the portfolio shall be received with the emphasis on performance, stress test, etc. The Board of Trustees may approve exceptions to this policy on a short term basis so long as complete compliance remains the ultimate goal.

SECTION 12 -- INVESTMENT POLICY REVIEW AND AMENDMENT

This Investment Policy shall be reviewed annually or more frequently as appropriate. Notice of amendments to the Investment Policy shall be promptly given to all parties noted in Section 1.

APPROVED THIS 13th day of February, 2017.

Adam Voigts, Chairperson

Attest:

Diana Bowlin, City Clerk

Information

Subject

Resolution Naming Depositories

Information

Cites are required to adopt an annual resolution indicating where and what amount of its funds are deposited in financial institutions. In your packet is the annual resolution designating Indianola's (city and utility) deposits. Attempts are made to spread the funds locally. The \$24 million in the Bankers Trust account is for the investment portfolio.

Roll call is in order.

Fiscal Impact

Attachments

Resolution

Trustee member _____introduced the following Resolution Naming Depositories and moved its approval. _____ seconded the motion. Question was called for and on roll call the Chairperson declared the motion carried.

RESOLUTION NAMING DEPOSITORIES

BE IT RESOLVED by the Board of Trustees of Indianola Municipal Utilities of Indianola in Warren County, Iowa; That we do hereby designate the following named banks and savings and loans to be depositories of the Indianola Municipal Utilities funds in amounts not to exceed the amount named opposite each of said designated depositories and the City Clerk is hereby authorized to deposit the Indianola Municipal Utilities funds in amounts not to exceed in the aggregate the amounts named for said banks and savings and loans as follows, to wit:

<u>Depository</u>	<u>Location</u>	<u>Maximum Deposit In Effect Under Prior Resolution</u>	<u>Maximum Deposit In Effect Under This Resolution</u>
Bankers Trust	665 Locust St. Des Moines, Ia	\$24,000,000	\$24,000,000
City State Bank	1510 N. 1 st Indianola, Ia	\$20,000,000	\$20,000,000
Community Bank	1401 N. Jefferson Indianola, Ia	\$ 1,000,000	\$ 1,000,000
Wells Fargo Bank	509 N. Jefferson Indianola, Ia	\$ 1,000,000	\$ 1,000,000
Peoples Bank	400 E. Iowa Indianola, Ia	\$ 1,000,000	\$ 1,000,000
Regions Bank	114 N. Howard Indianola, Ia	\$ 1,000,000	\$ 1,000,000
Bank of The West	211 E. Boston Indianola, Ia	\$ 1,000,000	\$ 1,000,000

The vote on the Resolution is as follows: AYES: NAYS: .

Dated at Indianola, Iowa this 13th day of February, 2017.

Adam Voigts, Chairperson

ATTEST:

Diana Bowlin, City Clerk