IMU Board of Trustees of the
Electric, Water and Communications Utilities
July 24, 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 July 17, 2017

    B. Minutes from July 10 and 21, 2017

    C. Salaries

5. Electric Utility Action Items

    A. Electric Rates

        1. Public hearing on a resolution to increase electric rates

        2. Consider Adoption of Resolution #195 Setting Electric Rates

    B. Not to Exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C

        1. Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder

        2. Resolution instituting proceedings to take additional action

        3. Resolution approving official statement

C. Annual IMPACT Community Action Program Vendor Agreement

6. Electric Utility Informational Items

7. Communications Utility Action Items

A. $6,287,000 Communications Utility Revenue Capital Loan Notes, Series 2017A

1. Approval of Tax Exemption Certificate

2. Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes

B. $3,000,000 Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B

1. Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes

C. Consider Indianola Municipal Utilities and Mahaska Communication Group Customer and Territory Buy-Out Agreement

D. Consider resolution amending/substituting and incorporating revised material bids for the 2017 Fiber to the Home Project

8. Communications Utility Informational Items

9. Water Utility Action Items

A. Authorization for Warren Water to serve IMU customer

10. Water Utility Informational Items

11. Combined Electric, Water and Communications Utilities Informational Items

A. Discussion regarding revised policy 3.3.11.2 for refunds or back billing and resolution concerning utility bills

12. Other Business

A. Enter into closed session to discuss labor negotiations pursuant to Iowa Code Section 20.17(3)

13. Adjourn

IMU Regular Downstairs **4.A.**
Meeting Date: 07/24/2017

Information

Subject
Claims list for July 17, 2017

Information

Fiscal Impact

Attachments

Claims

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
WATER OPERATING FUND				
BRICK GENTRY P.C.	600-8180-64110	JOHANSEN ENTERPRISES MATTER	04/25/2017	75.00
CITY OF INDIANOLA - UTILITY	600-8110-63710	UTILITIES	07/01/2017	11,577.04
IOWA ASSOC OF MUN UTILITIE	600-8192-64990	SAFETY CONSULTING - APRIL 2017	04/30/2017	747.54
IOWA DEPT OF NATURAL RES	600-8110-62100	ANNUAL WATER SUPPLY FEE	06/29/2017	1,700.22
WARREN COUNTY ENGINEER	600-8160-65050	FUEL DISTRIBUTION	07/09/2017	478.39
WASTE MANAGEMENT OF IOW	600-8120-64090	TRASH - JULY	06/28/2017	64.47
WELLS FARGO CCER	600-8120-65070	FRAUD-APL ITUNES.COM/BILReimbursement for fraud charge	06/21/2017	4.99-
WELLS FARGO CCER	600-8110-62300	DELTA AIR BAGGAGE FEEbaggage fee	06/12/2017	25.00
WELLS FARGO CCER	600-8120-65070	FRAUD-APL ITUNES.COM/BILReimbursement for fraud charge	06/21/2017	43.97-
WELLS FARGO CCER	600-8120-65070	FRAUD-APL ITUNES.COM/BILReimbursement for fraud charge	06/21/2017	44.96-
WELLS FARGO CCER	600-8110-65012	HACH COMPANYmaterials for the lab	06/05/2017	338.23
WELLS FARGO CCER	600-8110-62300	GROBBELS GOURMET DELIAWWA conf meal	06/12/2017	10.60
WELLS FARGO CCER	600-8120-65070	FRAUD-APL ITUNES.COM/BILReimbursement for fraud charge	06/21/2017	31.98-
WELLS FARGO CCER	600-8150-65072	THEISENS #21foam for well 11	06/29/2017	13.98
WELLS FARGO CCER	600-8150-65072	OREILLY AUTO #0337filters for the valve operator	06/30/2017	12.86
WELLS FARGO CCER	600-8110-62300	TAXI SVC LONG ISLAND Cairport taxi to conference	06/12/2017	38.46
WELLS FARGO CCER	600-8160-65072	OREILLY AUTO #0337oil for trucks	06/29/2017	107.87
Total WATER OPERATING FUND:				15,063.76
IMU ADMINISTRATION FUND				
BRICK GENTRY P.C.	620-8091-64110	IMU LEGAL	05/25/2017	285.00
LONGER, CHRIS	620-8090-63730	MOBILE DEVICE ALLOWANCE	07/01/2017	50.00
MOSHER, CASSANDRA	620-8090-61440	WELLNESS - JUNE/JULY	07/05/2017	30.00
PETTY CASH-CITY CLERK	620-8090-65990	TAX FEE 4/24/17	04/19/2017	7.00
WELLS FARGO CCER	620-8090-65070	INDOFF INCORPORATEDSupplies	06/19/2017	20.42
WELLS FARGO CCER	620-8090-65070	WAL-MART #1491Difference of returned item from June.	06/02/2017	29.97-
WELLS FARGO CCER	620-8090-65080	THE UPS STORE #6682Shipping Meter Reader Laptop to Repair S	06/19/2017	57.58
Total IMU ADMINISTRATION FUND:				420.03
ELECTRIC OPERATING FUND				
A-CHECK GLOBAL	630-8240-65990	BACKGROUND CHECK	06/30/2017	49.25
CCP INDUSTRIES INC.	630-8250-65072	HEAVY DUTY TOWELS	06/27/2017	210.88
CITY OF INDIANOLA - UTILITY	630-8210-63710	UTILITIES	07/01/2017	1,688.07
IMPACT COMMUNITY ACTION P	630-8290-66990	PROJECT SHARE	07/03/2017	265.00
IOWA ASSOC OF MUN UTILITIE	630-8292-64990	SAFETY CONSULTING - APRIL 2017	04/30/2017	747.51
IOWA WORKFORCE DEVELOP	630-8240-65990	IMU - HUGHES	06/19/2017	1,667.80
METCALF, MIKE	630-8240-63730	MOBILE DEVICE ALLOWANCE	07/01/2017	75.00
MID AMERICAN ENERGY CO.	630-8210-63710	80950-24015 PLANT GAS 4/20/17 - 5/18/17	06/20/2017	11.08
MID AMERICAN ENERGY CO.	630-8210-63710	52390-25019 BOILER GAS (997 THERMS)	06/19/2017	590.44
P & E ENGINEERING CO.	630-8255-64900	ENGINEERING & SURVEYING - MARTENSDALE DOT PROJECT	07/06/2017	13,090.54
P & E ENGINEERING CO.	630-8255-64900	ENGINEERING - REPLACE BURNT POLES	07/06/2007	1,035.00
PARKER SIGN & GRAPHICS	630-8260-65072	DECALS FOR VEHICLES	06/26/2017	237.66
SPEE-DEE DELIVERY SERVICE	630-8290-65080	ON CALL SHIPMENT - TESTING IN AMES	06/26/2017	20.64
TREASURER STATE OF IOWA	630-8280-64181	2ND QTR 2017 USE TAX	07/01/2017	161.00
WARREN COUNTY ENGINEER	630-8260-65050	FUEL DISTRIBUTION	07/09/2017	1,558.43
WELLS FARGO CCER	630-8220-63100	OREILLY AUTO #0337Glue for cork board SCADA wall	06/05/2017	7.54
WELLS FARGO CCER	630-8220-63410	THE WALLING COMPANYParts for sump pump at the power plant	06/05/2017	247.00
WELLS FARGO CCER	630-8260-65072	NAPA PARTS 0000514Windshield washer fluid.	06/01/2017	15.99
WELLS FARGO CCER	630-8260-65050	GIT N GO 18Fuel For Unit 32	06/05/2017	11.05
WELLS FARGO CCER	630-8260-65072	OREILLY AUTO #0337Armorall for cleaning trucks in shop	06/13/2017	21.38
WELLS FARGO CCER	630-8220-63410	THE UPS STORE #6682Shipping Charge for SEL Relay from Wests	06/30/2017	310.87
WELLS FARGO CCER	630-8260-65072	OREILLY AUTO #0337License Plate Fasteners - For New Dump Tru	06/05/2017	2.13
WELLS FARGO CCER	630-8290-62300	AMER PUBLIC POWER ASSORefund of APPA training	06/02/2017	2,480.00-
WELLS FARGO CCER	630-8260-65072	MENARDS DES MOINES IAReturned Side Boards For Different Sid	06/05/2017	10.24-
WELLS FARGO CCER	630-8220-65072	MCCOY TRUE VALUEScrews for power plant	06/05/2017	11.54

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount
WELLS FARGO CCER	630-8250-65072	MCCOY TRUE VALUETools for unit 11	06/30/2017	23.57
WELLS FARGO CCER	630-8250-65072	CNM OUTDOOR EQUIPMENTNew Chain for chain saw on unit 31	06/02/2017	22.47
WELLS FARGO CCER	630-8260-65072	MENARDS DES MOINES IASide Boards - For New Dump Truck	06/05/2017	37.34
WELLS FARGO CCER	630-8250-65072	CHUMBLEYS AUTO CAREkerosene for pressure washer	06/14/2017	22.52
WELLS FARGO CCER	630-8220-63100	THEISENS #21Glue for cork board in SCADA wall	06/05/2017	6.94
WELLS FARGO CCER	630-8260-65072	OREILLY AUTO #0337Anti-Freeze for portable generator	06/08/2017	14.97
WELLS FARGO CCER	630-8260-63320	DOWNEY TIRESUnit 30 Tire Repair	06/05/2017	36.32
WELLS FARGO CCER	630-8220-63100	MENARDS DES MOINES IACork board for SCADA wall	06/05/2017	56.67
WELLS FARGO CCER	630-8220-64090	OREILLY AUTO #0337Hand cleaner for power plant	06/07/2017	14.97
WESCO	630-8240-65500	FR RAIN GEAR	06/23/2017	113.93
WIEGERT DISPOSAL CO.	630-8220-64090	WASTE PICK - JUNE 2017	07/01/2017	110.00
Total ELECTRIC OPERATING FUND:				20,005.26
FIBER/COMMUNICATIONS FUND				
CITY OF INDIANOLA - UTILITY	640-8550-63464	UTILITIES	07/01/2017	719.71
KELLER DESIGNS	640-8550-65990	KOOZIES	07/11/2017	395.90
SMARTSOURCE CONSULTING	640-8550-64990	BROADBAND CONSULTING	07/02/2017	6,118.86
Total FIBER/COMMUNICATIONS FUND:				7,234.47
WATER CAPITAL PROJECTS FUND				
HD SUPPLY WATERWORKS	700-8100-67906	TOP BOLT	06/27/2017	370.00
HD SUPPLY WATERWORKS	700-8100-67906	CLAMP	06/27/2017	140.00
Total WATER CAPITAL PROJECTS FUND:				510.00
ELECTRIC CAPITAL PROJECTS FUND				
BRICK GENTRY P.C.	730-8200-67905	FIBER EXPANSION PROJECT	03/25/2017	195.00
ELECTRICAL ENG & EQUIP	730-8200-67906	1 1/4" AND 3" PVC CONDUIT	06/22/2017	2,103.73
ELECTRICAL ENG & EQUIP	730-8200-67906	1 1/4" PVC SWEEPS	06/22/2017	7.02
KRIZ-DAVIS COMPANY	730-8200-67906	150 HPS BULBS - PHOTO CONTROLS	06/30/2017	694.43
KRIZ-DAVIS COMPANY	730-8200-67906	2" PVC SWEEPS - 1 1/4 PVC SWEEPS	06/30/2017	70.00
NEWCOM TECHNOLOGIES INC	730-8200-67605	REVIEW OF BUSINESS PLAN, CONFERENCE CALLS	06/27/2017	7,056.25
WELLS FARGO CCER	730-8200-67603	MCCOY TRUE VALUE1 1/4 90 degree sweeps for fiber drop to McD	06/22/2017	7.04
WESCO	730-8200-67906	LOCATE PAINT	06/23/2017	103.75
WESCO	730-8200-67906	LOCATE PAINT	06/23/2017	207.49
WESCO	730-8200-67906	UNDERGROUND PRIMARY WIRE	06/23/2017	6,090.98
WESCO	730-8200-67906	COPPER WIRE - 5/8" BOLTS - 5/8" WASHERS	06/23/2017	333.84
WESCO	730-8200-67906	PREP KITS - ELECTRIC TAPE - WASHERS - WEDGE CLAMPS - 4	06/27/2017	1,716.76
WESCO	730-8200-67906	LB UNDERGROUND ELBOW	06/30/2017	84.74
Total ELECTRIC CAPITAL PROJECTS FUND:				18,671.03
CASH ALLOCATION FUND				
MELING, BRAD	999-0000-11005	REFUND CREDIT ON ACCT	07/06/2017	60.19
Total CASH ALLOCATION FUND:				60.19
Grand Totals:				61,964.74

Vendor Name	GL Account Number	Description	Invoice Date	Net Invoice Amount

Board of Trustees: ____

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IMU Regular Downstairs **4.B.**
Meeting Date: 07/24/2017

Information

Subject
Minutes from July 10 and 21, 2017

Information

Fiscal Impact

Attachments

July 10 Minutes
July 21 Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – JULY 10, 2017

The Board of Trustees met in regular session at 5:30 p.m. on July 10, 2017 in the City Hall Council Chambers. Vice Chairperson Mike Rozga called the meeting to order and on roll call the following members were present: Jim McClymond, Mike Rozga and Deb White. Absent: Lesley Forbush and Adam Voigts.

Al and Kathy Farris, 811 E. Salem, spoke to the Board regarding the solar array project in Cedar Falls, Iowa. Mr. and Mrs. Farris will be going to Cedar Falls on August 1, 2017 to tour and receive input regarding the project. The Board of Trustee members are invited to attend. Board member McClymond stated he would be attending.

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

Claims list for July 28 and July 3, 2017

Minutes from June 26, 2017

Electric Utility Informational Items–Electric Superintendent Mike Metcalf presented information regarding the electric utility.

Board member Voigts arrived at the meeting.

Electric Utility Action Items

It was moved by White and seconded by McClymond to set July 24, 2017 as a public hearing to set a seven percent electric rate increase effective December 1, 2017. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Water Utility Informational Items–No report was presented.

Communications Utility Action Items

The S&P Engagement letter for the Electric Revenue Capital Loan Notes, Series 2017C was approved on a motion by White and seconded by Rozga subject to staff continuing negotiations to improve the terms. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

McClymond moved and White seconded to approve the agreement between IMU and Unite Private Networks, LLC for Dark Fiber subject to legal counsel review and approval. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Communications Utility Informational Items-Curtis Dean, Smart Source Consulting, presented an update on the FTTP Project.

Combined Electric, Water and Communication Information Items-The Board discussed the General Manager recruitment. It was the consensus of the Board to discuss this further at a special Board of Trustee Meeting or on July 24, 2017.

Meeting adjourned at 6:30 p.m. on a motion by Rozga and seconded by White.

Adam Voigts, Chair

Diana Bowlin, City Clerk

BOARD OF TRUSTEE MINUTES
SPECIAL SESSION – JULY 21, 2017

The Board of Trustees met in regular session at 7:30 a.m. on July 21, 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, Mike Rozga, Adam Voigts and Deb White.

It was moved by McClymond and seconded by White to go into closed Session in accordance with Iowa Code Section 21.5(1)(i) to evaluate the professional competency of an individual whose appointment, hiring, performance, or discharge is being considered when necessary to prevent needless and irreparable injury to that individual's reputation and that individual requests a closed session. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

A motion was made by Rozga and seconded by White to return to regular session. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Meeting adjourned at 9:00 a.m. on a motion by White and seconded by Rozga.

______________________________________ ______________________________________
Adam Voigts, Chair Diana Bowlin, City Clerk

IMU Regular Downstairs **4.C.**

Meeting Date: 07/24/2017

Information

Subject

Salaries

Information

Justin Brand, Water Operator, from Range 24-2 $55,246/year (includes longevity) to Range 24-3 $57,446/year (includes longevity) effective July 9, 2017.

Jackie Raffety, Utility Services Rep, from CE 4-1 $36,971/year to CE 4-1.5 $37,597/year effective August 1, 2017

Fiscal Impact

Attachments

PCN Brand

PCN Raffety

INDIANOLA MUNICIPAL UTILITIES
IMU
Electric • Network Services • Water

PERSONNEL CHANGE NOTICE (PCN)

Employee Name: Justin Brand

Effective Date (must be at beginning of a pay period, except new hires): 7/19/17

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

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

Promotion: ☐ Transfer: ☐ Other Change: ____

	FROM	TO
JOB TITLE	Water Operator	Water Operator
STATUS	FT	FT
PAY RANGE	R24-2	R24-3
PAY RATE W/OUT LONGEVITY	54,996 / 26.440	57,196 / 27.498
PAY RATE W/ LONGEVITY (if not eligible, put N/A)	55,246 / 26.561 ($250 long)	57,446 / 27.618 ($250 long)
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 X	City Non Union ☐ City Union ☐ IMU Non Union ☐ IMU Union X

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: Lou Elbert Date: 7-19-17

Human Resources: [signature] Date: 7/19/17

Finance (pay changes only): [signature] Date: 7/20/17

City Manager or GM: ____ Date: ____

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

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

INDIANOLA MUNICIPAL UTILITIES
IMU
Electric • Network Services • Water

PERSONNEL CHANGE NOTICE (PCN)

Employee Name: Jackie Raffety

Effective Date (must be at beginning of a pay period, except new hires): 8/1/17

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

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

Promotion: ☐ Transfer: ☐ Other Change: ______

	FROM	TO
JOB TITLE	Utility Services Rep	Utility Services Rep
STATUS	FT	FT
PAY RANGE	CE4-1	CE4-1.5
PAY RATE W/OUT LONGEVITY	36,971 / 17.775	37,597 / 18.076
PAY RATE W/ LONGEVITY (if not eligible, put N/A)	NA	NA
EXEMPT/NONEXEMPT	Non Exempt	Non Exempt
DEPARTMENT NAME	Utility Services	Utility Services
ACCOUNT NUMBER		
FTE	1.0	1.0
UNION STATUS	City Non Union ☐ City Union ☐ IMU Non Union ☐ IMU Union X	City Non Union ☐ City Union ☐ IMU Non Union ☐ IMU Union X

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

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

Last Day Worked: ______ Termination Effective Date: ______

COMMENTS: Jackie has proven to be a valuable asset to the Utility Services team and has successfully completed the six month probationary period.

APPROVALS:

Dept Head: [signature] Date: 7-19-17

Human Resources: Melissa Neely Date: 7/19/17

Finance (pay changes only): [signature] Date: 7/20/17

City Manager or GM: ______ Date: ______

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

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

IMU Regular Downstairs **5.A.**
Meeting Date: 07/24/2017

Information

Subject
Electric Rates

Information

Fiscal Impact

Attachments

No file(s) attached.

IMU Regular Downstairs **5.A.1.**

Meeting Date: 07/24/2017

Information

Subject

Public hearing on a resolution to increase electric rates

Information

Iowa law requires a public hearing to be held prior to adopting new utility rates. Required and additional notice of this hearing was published on July 19, 2017.

At the July 10th meeting, the Trustees recommended to increase electric rates by 7% on bills received December 1, 2017.

The Notice of Public Hearing is attached to this agenda item.

The Board Chairperson opens the public hearing, receives comments from both the public and Trustees, and then closes the public hearing.

Fiscal Impact

Attachments

Public Hearing

NOTICE OF PUBLIC HEARING

TO THE PUBLIC:

YOU ARE HEREBY NOTIFIED that the Indianola Municipal Utilities Board of Trustees has under consideration a resolution which would increase the rates for electric service for all electric customers. The proposed increases would be reflected on the December 1, 2017 utility bills.

The actual proposed resolution is now on file and open to public inspection in the office of the City Clerk, 110 N. First Street, Indianola, Iowa, (961-9410), The recommended December 1, 2017 increase is 7%. For exact details, you should carefully review the resolutions now on file in the City Clerk's office or the Director of Finance's office.

YOU ARE FURTHER NOTIFIED that this matter has been set down for hearing and consideration at a public hearing before the Board of Trustees of the Indianola Municipal Utilities on July 24, 2017 at 5:30 P.M., in the Council Chambers of the Municipal Building in Indianola, Iowa. This Notice is published by order of the Board of Trustees of the Indianola Municipal Utilities, Indianola, Iowa.

DIANA BOWLIN, Trustee Clerk

IMU Regular Downstairs **5.A.2.**
Meeting Date: 07/24/2017

Information

Subject
Consider Adoption of Resolution #195 Setting Electric Rates

Information
Resolution #195 is attached to this agenda item and is consistent with what was published and discussed by the Board at the July 10, 2017 meeting.

Roll call is in order.

Fiscal Impact

Attachments

Resolution

RESOLUTION NO. 195
OF
INDIANOLA MUNICIPAL UTILITIES
BOARD OF TRUSTEES

BE IT RESOLVED by the Indianola Municipal Utilities Board of Trustees that Resolution No. 155 be repealed and that this Resolution be substituted in lieu of it as follows:

1. **ELECTRIC RATES**. The rates for customer classes of service described in electric service plan Section 2.4 are:

Section 2.4 **Rates for Electric Service**

Rates for electric current shall apply to all customers according to their proper classifications as follows and where summer months are defined as all bills rendered in July, August, September and October. Winter months are defined as all bills rendered in November, December, January, February, March, April, May and June.

2.4(1) **Residential Service**

Qualification: For single-family residential customers where primary energy consumption is for domestic purposes. Not available for commercial purposes, including agriculture, manufacturing or other uses of a commercial nature.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$11.00	
	Summer	Winter
First 400 kWh per month	11.8¢	11.8¢
Balance kWh per month	11.8¢	10.2¢

2.4(2) **Residential Electric Primary Heat Source Service**

Qualification: For single-family residential customers where primary energy consumption is for domestic purposes and electricity is the primary source of space heating energy. Not available for commercial purposes, including agriculture, manufacturing or other uses of a commercial nature.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$11.00	
	Summer	Winter
First 400 kWh per month	12.0¢	10.7¢
Next 600 kWh per month	12.0¢	10.7¢
Balance kWh per month	12.0¢	8.5¢

2.4(3) **Residential and Farm Service Outside the Corporate Limits**

Qualification: For single-family residential customers located outside corporate limits of the City of Indianola. Not available for commercial purposes, including agriculture, manufacturing or other uses of a commercial nature.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$26.00	
	Summer	Winter
All kWh per month	12.6¢	11.8¢

2.4(4) **General Service (Formerly Commercial Light and Power Service)**

Qualification: For any customer who does not qualify for service under another rate schedule.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$24.00	
	Summer	Winter
First 3000 kWh per month	12.1¢	12.1¢
Balance kWh per month	12.1¢	10.4¢

2.4(5) **Large Power Service (Formerly Small Industrial Power Service)**

Qualification: Customer must have monthly demands of 200 kilowatts or greater for 3 consecutive months. If a customer's load decreases to less than 200 kilowatts for 12 consecutive months after being placed on the Large Power Service rate, it will be moved to the General Service rate. A General Service customer may ask to be billed under this rate for a minimum of 12 months.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$50.00	
	Summer	Winter
Demand Charge per kW	$6.50	$5.50
All kWh (w/o primary discount)	7.7¢	6.7¢
All kWh (w/primary discount)	7.6¢	6.6¢

Demand: The kW as shown by or computed from the readings of the Board's demand meter for the 15-minute period of customer's greatest use during the month determined to the nearest kW.

Minimum Demand: The minimum billing demand shall be the greater of:

1. 75% of the highest Demand established in any month during the 12 months ending with the current month, or
2. 150 kW

Primary Discount: The primary discount will apply for customers that own transformation equipment and take service at one of the Utility's standard primary voltages (>2.4 kV).

2.4(6) **Government Service**

City Departments and IMU Service:

Qualification: Any accounts providing service to the City of Indianola or Indianola Municipal Utilities, excluding street lighting service.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$24.00	
	Summer	Winter
All kWh per month	12.5¢	9.8¢

City Street Lights:

Qualification: Street lighting service to the City of Indianola.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$3.00	
	Summer	Winter
All kWh per month	7.5¢	7.0¢

2.4(7) **Large Power Contracts**

Rates for electric current for Large Power Contracts shall be pursuant to the provisions of written contract entered into by the customer and Indianola Municipal Utilities.

2.4(8) **Cost of Energy Adjustment**

The Board of Trustees shall periodically establish a base energy allowance per kWh for all services. Any energy surcharge or credit may be administratively imposed and adjusted at the same rate per kWh for all services to recoup energy-related costs incurred that are in excess of the base energy allowance. Energy-related costs include production and transmission costs charged by the Utility's supplier(s), system losses, and costs for generating electricity not otherwise reimbursed.

2.4(9) **Maintenance/Capital Adjustment**

The Board of Trustees shall periodically make a determination of whether the electric utility has experienced an unusual maintenance or capital expenditure. The expenditure of the sum in excess of $150,000 for maintenance or $500,000 for capital improvement in any one calendar year shall be considered an unusual maintenance or capital expenditure. A maintenance surcharge or credit may be administratively imposed at the same rate per kWh for all services to recoup these unusual maintenance or capital expenditures.

2.4(10) **Temporary Service**

In addition to the use rates, as provided above, there shall be an additional charge for Temporary Service as follows:

Single-Phase	$35.00 plus cost of installation
Three-Phase	$65.00 plus cost of installation

2.4(11) **Residential Time-of-Use Meter Service**

Qualification: For single-family residential customers where primary energy consumption is for domestic purposes, and where customer has agreed to install a time-of-use meter. Not available for commercial purposes, including agriculture, manufacturing or other uses of a commercial nature.

Rates effective for all billings after December 1, 2017

Monthly Customer Charge	$14.00	
	Summer	Winter
kWh/mo. 8 a.m. to 8 p.m. Monday-Friday	18.0¢	16.0¢
kWh/mo. 8 p.m. to 8 a.m. Monday-Friday	8.0¢	6.3¢
kWh/mo. 8 p.m. Friday to 8 a.m. Monday	8.0¢	6.3¢

2.4(12) **Delinquent Bills**

Net monthly bills, as computed under the provisions of this Resolution, are payable within 20 days from the date of bills. When not so paid, penalty at the rate of 18% per annum from due date until paid shall be charged. One month's penalty shall be forgiven each year.

2.4(13) **Short-Term Demand Curtailment Option**

a. To qualify for this rate, a customer must be billed under the Large Power Service (formerly Small Industrial Power Service) or Large Industrial Power Service rate schedules. This curtailment option is available to all applicable customers who demonstrate a continuing capability and willingness to curtail at least 300 kW of load during Utility-specific curtailment periods.

b. Customers desiring service under this option must make application before November 1 for the following calendar year. The application must state the amount of load reduction being requested, the proposed curtailment demand level, and the method to be used to effect such a reduction. All requests are subject to review and acceptance by the Utility, with the review based on the customer's expected load at the time of system peak and the likelihood that the proposed reduction will be consistently achievable.

c. The load reduction will be calculated based on the customer's historical summer peak at the time of the Utility's peak and the proposed level of curtailment demand. If sufficient billing data is not available to allow an accurate determination of the historical peak data, the curtailment demand level will be set at an estimated value arrived by joint negotiation but subject to the approval of the Utility.

d. During a customer's first summer period under this option, the curtailment demand level and the amount of load reduction can be adjusted at the end of each billing period by mutual agreement of the Utility and the customer.

e. Customers who successfully comply with all curtailment requests during a summer period will be issued a credit as follows:

Short Term Demand Curtailment Credit: $31.00 per kW. Credits will be applied to the customer's November bill. No credit will be issued unless the customer successfully complies with all curtailment requests.

f. This rate is available only on a year-by-year basis and is subject to modification or withdrawal at any time.

g. The Utility may establish a curtailment period at any time. Notice will be given to customers at least 2 hours in advance, except the advance notice may be reduced to 30 minutes if the customer has been advised of the possibility of curtailment during the prior day. Each curtailment period will continue until the Utility gives specific notice of its termination, up to a maximum of 6 hours. The number of curtailment periods during any one calendar year will not exceed 16.

Section 4.9(5) **Rates for Purchase from Small Power Production and Cogeneration Facilities**

Rates effective for all billings after December 1, 2017

	Summer	Winter
Solar Facilities 100 kW or less – per kWh	4.7¢	4.7¢

2. **EFFECTIVE DATE.** This Resolution shall be in effect from and after its final passage and approval and publication as provided by law.

INTRODUCED AND ADOPTED this 24th day of July, 2017.

Chair, Board of Trustees

ATTEST:

____
City Clerk

IMU Regular Downstairs **5.B.**

Meeting Date: 07/24/2017

Information

Subject

Not to Exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C

Information

There are several agenda items related to the issuance of not to exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C, including holding the public hearing, resolution taking additional action and approving the official statement.

In your packet is the informational letter from Ahlers & Cooney regarding the procedures.

Fiscal Impact

Attachments

Letter

AHLERS COONEY
ATTORNEYS

Ahlers & Cooney, P.C.
Attorneys at Law
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231
Phone: 515-243-7611
Fax: 515-243-2149
www.ahlerslaw.com

Steven M. Nadel
515.246.0306
snadel@ahlerslaw.com

June 27, 2017

Indianola Municipal Utilities
Chris DesPlanques
Finance Director
111 South Buxton
P.O. Box 356
Indianola, Iowa 50125

Re: Indianola Municipal Utilities, State of Iowa
Not to Exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C

Dear Chris:

We enclose suggested proceedings to be acted upon by the Board on the date fixed for the hearing on the authorization to enter into a loan agreement and the issuance of the above mentioned Notes, pursuant to the provisions of Code Sections 384.24A and 384.83. A certificate to attest the proceedings is also enclosed.

The proceedings are prepared to show as a first step the receipt of any oral or written objections from any resident or property owner to the proposed action of the Board to enter into a loan agreement and issue the Notes. A summary of objections received or made, if any, should be attached to the proceedings. After all objections have been received and considered if the Board decides not to abandon the proposal to issue the Notes, a form of resolution follows that should be introduced and adopted, entitled "Resolution Instituting Proceedings to Take Additional Action for the Issuance of not to exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C."

Also enclosed is an extra copy of the proceedings to be filled in as the original and certified back to this office. If you have any questions pertaining to the proceedings enclosed or this letter, please do not hesitate to either write or call.

<u>Action Must Be Taken At The Hearing.</u>

The Board is required by statute to adopt the resolution instituting proceedings to enter into a loan agreement and issue the Notes at the hearing or an adjournment thereof. If necessary to adjourn, the minutes are written to accommodate that action.

In the event the Board decides to abandon the proposal, then the form of resolution included in the proceedings should not be adopted. We would suggest that, in this event, a motion merely be adopted to the effect that such proposal is abandoned.

Section 384.83 of the Code of Iowa, provides that any resident or property owner of the City may appeal the decision to take additional action to issue the Notes, to the District Court of a county in which any part of the city is located, within 15 days after such additional action is taken, but that the additional action is final and conclusive unless the court finds that the Board exceeded its authority.

In the event an appeal is filed by any resident or property owner, please see that we are notified immediately; and, as soon as available, a copy of the notice of appeal should be furnished our office for review.

Very truly yours,

AHLERS & COONEY, P.C.

By

Steven M. Nadel

SMN:kls
Enclosure
cc: Rob Stangel
Diana Bowlin
Michael Maloney, D.A. Davidson & Co.

01371903-1\10616-028

IMU Regular Downstairs **5.B.1.**

Meeting Date: 07/24/2017

Information

Subject

Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder

Information

The Chairperson should open and upon receiving any oral or written comments close the hearing.

Fiscal Impact

Attachments

No file(s) attached.

IMU Regular Downstairs **5.B.2.**

Meeting Date: 07/24/2017

Information

Subject

Resolution instituting proceedings to take additional action

Information

Trustee's bond attorneys at Ahlers & Cooney prepared the enclosed resolution. Its purpose is to alert the public that the public hearing was held and Trustees intend to proceed to take additional action.

Roll call is in order.

Fiscal Impact

Attachments

Resolution

(This Notice to be posted)

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body:	The Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa.
Date of Meeting:	July 24, 2017.
Time of Meeting:	__________ o'clock _____.M.
Place of Meeting:	Council Chambers, City Hall, Indianola, Iowa.

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for the meeting is as follows:

Not to Exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C.

- Public hearing on the authorization of a Loan Agreement and the issuance of Notes to evidence the obligation of the City thereunder.
- Resolution instituting proceedings to take additional action.

Such additional matters as are set forth on the additional ______ page(s) attached hereto.
(number)

This notice is given at the direction of the Chairperson pursuant to Chapter 21, Code of Iowa, and the local rules of the governmental body.

____
Secretary of the Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa

July 24, 2017

The Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa, met in ________________ session, in the Council Chambers, City Hall, Indianola, Iowa, at __________ o'clock _____.M., on the above date. There were present Chairperson ________________, in the chair, and the following named Board Members:

____

____

Absent: ____

* * * * * * *

The Chairperson announced that this was the time and place for the public hearing and meeting on the matter of the authorization of a Loan Agreement and the issuance of not to exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C, in order to provide funds to pay costs of improvements and extensions to the Municipal Electric Utility, including the construction of an expansion of the existing fiber optic communications system to serve the Municipal Electric Utility, including the acquisition of equipment and installation of conduit, overhead and underground fiber, vaults, pedestals and splitter cabinets, and building and other improvements to the electric line shop, and that notice of the proposed action by the Board to institute proceedings for the authorization of the Loan Agreement and the issuance of the Notes, had been published pursuant to the provisions of Sections 384.24A and 384.83 of the City Code of Iowa, as amended.

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

(Attach here a summary of objections received or made, if any)

The Board then considered the proposed action and the extent of objections thereto.

Whereupon, Board Member ____________________ introduced and delivered to the Secretary the Resolution hereinafter set out entitled "RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $9,900,000 ELECTRIC REVENUE CAPITAL LOAN NOTES, SERIES 2017C", and moved:

☐ that the Resolution be adopted.

☐ to ADJOURN and defer action on the Resolution and the proposal to institute proceedings for the issuance of bonds to the meeting to be held at __________ o'clock _____.M. on the __________ day of _______________, 2017, at this place.

Board Member ____________________ seconded the motion. The roll was called and the vote was,

AYES: ____

____

NAYS: ____

Whereupon, the Chairperson declared the measure duly adopted.

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE ADDITIONAL ACTION FOR THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $9,900,000 ELECTRIC REVENUE CAPITAL LOAN NOTES, SERIES 2017C

WHEREAS, pursuant to notice published as required by law, this Board has held a public meeting and hearing upon the proposal to institute proceedings for the authorization of a Loan Agreement and the issuance of not to exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C, for the purpose of paying costs of improvements and extensions to the Municipal Electric Utility, including the construction of an expansion of the existing fiber optic communications system to serve the Municipal Electric Utility, including the acquisition of equipment and installation of conduit, overhead and underground fiber, vaults, pedestals and splitter cabinets, and building and other improvements to the electric line shop, and has considered the extent of objections received from residents or property owners as to the proposal and, accordingly the following action is now considered to be in the best interests of the City and residents thereof:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES, CITY OF INDIANOLA, STATE OF IOWA:

Section 1. That this Board does hereby institute proceedings and take additional action for the authorization of a Loan Agreement and issuance in the manner required by law of not to exceed $9,900,000 Electric Revenue Capital Loan Notes, Series 2017C, for the foregoing purpose.

Section 2. This Resolution shall serve as a declaration of official intent under Treasury Regulation 1.150-2 and shall be maintained on file as a public record of such intent. It is reasonably expected that the _______________ fund moneys may be advanced from time to time for capital expenditures which are to be paid from the proceeds of the above loan agreement. The amounts so advanced shall be reimbursed from the proceeds of the Loan Agreement not later than eighteen months after the initial payment of the capital expenditures or eighteen months after the property is placed in service. Such advancements shall not exceed the loan amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

PASSED AND APPROVED this 24th day of July, 2017.

____
Chairperson of the Board of Trustees

ATTEST:

____
Secretary of the Board of Trustees

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF WARREN)

I, the undersigned Secretary of the Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of the Board of Trustees showing proceedings of the Board, and the same is a true and complete copy of the action taken by the Board with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board (a copy of the face sheet of such agenda being attached hereto) pursuant to the local rules of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required such law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Board hereto affixed this __________ day of _______________, 2017.

____
Secretary of the Board of Trustees of the
Indianola Municipal Utilities

(SEAL)

IMU Regular Downstairs **5.B.3.**
Meeting Date: 07/24/2017

Information

Subject
Resolution approving official statement

Information
The last item is the resolution approving the Official Statement.

Roll call is in order.

Fiscal Impact

Attachments

Resolution

ITEMS TO INCLUDE ON AGENDA

INDIANOLA MUNICIPAL UTILITIES, INDIANOLA, IOWA

Not to Exceed $9,900,000 Electric Revenue Capital Loan Notes

- Resolution approving Official Statement.

NOTICE MUST BE GIVEN PURSUANT TO IOWA CODE CHAPTER 21 AND THE LOCAL RULES OF THE CITY.

July 24, 2017

The Board of Trustees of the Indianola Municipal Utilities of the City of Indianola, State of Iowa, met in ________________ session, in the Council Chambers, City Hall, Indianola, Iowa, at ___________ _____.M., on the above date. There were present Chairperson ________________, in the chair, and the following named Board Members:

____

Absent: ____

Vacant: ____

* * * * * * *

Board Member ____________________ introduced the following resolution entitled "RESOLUTION APPROVING OFFICIAL STATEMENT", and moved that the resolution be adopted. Board Member ____________________ seconded the motion to adopt. The roll was called and the vote was,

AYES: ____

____

NAYS: ____

Whereupon, the Chairperson declared the resolution duly adopted as follows:

RESOLUTION APPROVING OFFICIAL STATEMENT

WHEREAS, in conjunction with its Underwriter, D.A. Davidson, the City has caused a Preliminary Official Statement to be prepared outlining the details of the proposed sale of the Notes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES OF THE CITY OF INDIANOLA, STATE OF IOWA:

Section 1. That the preliminary Official Statement in the form presented to this meeting be and the same hereby is approved as to form and deemed final for purposes of Rule 15c2-12 of the Securities and Exchange Commission, subject to such revisions, corrections or modifications as the Chairperson and Secretary, upon the advice of bond counsel, shall determine to be appropriate, and is authorized to be distributed in connection with the offering of the Notes for sale.

PASSED AND APPROVED this 24th day of July, 2017.

____
Chairperson of the Board of Trustees

ATTEST:

____
Secretary of the Board of Trustees

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF WARREN)

I, the undersigned Secretary of the Board of Trustees of the Indianola Municipal Utilities of the City of Indianola, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the records of the Board of Trustees showing proceedings of the Board, and the same is a true and complete copy of the action taken by the Board with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board pursuant to the local rules of the Board and the provisions of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required by law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective City offices as indicated therein, that no Board vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Board hereto affixed this ___________ day of ________________, 2017.

____
Secretary of the Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa

(SEAL)

IMU Regular Downstairs **5.C.**

Meeting Date: 07/24/2017

Information

Subject

Annual IMPACT Community Action Program Vendor Agreement

Information

Under the attached agreement, IMPACT serves as IMU's vendor for the Low-Income Home Energy Assistance Program (LIHEAP) for the coming year. This has been a long-standing arrangement that is beneficial in that IMPACT determines eligibility for federal assistance for IMU's electric customers without Utility Services Department's staff being tied up with eligibility and federal requirements. IMPACT serves residents in five counties and attains economies of scale throughout the process.

Fiscal Impact

Attachments

Agreement

ATTACHMENT C

VENDOR AGREEMENT
FFY 2018 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

The following agreement is made between the local community action agency (local agency) administering the Low-Income Home Energy Assistance Program and:

Vendor: Indianola Municipal Utility Address: PO Box 299 Indianola IA 50125	UVC: 2153	IMPACT Community Action Partnership, Inc. 3226 University Ave, Des Moines, IA 50311 Phone: 515-274-1334
Phone #: 515-961-9410	Fax #:	Anne Bacon, Executive Director
Contact: Mary Zimmerman	Email:	LIHEAP Phone: 515-274-9665

All provisions of this agreement are subject to the availability of federal funds. Information regarding applicants and beneficiaries under this program must remain confidential subject only to the limited release of information by the vendor to the state of Iowa as provided for in clause ten below. All vendors shall abide by the following provisions for the current Low-Income Home Energy Assistance Program.

1. The local agency will notify the vendor in writing of those households that have applied for Low-Income Home Energy Assistance. The local agency will notify the vendor on a weekly basis of those households that have been approved for either the Energy Assistance or Weatherization Assistance Programs.

2. Eligible households on whose behalf payments are made are third-party beneficiaries under this agreement. Therefore, all payments accepted by the vendor made by the local agency on behalf of an approved household must be applied as credit to that household's current energy account. **Regular LIHEAP benefits received may not be used to pay for home energy costs incurred prior to the start of the heating season in which payment was made. If the eligible household resides in the vendor's customary service area, the vendor cannot refuse to provide fuel that is paid for by the regular LIHEAP benefit unless an unsafe condition would result or the tank is owned by another vendor. Exceptions to the requirement for delivery by a vendor may be approved by the local agency, in consultation with the vendor, for circumstances that make delivery impossible and/or impractical, such as inclement weather, lack of available product, or other extenuating circumstances documented by the vendor.**

3. Any payment not accepted by the vendor must be returned to the local agency within 5 working days of its receipt. Any duplicate payment for a household or an account must be reported to the local agency within 5 working days.

4. The energy supplier will charge the approved household in its normal billing process the difference, if any, between the actual cost of the home energy and the amount of the payment made by the local agency.

5. The eligible household will not be treated adversely from other households because of receiving assistance under the Low-Income Home Energy Assistance Program. The energy supplier agrees not to discriminate either in cost of goods supplied or services provided, against the eligible household on whose behalf payments are made.

6. Incidental home energy costs such as charges for delivery, routine services, and reconnections may be paid with funds from this program. <u>A price list of routine services that are normal and customary must be attached to this agreement (i.e., pressure check, safety / leak seek test, regulator replacement, after hour / same day / non-routine delivery, and other).</u> Expenses for security deposits or tank rental/leasing will not be paid with funds from this program.

7. Within 30 days of the vendor's receipt of payment, the vendor will provide to the local agency a receipt for the amount of payment received, the date of the receipt, and the household name, address, and account number for which payment was made.

8. Payments received by vendors for households participating in a budget billing or level-payment plan shall be applied to such level payment account in the full amount of the level payment bill, with any remaining assistance being applied toward future level payment bills until exhausted. A level payment amount shall not be adjusted nor shall a recipient be requested or required to withdraw from a level payment plan due to receipt of program assistance. Program assistance shall not be applied toward reducing any account balance in favor of the utility, which is in excess of accrued level payments.

SIGNATURE REQUIRED ON PAGE 2

9. If a household terminates its account or changes vendors prior to termination of this agreement, the vendor shall contact the local subgrantee within 30 days to reconcile the existing account and to determine the distribution of any remaining funds. No funds paid under this program may be returned directly to any client without written authorization from the agency.

10. Energy suppliers will assist the state in collecting data concerning information on home energy consumption, amount and cost of fuels used for households eligible for LIHEAP assistance, payment history, or such other data as the state determines is reasonably necessary. <u>Books, records, and other evidence pertaining to costs incurred and prices charged under this agreement, for the purpose of audit and/or examinations required for the proper administration of the program must be kept during the period of this agreement and for three (3) years thereafter.</u>

11. The State of Iowa reserves the right to monitor the use of funds by the participating vendor in order to evaluate compliance with the provisions of this agreement.

12. **The deliverable fuel vendors agree to accept the $500 minimum LIHEAP benefit for deliverable fuel customers as meeting their requirement for minimum delivery.** The delivery must be made within 48 business hours after order by the agency with no additional charges. In the event of an emergency requiring delivery in less than 48 business hours, empty tank, etc., the vendors' customary charges will apply. Vendor agrees to accept local agency payment guarantees by phone, fax, or email for emergency fills of deliverable fuels and upon such notification make delivery.

13. Vendor may require a new customer to complete an account application, including a customer credit check, as a condition of delivery of propane paid for with LIHEAP funds. The results of a credit check cannot be the basis for refusal of delivery paid for by LIHEAP funds.

14. Vendor should make an effort to offer LIHEAP customers a payment plan for any balance due on their account and consider continued provision of fuel to the LIHEAP customer who maintains their payment plan.

15. This agreement does not require the vendor to extend credit to a LIHEAP customer and the vendor at its discretion may refuse delivery of additional fuel if the LIHEAP customer's benefit is exhausted or there is no other means for payment for the fuel.

16. The local agency and vendor will collaborate and to the extent practicable attempt to ensure the customer has continuous access to home heating.

17. The local agency and vendor will encourage regular monthly payments from households, including use of budget billing.

18. This agreement is effective when signed by the vendor and shall terminate on September 30, 2018. The termination of this agreement shall not discharge any obligation owed by either party to the other or to an eligible household if such obligation was incurred during the effective period of the agreement.

19. The local agency may terminate this agreement upon written notice for the breach by the vendor of any material term, condition or provision of this agreement. Either the agency or the vendor may terminate this agreement by giving the other party at least thirty (30) days written notice.

20. Upon termination of the agreement by either party or upon expiration of the agreement, the vendor shall within five business days remit to the local agency any unexpended funds paid to the vendor. The vendor shall provide a full accounting of the funds subject to this agreement within 30 days of termination or expiration of the agreement.

SIGNED:

____
Vendor Authorizing Signature

____
Date

RETURN TO:

Chris Hallinan,
Energy Manager/IMPACT

3226 University Ave
Des Moines IA 50311

Date: 07/13/2017
LIHEAP Phone: 515-274-9665

IMU Regular Downstairs **7.A.**
Meeting Date: 07/24/2017

Information

Subject
$6,287,000 Communications Utility Revenue Capital Loan Notes, Series 2017A

Information
In your packet is the informational letter from Ahlers & Cooney regarding the procedures to approve the tax exemption certificate and approving the agreement and providing for the issuance of Capital Loan Notes and providing for a method of payment of the notes.

Fiscal Impact

Attachments

Letter

AHLERS COONEY
ATTORNEYS

Ahlers & Cooney, P.C.
Attorneys at Law
100 Court Avenue, Suite 600
Des Moines, Iowa 50309-2231
Phone: 515-243-7611
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www.ahlerslaw.com
Steven M. Nadel
515.246.0306
snadel@ahlerslaw.com

July 21, 2017

Indianola Municipal Utilities
Chris DesPlanques
Finance Director
111 South Buxton
P.O. Box 356
Indianola, Iowa 50125

Re: Indianola Municipal Utilities, City of Indianola, State of Iowa
$6,287,000 Communications Utility Revenue Capital Loan Notes, Series 2017A

Dear Chris:

Enclosed are the following revised documents to complete Board action in connection with the authorization for the issuance of the above Notes:

- Authorizing Resolution
- Tax Exemption Certificate
- Loan Agreement
- Purchase Agreement
- Delivery Certificate
- Original Note No. 1, inclusive

We are only including the documents that had changes made to the Purchaser name. Any documents not including the name of the Purchaser are not being re-sent. Please discard and destroy the old versions of the attached documents.

Should you have any questions, or if we can be of any assistance in completing the enclosed items or the remaining documents, please don't hesitate to contact me.

Very truly yours,

AHLERS & COONEY, P.C.

By

Steven M. Nadel

SMN:ke
Enclosure
cc: Diana Bowlin
Michael Maloney, D.A. Davidson & Co.

01386482-1\10616-029

IMU Regular Downstairs **7.A.1.**

Meeting Date: 07/24/2017

Information

Subject

Approval of Tax Exemption Certificate

Information

The tax exemption certificate process is incorporated into the resolution to be adopted in the following agenda item but requires a separate vote to approve and issue.

The certificate drafted by bond attorneys at Ahlers & Cooney is attached.

Roll call is in order.

Fiscal Impact

Attachments

Resolution

(This Notice to be posted)

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body:	The Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa.
Date of Meeting:	July 24, 2017.
Time of Meeting:	__________ o'clock _____.M.
Place of Meeting:	Council Chambers, City Hall, Indianola, Iowa.

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for the meeting is as follows:

$6,287,000 Communications Utility Revenue Capital Loan Notes, Series 2017A.

- Approval of Tax Exemption Certificate.
- Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes.

Such additional matters as are set forth on the additional ______ page(s) attached hereto.
(number)

This notice is given at the direction of the Chairperson pursuant to Chapter 21, Code of Iowa, and the local rules of the governmental body.

____

Secretary of the Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa

July 24, 2017

The Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa, met in ________________ session, in the Council Chambers, City Hall, Indianola, Iowa, at __________ o'clock _____.M., on the above date. There were present Chairperson ________________, in the chair, and the following named Board Members:

____

____

Absent: ____

* * * * * * *

Board Member ____________________ moved that the form of Tax Exemption Certificate be placed on file and approved. Board Member ____________________ seconded the motion and the roll being called thereon, the vote was as follows:

AYES: ____

____

NAYS: ____

Board Member ____________________ introduced the following Resolution entitled "A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $6,287,000 COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017A, OF THE CITY OF INDIANOLA, STATE OF IOWA, UNDER THE PROVISIONS OF THE CITY CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF THE NOTES ", and moved its adoption. Board Member ____________________ seconded the motion to adopt. The roll was called and the vote was:

AYES: ____

____

NAYS: ____

Whereupon the Chairperson declared the following Resolution duly adopted:

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $6,287,000 COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017A, OF THE CITY OF INDIANOLA, STATE OF IOWA, UNDER THE PROVISIONS OF THE CITY CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF THE NOTES

WHEREAS, the Board of Trustees of the Indianola Municipal Utilities of the City of Indianola, State of Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the Municipal Communications Utility, sometimes hereinafter referred to as the "System", and the revenues have not been pledged and are available for the payment of Communications Utility Revenue Capital Loan Notes, Series 2017A, subject to the following premises; and

WHEREAS, Issuer proposes to issue its Communications Utility Revenue Capital Loan Notes, Series 2017A, to the extent of $6,287,000, for the purpose of defraying the costs of the project as set forth in Section 3 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan Agreement be approved and authorized; and

WHEREAS, the notice of intention of Issuer to take action for the issuance of $6,287,000 Communications Utility Revenue Capital Loan Notes, Series 2017A, has heretofore been duly published and no objections to such proposed action have been filed:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES, CITY OF INDIANOLA, IN THE COUNTY OF WARREN, STATE OF IOWA:

Section 1. <u>Definitions</u>. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Additional Obligations" shall mean any Communications Utility Revenue notes or bonds issued on a parity with the Notes in accordance with the provisions of this Resolution.

- "Fiscal Year" shall mean the twelve-month period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System. Requirements of a Fiscal Year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the Fiscal Year and include any payment of principal or interest falling due on the first day of the succeeding Fiscal Year, except to the extent of any conflict with the terms of the Outstanding Bonds while the same remain outstanding.

- "Governing Body" shall mean the Board of Trustees of the Indianola Municipal Utilities of the City, or its successor in function with respect to the operation and control of the System.

- "Independent Auditor" shall mean an independent firm of Certified Public Accountants or the Auditor of State.

- "Issuer" and "City" shall mean the City of Indianola, by and through the Board of Trustees of the Indianola Municipal Utilities, State of Iowa.

- “Lender” shall mean the original Purchaser.

- "Loan Agreement" shall mean a Loan Agreement between the Issuer and a lender or lenders in substantially the form attached to and approved by this Resolution.

- "Net Revenues" shall mean gross earnings of the System after deduction of current expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses.

- “Note Date” shall mean August 10, 2017.

- "Notes" shall mean $6,287,000 Communications Utility Revenue Capital Loan Notes, Series 2017A, authorized to be issued by this Resolution.

- "Original Purchaser" shall mean TruBank of Indianola, Iowa, the purchaser of the Notes from Issuer at the time of their original issuance.

- "Outstanding Obligations" shall mean the Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, dated August 10, 2017, issued contemporaneously with the Notes in accordance with a Resolution adopted July 24, 2017, not to exceed $3,000,000 of which obligations are still outstanding and unpaid and remain a lien on the Net Revenues of the System. For the avoidance of doubt, the principal amount of the Series 2017B Notes will be advanced on a draw down basis and the total principal amount advanced under the Series 2017B Notes shall be outstanding obligations on parity with the total principal amount advanced under the Notes.

- "Parity Obligations" shall mean Communications Utility Revenue notes, bonds or other obligations payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued, and shall include Additional Obligations as authorized to be issued under the terms of this Resolution and the Outstanding Obligations.

- "Paying Agent" shall mean the Director of Finance of the City of Indianola, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Notes as the same shall become due.

- "Permitted Investments" shall mean:

  - ■ direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;

■ obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

- – Export - Import Bank
- – Farm Credit System Financial Assistance Corporation
- – USDA Rural Development
- – General Services Administration
- – U.S. Maritime Administration
- – Small Business Administration
- – Government National Mortgage Association (GNMA)
- – U.S. Department of Housing & Urban Development (FHA's)
- – Federal Housing Administration

■ repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;

■ senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

■ U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

■ commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

■ investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, or "AAA" or "AA" by Moody's Investors Services, Inc.;

■ pre-refunded municipal obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

■ tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

■ an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

■ Iowa Public Agency Investment Trust.

• "Project Fund" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Notes.

• "Registrar" shall mean the Director of Finance of the City of Indianola, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.

• "Resolution" shall mean this resolution authorizing the issuance of the Notes.

• "Secretary" shall mean the Secretary of the Board of Trustees of the Indianola Municipal Utilities, or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.

• "System" shall mean the Municipal Communications Utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles.

• "Tax Exemption Certificate" shall mean the Tax Exemption Certificate executed by the Treasurer and delivered at the time of issuance and delivery of the Notes.

- "Treasurer" shall mean the Director of Finance of the City or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

- "Yield Restricted" shall mean required to be invested at a yield that is not materially higher than the yield on the Notes under section 148 (a) of the Internal Revenue Code or regulations issued thereunder.

Section 2. Authority. The Loan Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A and 384.83, of the City Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Loan Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Chairperson and attested by the Secretary of the Board of Trustees.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, fully registered Communications Utility Revenue Capital Loan Notes of the City of Indianola, in the County of Warren, State of Iowa, in the aggregate amount of $6,287,000, for the purpose of paying costs of improvements and extensions to the Municipal Communications Utility, including acquisition, installation and construction of digital setup boxes, head-end equipment, middleware, provisioning systems, billing systems, vehicles, transfer connection, and other miscellaneous improvements, extensions and equipment purchases to benefit the utility.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the net earnings of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the net revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Communications Utility Revenue Capital Loan Notes, Series 2017A, of the City in the amount of $6,287,000, shall be issued to evidence the obligations of the Issuer under the Loan Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the City Code of Iowa for the aforesaid purpose. The Notes shall be designated "$6,287,000 COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017A", be dated August 10, 2017, and bear interest from the date of each advance thereunder, until payment thereof, at the office of the Paying Agent, such interest payable on June 30, 2018, and semiannually thereafter on the 1st day of December and June in each year until maturity at the rates hereinafter provided. The Notes shall be initially issued as a single note payable to the Lender.

The Notes shall be executed by the manual or facsimile signature of the Chairperson and attested by the manual or facsimile signature of the Secretary of the Board of Trustees, and impressed or printed with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check to the registered owner of the Note. The Notes shall be in the denomination of $100,000 or integral multiples of $1,000 in excess thereof.

The Lender will make advances under the Notes upon the request from time to time of the Issuer to pay or reimburse the Issuer for payment of Project costs, costs of issuance and capitalized interest. Interest through June 1, 2019, may be capitalized through advances under the Note. There shall be an initial advance at the time of closing, on the Note Date of the Notes, in an amount no less than $50,001 or the costs of issuance, whichever is greater.

Advances of principal in an amount not exceeding $6,287,000 may be made under the Notes from time to time in accordance with this Resolution beginning on the Note Date and continuing through June 1, 2020 (the "Draw Period"). The amount and date of each advance shall be noted by the Lender on Schedule I attached to the Notes or in the internal records of Lender.

The Notes shall mature and bear interest as follows:

Term Note #1

Principal Amount*	Interest Rate	Maturity June 1st
$70,000	4.000%	2020
$140,000	4.000%	2021
$200,000	4.000%	2022
$488,000	4.000%	2023
$508,000	4.000%	2024
$528,000	**	2025
$550,000	**	2026
$572,000	**	2027
$596,000	**	2028
$620,000	**	2029
$645,000	**	2030
$671,000	**	2031
$699,000	**	2032***

* If less than $6,287,000 is advanced under the Notes, the annual principal payments shall be prorated at the end of the Draw Period to reflect the total amount advanced under the Notes. For example, if $6,000,000 is advanced under the Notes, the June 1, 2020 maturity shall be $66,804.52, which equals $70,000 x ($6,000,000/$6,287,000).

** The interest rate will be 4.00% through June 1, 2024, at which time the rate will adjust to the "Adjusted Interest Rate" (as defined herein).

*** Final maturity.

On the final Maturity Date, all remaining outstanding principal of the Notes plus accrued interest thereon shall be immediately due and payable.

Interest Rate: The outstanding principal of the Notes shall bear interest at the initial rate (the "Initial Interest Rate") of 4.00% per annum from the date of each advance under the Notes until June 1, 2024. The Interest Rate on the Notes will be adjusted on June 1, 2024 (the "Interest Adjustment Date"), to a rate (the "Adjusted Interest Rate") per annum equal to 250 basis points (2.50%) over the 7-year U.S. Treasury Constant Maturities, as released by the Board of Governors of the Federal Reserve System posted on the World Wide Web at http://www.federalreserve.gov/releases/h15/current/, under the heading "H.15 Selected Interest Rates", or any successor heading, on the Interest Adjustment Date. In the event that the Adjusted Interest Rate cannot be ascertained due to changes in reports, publications, market conditions or regulatory requirements, then the Lender shall select a substitute rate or index that is reasonably equivalent to the Adjusted Interest Rate and published in the Wall Street Journal.

Section 6. Redemption. Notes may be called for optional redemption by the Issuer and paid before maturity on any date, from any funds regardless of source, in whole or from time to time in part, and in any order of maturity. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give such notice by mail to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Section 7. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Director of Finance of the City of Indianola, Iowa, is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the

Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentment of Notes. In the event any payment check representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

(g) Registration and Transfer Fees. The Registrar may furnish to each owner, at the Issuer's expense, one note for each annual maturity. The Registrar shall furnish additional Notes in lesser denominations (but not less than the minimum denomination) to an owner who so requests.

Section 8. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 9. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Notes, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Payment of principal shall only be made upon surrender of the Notes to the Paying Agent.

Section 10. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Chairperson and Secretary shall execute and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 11. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered Noteholder.

Section 12. <u>Form of Note</u>. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

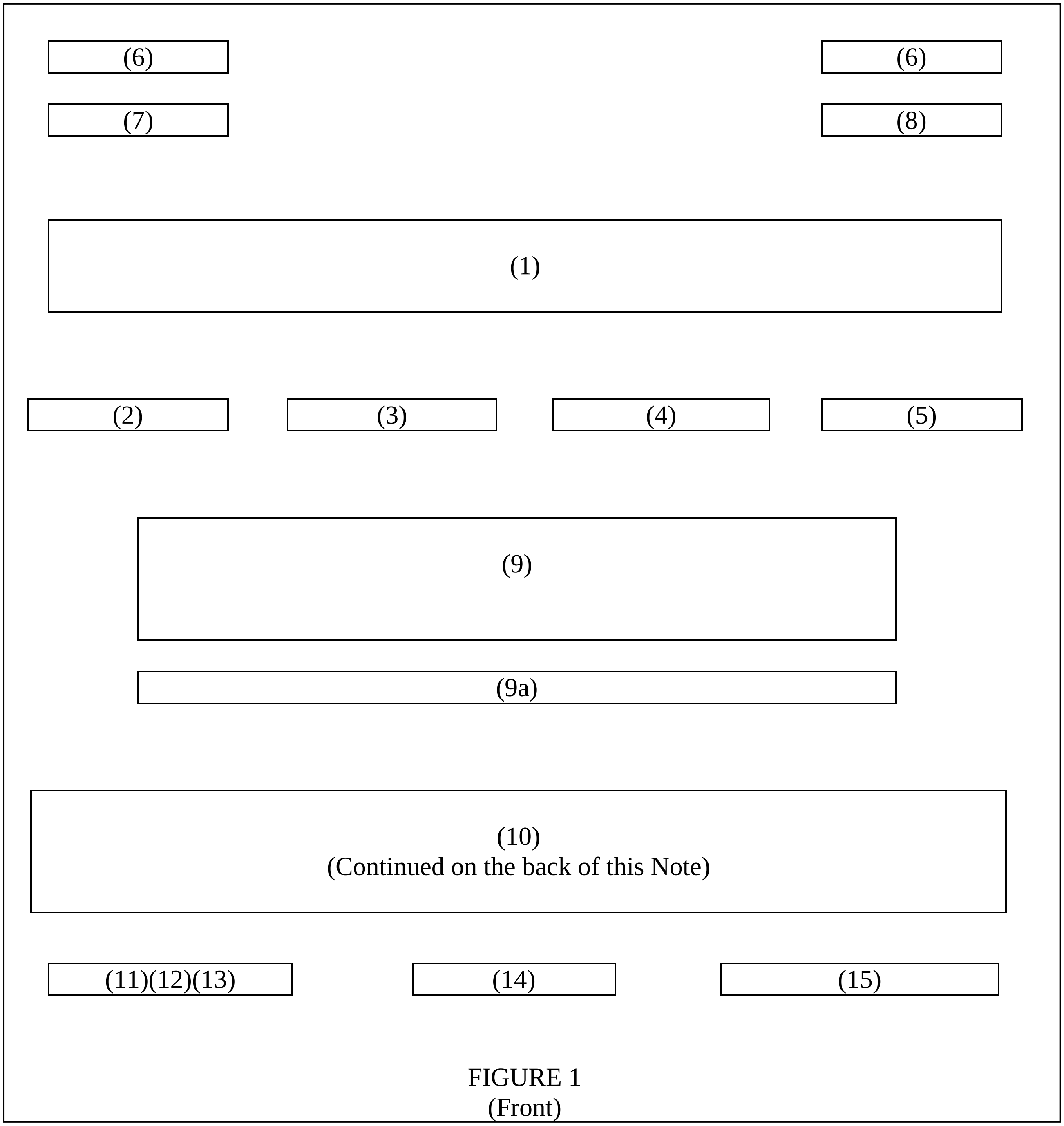

FIGURE 1
(Front)

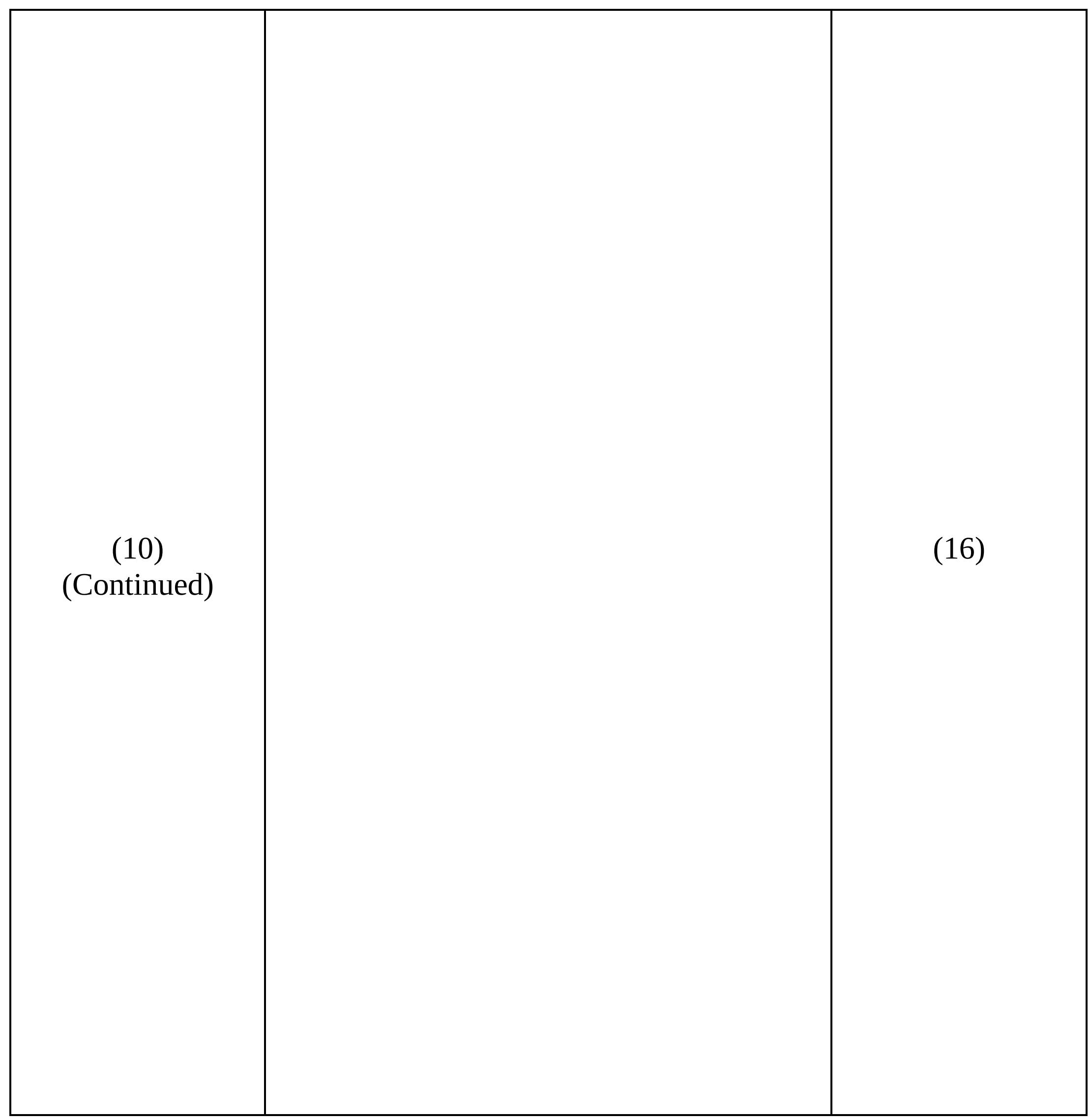

FIGURE 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1= "STATE OF IOWA"
"COUNTY OF WARREN"
"CITY OF INDIANOLA"
"COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTE"
"SERIES 2017A"

Item 2, figure 1 = Rate: Variable
Item 3, figure 1 = Maturity: June 1, 2032
Item 4, figure 1 = Note Date: August 10, 2017
Item 5, figure 1 = CUSIP No.: N/A
Item 6, figure 1 = "Registered"
Item 7, figure 1 = Note No. 1
Item 8, figure 1 = Principal Amount: $6,287,000

Item 9, figure 1= The City of Indianola, State of Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

Item 9A, figure 1 = (Registration panel to be completed by Registrar or Printer with name of Registered Owner).

Item 10, figure 1 = or registered assigns, the principal sum of SIX MILLION, TWO HUNDRED EIGHTY-SEVEN THOUSAND DOLLARS or such amount as shall be advanced and outstanding hereunder, in lawful money of the United States of America, on the maturity date shown above, only upon presentation and surrender hereof at the office of the Director of Finance of the City of Indianola, Iowa, Paying Agent of this issue, or its successor, with interest on the outstanding principal balance from the date of each advance hereunder until paid at the rate per annum specified herein, payable on June 1, 2018, and semiannually thereafter on the 1st day of December and June in each year until maturity at the rates hereinafter provided.

The Lender will make advances under this Note upon the request from time to time of the Issuer to pay or reimburse the Issuer for payment of Project costs, costs of issuance and capitalized interest. Interest through June 1, 2019, may be capitalized through advances under the Note. There shall be an initial advance on the Note Date, in an amount no less than $50,001 or the costs of issuance, whichever is greater.

Advances of principal in an amount not exceeding $6,287,000 may be made under this Note from time to time in accordance with the Resolution beginning on the Note Date and continuing through June 1, 2020. The amount and date of each advance shall be noted by the Lender on Schedule I attached to the Note or in the internal records of Lender.

The Notes shall mature and bear interest as follows:

Term Note #1

Principal Amount*	Interest Rate	Maturity June 1st
$70,000	4.000%	2020
$140,000	4.000%	2021
$200,000	4.000%	2022
$488,000	4.000%	2023
$508,000	4.000%	2024
$528,000	**	2025
$550,000	**	2026
$572,000	**	2027
$596,000	**	2028
$620,000	**	2029
$645,000	**	2030
$671,000	**	2031
$699,000	**	2032***

* If less than $6,287,000 is advanced under the Notes, the annual principal payments shall be prorated at the end of the Draw Period to reflect the total amount advanced under the Notes. For example, if $6,000,000 is advanced under the Notes, the June 1, 2020 maturity shall be $66,804.52, which equals $70,000 x ($6,000,000/$6,287,000).

** The interest rate will be 4.00% through June 1, 2024, at which time the rate will adjust to the "Adjusted Interest Rate" (as defined herein).

*** Final maturity.

On the final Maturity Date, all remaining outstanding principal of the Notes plus accrued interest thereon shall be immediately due and payable.

Interest Rate: The outstanding principal of the Notes shall bear interest at the initial rate (the "Initial Interest Rate") of 4.00% per annum from the date of each advance under the Notes until June 1, 2024. The Interest Rate on the Notes will be adjusted on June 1, 2024 (the "Interest Adjustment Date"), to a rate (the "Adjusted Interest Rate") per annum equal to 250 basis points (2.50%) over the 7-year U.S. Treasury Constant Maturities, as released by the Board of Governors of the Federal Reserve System posted on the World Wide Web at http://www.federalreserve.gov/releases/h15/current/, under the heading "H.15 Selected Interest Rates", or any successor heading, on the Interest Adjustment Date. In the event that the Adjusted Interest Rate cannot be ascertained due to changes in reports, publications, market conditions or regulatory requirements, then the Lender shall select a substitute rate or index that is reasonably equivalent to the Adjusted Interest Rate and published in the Wall Street Journal.

Interest on the Note shall be computed on the basis of a year of 360 days consisting of 12 months of 30 days each.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the City Code of Iowa, for the purpose of paying costs of improvements and extensions to the Municipal Communications Utility, including acquisition, installation and construction of digital setup boxes, head-end equipment, middleware, provisioning systems, billing systems, vehicles, transfer connection, and other miscellaneous improvements, extensions and equipment purchases to benefit the utility, and in order to evidence the obligations of the Issuer under a certain Loan Agreement dated August 10, 2017, in conformity to a Resolution of the Board of Trustees of the Indianola Municipal Utilities of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional Notes or Bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above described Loan Agreement and Resolution.

This Note may be called for redemption by the Issuer and paid before maturity on any date, from any funds regardless of source, in whole or from time to time in part, and in any order of maturity. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give such notice by mail to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the Director of Finance of the City of Indianola, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, other obligations ranking on a parity therewith, and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Note Resolution and Loan Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the Municipal Communications Utility (the "System"), as defined and provided in the Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by the System in each year for the payment of the proper and reasonable expenses of operation and maintenance of the System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other Obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of the Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, the City by its Board of Trustees of the Indianola Municipal Utilities has caused this Note to be signed by the manual or facsimile signature of its Chairperson and attested by the manual or facsimile signature of its Secretary, with the seal of the Board printed or impressed hereon, and authenticated by the manual signature of an authorized representative of the Registrar, the Director of Finance of the City of Indianola, Iowa.

Item 11, figure 1 = Date of Authentication:
Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the Director of Finance of the City of Indianola, Iowa

DIRECTOR OF FINANCE OF THE CITY OF INDIANOLA, IOWA, Registrar

By: ______________________________

Authorized Signature

Item 13, figure 1 = Registrar and Transfer Agent: Director of Finance of the City of Indianola, Iowa
Paying Agent: Director of Finance of the City of Indianola, Iowa

SEE REVERSE FOR CERTAIN DEFINITIONS

Item 14, figure 1 = (Seal)
Item 15, figure 1 = (Signature Block)

CITY OF INDIANOLA, BY AND THROUGH ITS BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES, STATE OF IOWA

By: (manual or facsimile signature)

Chairperson of the Board of Trustees

ATTEST:

By: ______________(manual or facsimile signature)______________
Secretary of the Board of Trustees

Item 17, figure 1 = (Assignment Block)
(Information Required for Registration)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto __________________________ (Social Security or Tax Identification No. ________________) the within Note and does hereby irrevocably constitute and appoint __________________________ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated this ___________ day of ________________,______.

____

____
(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED) ____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the Certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) ______________________________
Address of Transferee(s) ______________________________
Social Security or Tax Identification
Number of Transferee(s) ______________________________
Transferee is a(n):
Individual* ______________ Corporation ______________
Partnership ______________ Trust ______________

* If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with rights of survivorship and not as tenants in common
IA UNIF TRANS MIN ACT - .... Custodian ....
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act..................
(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE ABOVE LIST

SCHEDULE I

Date of Advance	Amount of Advance	Lender's Initials

______________________ ______________________ ______________________
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Section 13. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number or time of sale or delivery; and the revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 14. Application of Note Proceeds – Project Fund. Proceeds of the Notes shall be applied as follows:

- An amount equal to accrued interest shall be deposited in the Sinking Fund for application to the first payment of interest on the Notes.

- The balance of the proceeds shall be deposited to the Project Fund and expended therefrom for the purposes of issuance.

The Project Fund shall be invested in accordance with Section 18 of this Resolution. Earnings on investments of the Project Fund shall be deposited in and expended from the Project Fund. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 15. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. So long as the Notes are outstanding and unpaid the rates or charges to consumers of services of the System shall be sufficient in each year for the payment of the proper and reasonable expenses of operation and maintenance of the System and for the payment of principal and interest on the Notes and Parity Obligations as the same fall due, and to provide for the creation of reserves as hereinafter provided.

Any revenues paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 16. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Communications Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

(a) Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Communications Revenue Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.

(b) Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay the principal and interest requirements of the Fiscal Year on the Notes and Parity Obligations. The fund shall be known as the Communications Revenue Note and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be the equal monthly amount necessary to pay in full the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus the equal monthly amount necessary to pay in full the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

(c) Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.

(d) Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which the funds are listed, on a cumulative basis on the l0th day of each month, or on the next succeeding business day when the l0th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of the funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full. The provisions of this Section shall not be construed to require the Issuer to maintain separate bank accounts for the funds created by this Section; except the Sinking Fund and the Reserve Fund shall be maintained in a separate account but may be invested in conjunction with other funds of the City but designated as a trust fund on the books and records of the City.

Section 17. Outstanding Obligations. Nothing in this Resolution shall be construed to impair the rights vested in the Outstanding Obligations. The amounts herein required to be paid into the various funds named in this Resolution shall be inclusive of payments required in respect to the Outstanding Obligations. The provisions of the resolution or resolutions referred to in Section 1 of this Resolution and the provisions of this Resolution are to be construed wherever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the resolution first adopted shall prevail until such time as the Notes authorized by the resolution have been paid in full or otherwise satisfied as therein provided at which time the provisions of this Resolution shall again prevail.

Section 18. Investments. All of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation or its equivalent successor, and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Chapter 12C of the Code of Iowa, 2017, as amended, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All such interim investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided but in no event maturing in more than three years in the case of the Reserve Fund.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

(a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.

(b) Sufficiency of Rates. On or before the beginning of each Fiscal Year commencing with Fiscal Year 2019/2020, the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year adequate to pay principal and interest requirements and create reserves as provided in this Resolution but not less than 110 percent of the principal and interest requirements of the Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and charges otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.

(c) Insurance. That the Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in the Revenue Fund.

(d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices, and will diligently act to cause the books and accounts to be audited annually and reported upon not later than 270 days after the end of each Fiscal Year by an Independent Auditor and will provide copies of the audit report to the holders of any of the Notes and Parity Obligations upon request. The holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

(e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply the revenues to the funds specified in this Resolution.

(f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, that this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes or Parity Obligations or for payments into the Sinking.

(g) Fidelity Bond. The Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Year. Copies of such budget and any amendments thereto shall be provided to the holders of any of the Notes upon request.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such Additional Obligations to the revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of refunding any outstanding Notes, Parity Obligations or general obligation notes or making extensions, additions, improvements or replacements to the System, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Secretary of the Board of Trustees, a statement of an Independent Auditor, independent financial consultant or a consulting engineer, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the Notes or Parity Obligations for both principal of and interest on all Notes and Parity Obligations then outstanding which are payable from the net earnings of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an Independent Auditor, independent financial consultant or a consulting engineer, not a regular employee of the Issuer, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Obligations been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of Additional Obligations.

Section 22. Disposition of Proceeds; Arbitrage Not Permitted. The Issuer reasonably expects and covenants that no use will be made of the proceeds from the issuance and sale of the Notes issued hereunder which will cause any of the Notes to be classified as arbitrage bonds within the meaning of Section 148(a) and (b) of the Internal Revenue Code of the United States, and that throughout the term of the Notes it will comply with the requirements of such statute and regulations issued thereunder.

To the best knowledge and belief of the Issuer, there are no facts or circumstances that would materially change the foregoing statements or the conclusion that it is not expected that the proceeds of the Notes will be used in a manner that would cause the Notes to be arbitrage notes. Without limiting the generality of the foregoing, the Issuer hereby agrees to comply with the provisions of the Tax Exemption Certificate and the provisions of the Tax Exemption Certificate are hereby incorporated by reference as part of this Resolution. The Treasurer is hereby directed to make and insert all calculations and determinations necessary to complete the Tax Exemption Certificate in all respects and to execute and deliver the Tax Exemption Certificate at issuance of the Notes to certify as to the reasonable expectations and covenants of the Issuer at that date.

The Issuer covenants that it will treat as Yield Restricted any proceeds of the Notes remaining unexpended after three years from the issuance and any other funds required by the Tax Exemption Certificate to be so treated. If any investments are held with respect to the Notes and Parity Obligations, the Issuer shall treat the same for the purpose of restricted yield as held in proportion to the original principal amounts of each issue.

The Issuer covenants that it will exceed any investment yield restriction provided in this Resolution only in the event that it shall first obtain an opinion of recognized bond counsel that the proposed investment action will not cause the Notes to be classified as arbitrage bonds under Section 148(a) and (b) the Internal Revenue Code or regulations issued thereunder.

The Issuer covenants that it will proceed with due diligence to spend the proceeds of the Notes for the purpose set forth in this Resolution. The Issuer further covenants that it will make no change in the use of the proceeds available for the construction of facilities or change in the use of any portion of the facilities constructed therefrom by persons other than the Issuer or the general public unless it has obtained an opinion of bond counsel or a revenue ruling that the proposed project or use will not be of such character as to cause interest on any of the Notes not to be exempt from federal income taxes in the hands of holders other than substantial users of the project, under the provisions of Section 142(a) of the Internal Revenue Code of the United States, related statutes and regulations.

Section 23. Additional Covenants, Representations and Warranties of the Issuer. The Issuer certifies and covenants with the purchasers and holders of the Notes from time to time outstanding that the Issuer through its officers, (a) will make such further specific covenants, representations and assurances as may be necessary or advisable; (b) comply with all representations, covenants and assurances contained in the Tax Exemption Certificate, which Tax Exemption Certificate shall constitute a part of the contract between the Issuer and the owners of the Notes; (c) consult with bond counsel (as defined in the Tax Exemption

Certificate); (d) pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Notes; (e) file such forms, statements and supporting documents as may be required and in a timely manner; and (f) if deemed necessary or advisable by its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the Issuer in such compliance.

Section 24. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body for the payment of the obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which the obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any, that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Parity Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 25. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 26. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Notes and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any application provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to change the terms or provisions of this Resolution to the extent necessary to prevent the interest on the Notes or Parity Obligations from being includable within the gross income of the holders thereof for federal income tax purposes;

(c) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(d) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(e) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 27. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such refunding obligations as may have been issued for the purpose of refunding any of such Notes if such refunding obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity of interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the Secretary of the Board of Trustees.

Whenever at any time within one year from the date of the mailing of the notice there shall be filed with the Secretary of the Board of Trustees an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in the notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the Secretary of the Board of Trustees.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Section 28. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 29. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

ADOPTED AND APPROVED this __________ day of _______________, 2017.

____
Chairperson of the Board of Trustees

ATTEST:

____
Secretary of the Board of Trustees

CERTIFICATE

STATE OF IOWA)
) SS
COUNTY OF WARREN)

I, the undersigned Secretary of the Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of the Board of Trustees showing proceedings of the Board, and the same is a true and complete copy of the action taken by the Board with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board (a copy of the face sheet of such agenda being attached hereto) pursuant to the local rules of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required such law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Board hereto affixed this ___________ day of ________________, 2017.

____
Secretary of the Board of Trustees of the
Indianola Municipal Utilities

(SEAL)

IMU Regular Downstairs **7.A.2.**

Meeting Date: 07/24/2017

Information

Subject

Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes

Information

In your packet is the resolution authorizing a form of loan agreement and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes.

Roll call is in order.

Fiscal Impact

Attachments

No file(s) attached.

IMU Regular Downstairs **7.B.**
Meeting Date: 07/24/2017

Information

Subject

$3,000,000 Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B

Information

In your packet is the informational letter from Ahlers & Cooney regarding the procedures to approve and authorize a loan agreement and provide for the issuance of Capital Loan Notes and providing for a method of payment of the Notes.

Fiscal Impact

Attachments

Letter

AHLERS COONEY
ATTORNEYS

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Attorneys at Law
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July 17, 2017

Indianola Municipal Utilities
Chris DesPlanques
Finance Director
111 South Buxton
P.O. Box 356
Indianola, Iowa 50125

Re: Indianola Municipal Utilities, City of Indianola, State of Iowa
$3,000,000 Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B

Dear Chris:

Enclosed are documents to complete Board action in connection with the authorization for the issuance of the above Notes.

1. The Board procedure consists of the following:

(a) Resolution authorizing the issuance of the Notes.

There are blank spaces appearing in the form of Note set out in the resolution. These need not be completed but may be left blank as a guide since different amounts, dates and percents will be inserted within the blank spaces.

The resolution must be adopted by an affirmative vote equal to a majority of the full Board membership.

2. Closing Certificates and Documents:

(a) Loan Agreement. Please execute all copies and return the same to our office. Please return the "Complete and Return" copy to us prior to closing.

(b) Purchase Agreement. Please execute all copies and return the same to our office. Please return the "Complete and Return" copy to us prior to closing.

(c) Original Notes No. 1, inclusive. The Note is enclosed to be executed by the Chairperson and the Secretary in the spaces provided and impressed with the City's seal. The Date of Authentication will be the date of closing. Tags are attached to Note

No. 1 showing where signatures, seals and dates should appear on all Notes. Please have the executed Notes returned to us as soon as possible so that they can be forwarded to the Purchaser prior to closing.

(d) Delivery Certificate. This certificate also should be signed, BUT NOT DATED. Please complete and confirm the financial data on page 2, execute and return all copies to us. An executed copy will be provided to you after closing.

(e) Transcript Certificate. This certificate is to be executed and sealed in the manner indicated on the second page and may be dated at the time of completion. A notary attestation for all official signatures is required. Please execute and return all copies to us. An executed copy will be provided to you after closing.

(f) Board of Trustees Certificate. The City Clerk should complete and execute this Certificate. Please return the "Complete and Return" copy.

(g) Board of Trustees Organization Certificate. This Certificate shows the term of office for each Board Member. Please have the Mayor and City Clerk execute this Certificate. Please return the "Complete and Return" copy to my attention.

Closing Matters.

As you know, closing of this issue is scheduled to occur on August 10, 2017. At the time of closing, the "Purchaser's" copies of the above items and the original Note will be delivered to the Purchaser of the Note in exchange for the agreed purchase price. Our legal opinion also will be delivered to the Purchaser at that time.

Should you have any questions, or if we can be of any assistance in completing the enclosed items, please don't hesitate to contact me.

Very truly yours,

AHLERS & COONEY, P.C.

By

Steven M. Nadel

SMN:ke
Enclosure

cc: Diana Bowlin
Michael Maloney, D.A. Davidson & Co.

01384081-1\10616-030

Information

Subject

Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes

Information

In your packet is the resolution authorizing a form of loan agreement and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes.

Roll call is in order.

Fiscal Impact

Attachments

Resolution
Loan Agreement

(This Notice to be posted)

NOTICE AND CALL OF PUBLIC MEETING

Governmental Body:	The Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa.
Date of Meeting:	July 24, 2017.
Time of Meeting:	__________ o'clock _____.M.
Place of Meeting:	Council Chambers, City Hall, Indianola, Iowa.

PUBLIC NOTICE IS HEREBY GIVEN that the above mentioned governmental body will meet at the date, time and place above set out. The tentative agenda for the meeting is as follows:

$3,000,000 Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B.

- Resolution approving and authorizing a form of Loan Agreement and authorizing and providing for the issuance of Capital Loan Notes and providing for a method of payment of the Notes.

Such additional matters as are set forth on the additional ______ page(s) attached hereto.
(number)

This notice is given at the direction of the Chairperson pursuant to Chapter 21, Code of Iowa, and the local rules of the governmental body.

____
Secretary of the Board of Trustees of the
Indianola Municipal Utilities, City of Indianola,
State of Iowa

July 24, 2017

The Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa, met in ________________ session, in the Council Chambers, City Hall, Indianola, Iowa, at __________ o'clock _____.M., on the above date. There were present Chairperson ________________, in the chair, and the following named Board Members:

____

____

Absent: ____

* * * * * * *

Board Member ____________________ introduced the following Resolution entitled "A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $3,000,000 TAXABLE COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017B, OF THE CITY OF INDIANOLA, STATE OF IOWA, UNDER THE PROVISIONS OF THE CITY CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF THE NOTES ", and moved its adoption. Board Member ____________________ seconded the motion to adopt. The roll was called and the vote was:

AYES: ____

____

NAYS: ____

Whereupon the Chairperson declared the following Resolution duly adopted:

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF LOAN AGREEMENT AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF $3,000,000 TAXABLE COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017B, OF THE CITY OF INDIANOLA, STATE OF IOWA, UNDER THE PROVISIONS OF THE CITY CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF THE NOTES

WHEREAS, the Board of Trustees of the Indianola Municipal Utilities of the City of Indianola, State of Iowa, sometimes hereinafter referred to as the "Issuer", has heretofore established charges, rates and rentals for services which are and will continue to be collected as system revenues of the Municipal Communications Utility, sometimes hereinafter referred to as the "System", and the revenues have not been pledged and are available for the payment of Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, subject to the following premises; and

WHEREAS, Issuer proposes to issue its Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, to the extent of $3,000,000, for the purpose of defraying the costs of the project as set forth in Section 3 of this Resolution; and, it is deemed necessary and advisable and in the best interests of the City that a form of Loan Agreement be approved and authorized; and

WHEREAS, the notice of intention of Issuer to take action for the issuance of $3,000,000 Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, has heretofore been duly published and no objections to such proposed action have been filed:

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES, CITY OF INDIANOLA, IN THE COUNTY OF WARREN, STATE OF IOWA:

Section 1. Definitions. The following terms shall have the following meanings in this Resolution unless the text expressly or by necessary implication requires otherwise:

- "Additional Obligations" shall mean any Communications Utility Revenue notes or bonds issued on a parity with the Notes in accordance with the provisions of this Resolution.

- "Fiscal Year" shall mean the twelve-month period beginning on July 1 of each year and ending on the last day of June of the following year, or any other consecutive twelve-month period adopted by the Governing Body or by law as the official accounting period of the System. Requirements of a Fiscal Year as expressed in this Resolution shall exclude any payment of principal or interest falling due on the first day of the Fiscal Year and include any payment of principal or interest falling due on the first day of the succeeding Fiscal Year, except to the extent of any conflict with the terms of the Outstanding Bonds while the same remain outstanding.

- "Governing Body" shall mean the Board of Trustees of the Indianola Municipal Utilities of the City, or its successor in function with respect to the operation and control of the System.

- "Independent Auditor" shall mean an independent firm of Certified Public Accountants or the Auditor of State.

- "Issuer" and "City" shall mean the City of Indianola, by and through the Board of Trustees of the Indianola Municipal Utilities, State of Iowa.

- “Lender” shall mean the original Purchaser.

- "Loan Agreement" shall mean a Loan Agreement between the Issuer and a lender or lenders in substantially the form attached to and approved by this Resolution.

- "Net Revenues" shall mean gross earnings of the System after deduction of current expenses; "Current Expenses" shall mean and include the reasonable and necessary cost of operating, maintaining, repairing and insuring the System, including purchases at wholesale, if any, salaries, wages, and costs of materials and supplies but excluding depreciation and principal of and interest on the Notes and any Parity Obligations or payments to the various funds established herein; capital costs, depreciation and interest or principal payments are not System expenses.

- “Note Date” shall mean August 10, 2017.

- "Notes" shall mean $3,000,000 Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, authorized to be issued by this Resolution.

- "Original Purchaser" shall mean Cedar Rapids Bank & Trust of Cedar Rapids, Iowa, the purchaser of the Notes from Issuer at the time of their original issuance.

- "Outstanding Obligations" shall mean the Communications Utility Revenue Capital Loan Notes, Series 2017A, dated August 10, 2017, issued contemporaneously with the Notes in accordance with a Resolution adopted July 24, 2017, not to exceed $6,287,000 of which obligations are still outstanding and unpaid and remain a lien on the Net Revenues of the System. For the avoidance of doubt, the principal amount of the Series 2017A Notes will be advanced on a draw down basis and the total principal amount advanced under the Series 2017A Notes shall be outstanding obligations on parity with the total principal amount advanced under the Notes.

- "Parity Obligations" shall mean Communications Utility Revenue notes, bonds or other obligations payable solely from the Net Revenues of the System on an equal basis with the Notes herein authorized to be issued, and shall include Additional Obligations as authorized to be issued under the terms of this Resolution and the Outstanding Obligations.

- "Paying Agent" shall mean the Director of Finance of the City of Indianola, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein as Issuer's agent to provide for the payment of principal of and interest on the Notes as the same shall become due.

- "Permitted Investments" shall mean:

    ■ direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America;

    ■ obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:

        – Export - Import Bank
        – Farm Credit System Financial Assistance Corporation
        – USDA Rural Development
        – General Services Administration
        – U.S. Maritime Administration
        – Small Business Administration
        – Government National Mortgage Association (GNMA)
        – U.S. Department of Housing & Urban Development (FHA's)
        – Federal Housing Administration

■ repurchase agreements whose underlying collateral consists of the investments set out above if the Issuer takes delivery of the collateral either directly or through an authorized custodian. Repurchase agreements do not include reverse repurchase agreements;

■ senior debt obligations rated "AAA" by Standard & Poor's Corporation (S&P) or "Aaa" by Moody's Investors Service Inc. (Moody's) issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation;

■ U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P or "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

■ commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by S&P or "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

■ investments in a money market fund rated "AAAm" or "AAAm-G" or better by S&P, or "AAA" or "AA" by Moody's Investors Services, Inc.;

■ pre-refunded municipal obligations, defined as any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (a) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of S&P or Moody's or any successors thereto; or (b)(i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or direct obligations of the Department of the Treasury of the United States of America, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates specified in the irrevocable instructions referred to above, as appropriate;

- ■ tax exempt bonds as defined and permitted by section 148 of the Internal Revenue Code and applicable regulations and only if rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa;

- ■ an investment contract rated within the two highest classifications as established by at least one of the standard rating services approved by the superintendent of banking by rule adopted pursuant to chapter 17A Code of Iowa; and

- ■ Iowa Public Agency Investment Trust.

• "Project Fund" shall mean the fund required to be established by this Resolution for the deposit of the proceeds of the Notes.

• "Registrar" shall mean the Director of Finance of the City of Indianola, Iowa, or such successor as may be approved by Issuer as provided herein and who shall carry out the duties prescribed herein with respect to maintaining a register of the owners of the Notes. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Notes.

• "Resolution" shall mean this resolution authorizing the issuance of the Notes.

• "Secretary" shall mean the Secretary of the Board of Trustees of the Indianola Municipal Utilities, or such other officer of the successor Governing Body as shall be charged with substantially the same duties and responsibilities.

• "System" shall mean the Municipal Communications Utility of the Issuer and all properties of every nature hereinafter owned by the Issuer comprising part of or used as a part of the System, including all improvements and extensions made by Issuer while any of the Notes or Parity Obligations remain outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles.

• "Treasurer" shall mean the Director of Finance of the City or such other officer as shall succeed to the same duties and responsibilities with respect to the recording and payment of the Notes issued hereunder.

Section 2. Authority. The Loan Agreement and the Notes authorized by this Resolution shall be issued pursuant to Sections 384.24A and 384.83, of the City Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The Loan Agreement shall be substantially in the form attached to this Resolution and is authorized to be executed and issued on behalf of the Issuer by the Chairperson and attested by the Secretary of the Board of Trustees.

Section 3. Authorization and Purpose. There are hereby authorized to be issued, negotiable, fully registered Taxable Communications Utility Revenue Capital Loan Notes of the City of Indianola, in the County of Warren, State of Iowa, in the aggregate amount of $3,000,000, for the purpose of paying costs of improvements and extensions to the Municipal Communications Utility, including working capital during the construction, start-up period and initial operation of the expanded communications utility system.

Section 4. Source of Payment. The Notes herein authorized and Parity Obligations and the interest thereon shall be payable solely and only out of the net earnings of the System and shall be a first lien on the future Net Revenues of the System. The Notes shall not be general obligations of the Issuer nor shall they be payable in any manner by taxation and the Issuer shall be in no manner liable by reason of the failure of the net revenues to be sufficient for the payment of the Notes.

Section 5. Note Details. Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, of the City in the amount of $3,000,000, shall be issued to evidence the obligations of the Issuer under the Loan Agreement pursuant to the provisions of Sections 384.24A and 384.83 of the City Code of Iowa for the aforesaid purpose. The Notes shall be designated "$3,000,000 TAXABLE COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017B", be dated August 10, 2017, and bear interest from the date of each advance thereunder, until payment thereof, at the office of the Paying Agent, such interest payable on June 1, 2018, and semiannually thereafter on the 1st day of December and June in each year until maturity at the rates hereinafter provided. The Notes shall be initially issued as a single note payable to the Lender.

The Notes shall be executed by the manual or facsimile signature of the Chairperson and attested by the manual or facsimile signature of the Secretary of the Board of Trustees, and impressed or printed with the seal of the City and shall be fully registered as to both principal and interest as provided in this Resolution; principal, interest and premium, if any, shall be payable at the office of the Paying Agent by mailing of a check to the registered owner of the Note. The Notes shall be in the denomination of $100,000 or integral multiples of $1,000 in excess thereof.

The Lender will make advances under the Notes upon the request from time to time of the Issuer to pay or reimburse the Issuer for payment of Project costs, costs of issuance and capitalized interest. Interest through June 1, 2019, may be capitalized through advances under the Note. A loan initiation fee of $75,000 may be capitalized through an initial advance at the time of closing.

Advances of principal in an amount not exceeding $3,000,000 may be made under the Notes from time to time in accordance with this Resolution beginning on the Note Date and continuing through June 1, 2020 (the “Draw Period”). The amount and date of each advance shall be noted by the Lender on Schedule I attached to the Notes or in the internal records of Lender.

The Notes shall mature and bear interest as follows:

Term Note #1

Principal Amount*	Interest Rate	Maturity June 1st
$25,000	5.000%	2020
$75,000	5.000%	2021
$203,000	5.000%	2022
$213,000	5.000%	2023
$224,000	5.000%	2024
$236,000	**	2025
$248,000	**	2026
$260,000	**	2027
$274,000	**	2028
$288,000	**	2029
$302,000	**	2030
$318,000	**	2031
$334,000	**	2032***

* If less than $3,000,000 is advanced under the Notes, the annual principal payments shall be prorated at the end of the Draw Period to reflect the total amount advanced under the Notes. For example, if $2,400,000 is advanced under the Notes, the June 1, 2020 maturity shall be $20,000, which equals $25,000 x ($2,400,000/$3,000,000).

** The interest rate will be 5.00% through June 1, 2024, at which time the rate will adjust to the "Adjusted Interest Rate" (as defined herein).

*** Final maturity.

On the final Maturity Date, all remaining outstanding principal of the Notes plus accrued interest thereon shall be immediately due and payable.

Interest Rate: The outstanding principal of the Notes shall bear interest at the initial rate (the "Initial Interest Rate") of 5.00% per annum from the date of each advance under the Notes until June 1, 2024. The Interest Rate on the Notes will be adjusted on June 1, 2024 (the "Interest Adjustment Date"), to a rate (the "Adjusted Interest Rate") per annum equal to 350 basis points (3.50%) over the 7-year U.S. Treasury Constant Maturities, as released by the Board of Governors of the Federal Reserve System posted on the World Wide Web at http://www.federalreserve.gov/releases/h15/current/, under the heading "H.15 Selected Interest Rates", or any successor heading, on the Interest Adjustment Date. In the event that the Adjusted Interest Rate cannot be ascertained due to changes in reports, publications, market conditions or regulatory requirements, then the Lender shall select a substitute rate or index that is reasonably equivalent to the Adjusted Interest Rate and published in the Wall Street Journal.

Section 6. Redemption. Notes may be called for optional redemption by the Issuer and paid before maturity on any date, from any funds regardless of source, in whole or from time to time in part, and in any order of maturity. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give such notice by mail to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Section 7. Registration of Notes; Appointment of Registrar; Transfer; Ownership; Delivery; and Cancellation.

(a) Registration. The ownership of Notes may be transferred only by the making of an entry upon the books kept for the registration and transfer of ownership of the Notes, and in no other way. The Director of Finance of the City of Indianola, Iowa, is hereby appointed as Note Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Notes for the payment of principal of and interest on the Notes as provided in this Resolution. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Notes and in this Resolution.

(b) Transfer. The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of Notes and only upon surrender thereof at the office of the Registrar together with an assignment duly executed by the holder or his duly authorized attorney in fact in such form as shall be satisfactory to the Registrar, along with the address and social security number or federal employer identification number of such transferee (or, if registration is to be made in the name of multiple individuals, of all such transferees). In the event that the address of the registered owner of a Note (other than a registered owner which is the nominee of the broker or dealer in question) is that of a broker or dealer, there must be disclosed on the Registration Books the information pertaining to the registered owner required above. Upon the transfer of any such Note, a new fully registered Note, of any denomination or denominations permitted by this Resolution in aggregate principal amount equal to the unmatured and unredeemed principal amount of such transferred fully registered Note, and bearing interest at the same rate and maturing on the same date or dates shall be delivered by the Registrar.

(c) Registration of Transferred Notes. In all cases of the transfer of the Notes, the Registrar shall register, at the earliest practicable time, on the Registration Books, the Notes, in accordance with the provisions of this Resolution.

(d) Ownership. As to any Note, the person in whose name the ownership of the same shall be registered on the Registration Books of the Registrar shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Notes and the premium, if any, and interest thereon shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note, including the interest thereon, to the extent of the sum or sums so paid.

(e) Cancellation. All Notes which have been redeemed shall not be reissued but shall be cancelled by the Registrar. All Notes which are cancelled by the Registrar shall be destroyed and a Certificate of the destruction thereof shall be furnished promptly to the Issuer; provided that if the Issuer shall so direct, the Registrar shall forward the cancelled Notes to the Issuer.

(f) Non-Presentment of Notes. In the event any payment check representing payment of principal of or interest on the Notes is returned to the Paying Agent or if any note is not presented for payment of principal at the maturity or redemption date, if funds sufficient to pay such principal of or interest on Notes shall have been made available to the Paying Agent for the benefit of the owner thereof, all liability of the Issuer to the owner thereof for such interest or payment of such Notes shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the owner of such Notes who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Resolution or on, or with respect to, such interest or Notes. The Paying Agent's obligation to hold such funds shall continue for a period equal to two years and six months following the date on which such interest or principal became due, whether at maturity, or at the date fixed for redemption thereof, or otherwise, at which time the Paying Agent, shall surrender any remaining funds so held to the Issuer, whereupon any claim under this Resolution by the Owners of such interest or Notes of whatever nature shall be made upon the Issuer.

(g) Registration and Transfer Fees. The Registrar may furnish to each owner, at the Issuer's expense, one note for each annual maturity. The Registrar shall furnish additional Notes in lesser denominations (but not less than the minimum denomination) to an owner who so requests.

Section 8. Reissuance of Mutilated, Destroyed, Stolen or Lost Notes. In case any outstanding Note shall become mutilated or be destroyed, stolen or lost, the Issuer shall at the request of Registrar authenticate and deliver a new Note of like tenor and amount as the Note so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Note to Registrar, upon surrender of such mutilated Note, or in lieu of and substitution for the Note destroyed, stolen or lost, upon filing with the Registrar evidence satisfactory to the Registrar and Issuer that such Note has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing the Registrar and Issuer with satisfactory indemnity and complying with such other reasonable regulations as the Issuer or its agent may prescribe and paying such expenses as the Issuer may incur in connection therewith.

Section 9. Record Date. Payments of principal and interest, otherwise than upon full redemption, made in respect of any Notes, shall be made to the registered holder thereof or to their designated Agent as the same appear on the books of the Registrar on the 15th day of the month preceding the payment date. All such payments shall fully discharge the obligations of the Issuer in respect of such Notes to the extent of the payments so made. Payment of principal shall only be made upon surrender of the Notes to the Paying Agent.

Section 10. Execution, Authentication and Delivery of the Notes. Upon the adoption of this Resolution, the Chairperson and Secretary shall execute and deliver the Notes to the Registrar, who shall authenticate the Notes and deliver the same to or upon order of the Original Purchaser. No Note shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless the Registrar shall duly endorse and execute on such Note a Certificate of Authentication substantially in the form of the Certificate herein set forth. Such Certificate upon any Note executed on behalf of the Issuer shall be conclusive evidence that the Note so authenticated has been duly issued under this Resolution and that the holder thereof is entitled to the benefits of this Resolution.

Section 11. Right to Name Substitute Paying Agent or Registrar. Issuer reserves the right to name a substitute, successor Registrar or Paying Agent upon giving prompt written notice to each registered Noteholder.

Section 12. Form of Note. Notes shall be printed in substantial compliance with standards proposed by the American Standards Institute substantially in the form as follows:

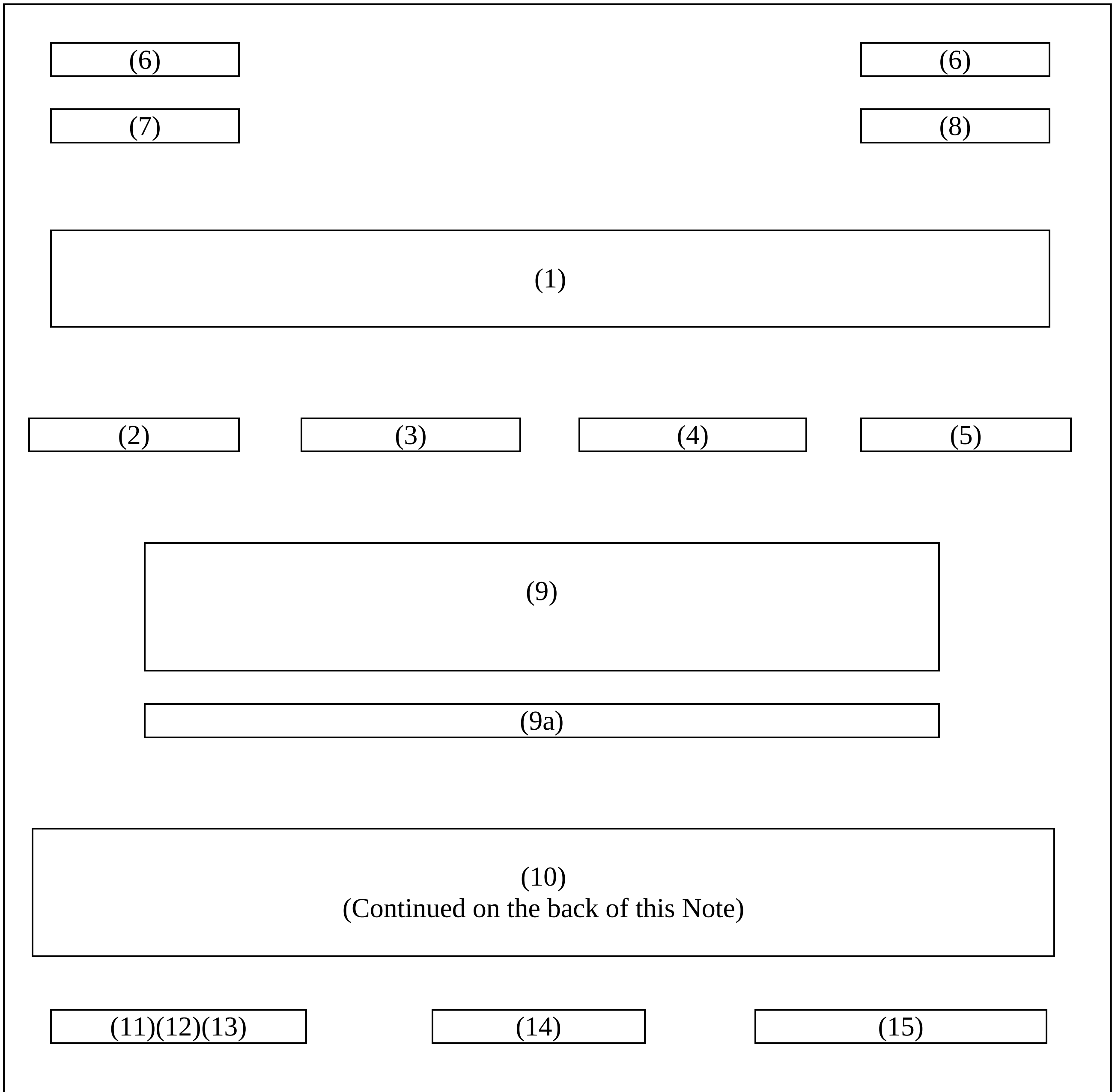

FIGURE 1
(Front)

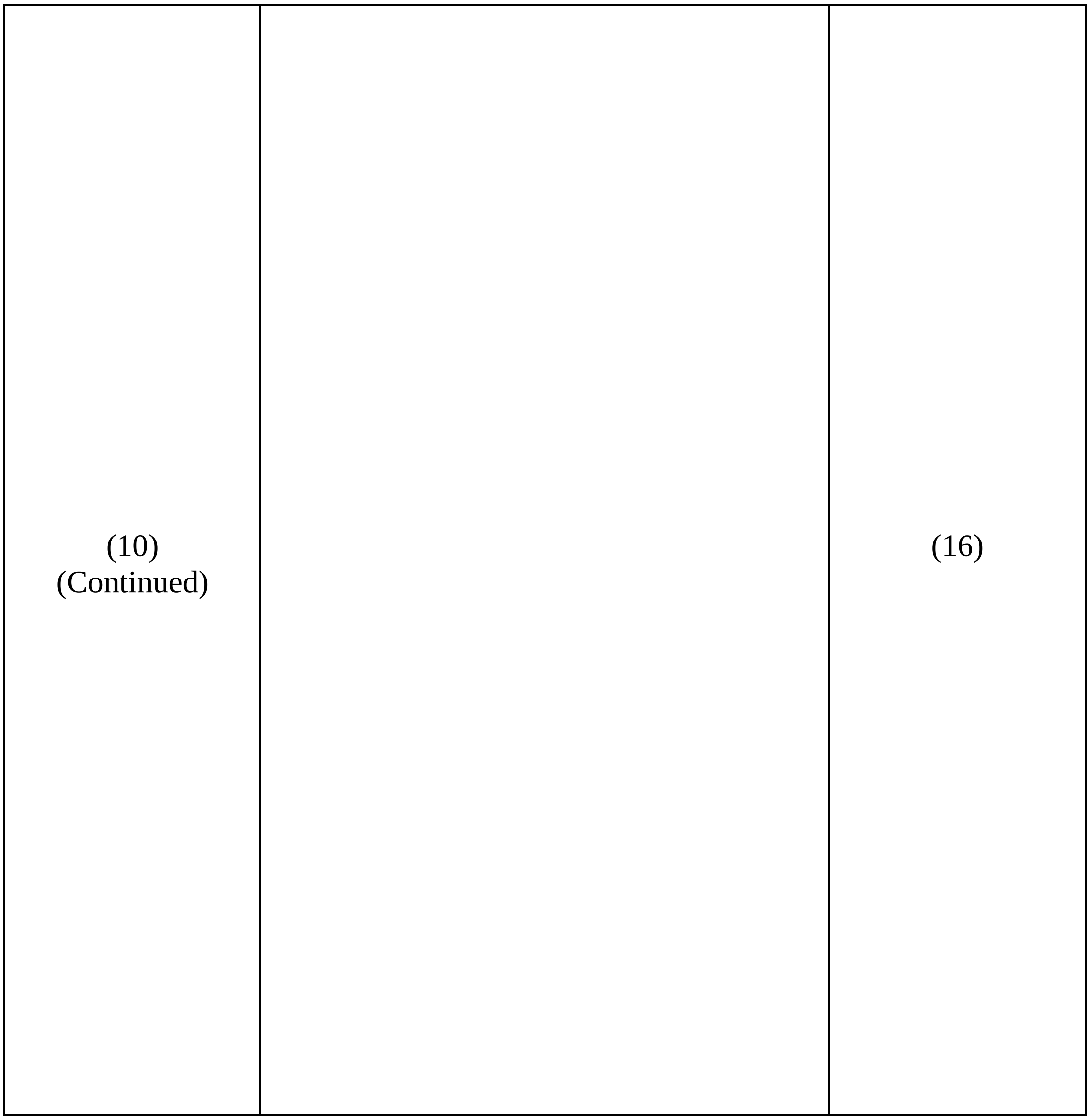

FIGURE 2
(Back)

The text of the Notes to be located thereon at the item numbers shown shall be as follows:

Item 1, figure 1=	"STATE OF IOWA" "COUNTY OF WARREN" "CITY OF INDIANOLA" "TAXABLE COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTE" "SERIES 2017B"
Item 2, figure 1 =	Rate: Variable
Item 3, figure 1 =	Maturity: June 1, 2032
Item 4, figure 1 =	Note Date: August 10, 2017
Item 5, figure 1 =	CUSIP No.: N/A
Item 6, figure 1 =	"Registered"
Item 7, figure 1 =	Note No. 1
Item 8, figure 1 =	Principal Amount: $3,000,000

Item 9, figure 1= The City of Indianola, State of Iowa, a municipal corporation organized and existing under and by virtue of the Constitution and laws of the State of Iowa (the "Issuer"), for value received, promises to pay from the source and as hereinafter provided, on the maturity date indicated above, to

Item 9A, figure 1 = (Registration panel to be completed by Registrar or Printer with name of Registered Owner).

Item 10, figure 1 = or registered assigns, the principal sum of THREE MILLION, DOLLARS or such amount as shall be advanced and outstanding hereunder, in lawful money of the United States of America, on the maturity date shown above, only upon presentation and surrender hereof at the office of the Director of Finance of the City of Indianola, Iowa, Paying Agent of this issue, or its successor, with interest on the outstanding principal balance from the date of each advance hereunder until paid at the rate per annum specified herein, payable on June 1, 2018, and semiannually thereafter on the 1st day of December and June in each year until maturity at the rates hereinafter provided.

THE HOLDERS OF THE NOTES SHOULD TREAT THE INTEREST AS SUBJECT TO FEDERAL INCOME TAXATION.

The Lender will make advances under this Note upon the request from time to time of the Issuer to pay or reimburse the Issuer for payment of Project costs, costs of issuance and capitalized interest. Interest through June 1, 2019, may be capitalized through advances under the Note.

Advances of principal in an amount not exceeding $3,000,000 may be made under this Note from time to time in accordance with the Resolution beginning on the Note Date and continuing through June 1, 2020. The amount and date of each advance shall be noted by the Lender on Schedule I attached to the Note or in the internal records of Lender.

The Notes shall mature and bear interest as follows:

Term Note #1

Principal Amount*	Interest Rate	Maturity June 1st
$25,000	5.000%	2020
$75,000	5.000%	2021
$203,000	5.000%	2022
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$236,000	**	2025
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$274,000	**	2028
$288,000	**	2029
$302,000	**	2030
$318,000	**	2031
$334,000	**	2032***

* If less than $3,000,000 is advanced under the Notes, the annual principal payments shall be prorated at the end of the Draw Period to reflect the total amount advanced under the Notes. For example, if $2,400,000 is advanced under the Notes, the June 1, 2020 maturity shall be $20,000, which equals $25,000 x ($2,400,000/$3,000,000).

** The interest rate will be 5.00% through June 1, 2024, at which time the rate will adjust to the "Adjusted Interest Rate" (as defined herein).

*** Final maturity.

On the final Maturity Date, all remaining outstanding principal of the Notes plus accrued interest thereon shall be immediately due and payable.

Interest Rate: The outstanding principal of the Notes shall bear interest at the initial rate (the "Initial Interest Rate") of 5.00% per annum from the date of each advance under the Notes until June 1, 2024. The Interest Rate on the Notes will be adjusted on June 1, 2024 (the "Interest Adjustment Date"), to a rate (the "Adjusted Interest Rate") per annum equal to 350 basis points (3.50%) over the 7-year U.S. Treasury Constant Maturities, as released by the Board of Governors of the Federal Reserve System posted on the World Wide Web at http://www.federalreserve.gov/releases/h15/current/, under the heading "H.15 Selected Interest Rates", or any successor heading, on the Interest Adjustment Date. In the event that the Adjusted Interest Rate cannot be ascertained due to changes in reports, publications, market conditions or regulatory requirements, then the Lender shall select a substitute rate or index that is reasonably equivalent to the Adjusted Interest Rate and published in the Wall Street Journal.

Interest on the Note shall be computed on the basis of a year of 360 days consisting of 12 months of 30 days each.

Interest and principal shall be paid to the registered holder of the Note as shown on the records of ownership maintained by the Registrar as of the 15th day of the month preceding such interest payment date.

This Note is issued pursuant to the provisions of Sections 384.24A and 384.83 of the City Code of Iowa, for the purpose of paying costs of improvements and extensions to the Municipal Communications Utility, including working capital during the construction, start-up period and initial operation of the expanded communications utility system, and in order to evidence the obligations of the Issuer under a certain Loan Agreement dated August 10, 2017, in conformity to a Resolution of the Board of Trustees of the Indianola Municipal Utilities of the City duly passed and approved. For a complete statement of the revenues and funds from which and the conditions under which this Note is payable, a statement of the conditions under which additional Notes or Bonds of equal standing may be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above described Loan Agreement and Resolution.

This Note may be called for redemption by the Issuer and paid before maturity on any date, from any funds regardless of source, in whole or from time to time in part, and in any order of maturity. The terms of redemption shall be par, plus accrued interest to date of call.

Thirty days' written notice of redemption shall be given to the registered owner of the Note. Failure to give such notice by mail to any registered owner of the Notes or any defect therein shall not affect the validity of any proceedings for the redemption of the Notes. All Notes or portions thereof called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the Director of Finance of the City of Indianola, Iowa, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar as designated below, together with an assignment duly executed by the owner hereof or his duly authorized attorney in the form as shall be satisfactory to the Registrar. Issuer reserves the right to substitute the Registrar and Paying Agent but shall, however, promptly give notice to registered Noteholders of such change. All Notes shall be negotiable as provided in Article 8 of the Uniform Commercial Code and subject to the provisions for registration and transfer contained in the Note Resolution.

This Note and the series of which it forms a part, other obligations ranking on a parity therewith, and any Additional Obligations which may be hereafter issued and outstanding from time to time on a parity with the Notes, as provided in the Note Resolution and Loan Agreement of which notice is hereby given and which are hereby made a part hereof, are payable from and secured by a pledge of the Net Revenues of the Municipal Communications Utility (the "System"), as defined and provided in the Resolution. There has heretofore been established and the City covenants and agrees that it will maintain just and equitable rates or charges for the use of and service rendered by the System in each year for the payment of the proper and reasonable expenses of operation and maintenance of the System and for the establishment of a sufficient sinking fund to meet the principal of and interest on this series of Notes, and other Obligations ranking on a parity therewith, as the same become due. This Note is not payable in any manner by taxation and under no circumstances shall the City be in any manner liable by reason of the failure of the Net Revenues to be sufficient for the payment hereof.

And it is hereby represented and certified that all acts, conditions and things requisite, according to the laws and Constitution of the State of Iowa, to exist, to be had, to be done, or to be performed precedent to the lawful issue of this Note, have been existent, had, done and performed as required by law.

IN TESTIMONY WHEREOF, the City by its Board of Trustees of the Indianola Municipal Utilities has caused this Note to be signed by the manual or facsimile signature of its Chairperson and attested by the manual or facsimile signature of its Secretary, with the seal of the Board printed or impressed hereon, and authenticated by the manual signature of an authorized representative of the Registrar, the Director of Finance of the City of Indianola, Iowa.

Item 11, figure 1 = Date of Authentication:

Item 12, figure 1 = This is one of the Notes described in the within mentioned Resolution, as registered by the Director of Finance of the City of Indianola, Iowa

DIRECTOR OF FINANCE OF THE CITY OF INDIANOLA, IOWA, Registrar

By: ______________________________

Authorized Signature

Item 13, figure 1 = Registrar and Transfer Agent: Director of Finance of the City of Indianola, Iowa

Paying Agent: Director of Finance of the City of Indianola, Iowa

SEE REVERSE FOR CERTAIN DEFINITIONS

Item 14, figure 1 = (Seal)

Item 15, figure 1 = (Signature Block)

CITY OF INDIANOLA, BY AND THROUGH ITS BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES, STATE OF IOWA

By: (manual or facsimile signature)

Chairperson of the Board of Trustees

ATTEST:

By: ______________ (manual or facsimile signature) ______________
Secretary of the Board of Trustees

Item 17, figure 1 = (Assignment Block)
(Information Required for Registration)

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto __________________________ (Social Security or Tax Identification No. ________________) the within Note and does hereby irrevocably constitute and appoint __________________________ attorney in fact to transfer the said Note on the books kept for registration of the within Note, with full power of substitution in the premises.

Dated this ___________ day of ________________,______.

____

____
(Person(s) executing this Assignment sign(s) here)

SIGNATURE)
GUARANTEED) ____

IMPORTANT - READ CAREFULLY

The signature(s) to this Power must correspond with the name(s) as written upon the face of the Certificate(s) or Note(s) in every particular without alteration or enlargement or any change whatever. Signature guarantee must be provided in accordance with the prevailing standards and procedures of the Registrar and Transfer Agent. Such standards and procedures may require signature to be guaranteed by certain eligible guarantor institutions that participate in a recognized signature guarantee program.

INFORMATION REQUIRED FOR REGISTRATION OF TRANSFER

Name of Transferee(s) ______________________________

Address of Transferee(s) ______________________________

Social Security or Tax Identification
Number of Transferee(s) ______________________________

Transferee is a(n):

Individual* ______________ Corporation ______________

Partnership ______________ Trust ______________

* If the Note is to be registered in the names of multiple individual owners, the names of all such owners and one address and social security number must be provided.

The following abbreviations, when used in the inscription on the face of this Note, shall be construed as though written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with rights of survivorship and not as tenants in common
IA UNIF TRANS MIN ACT - .... Custodian ....
(Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act..................
(State)

ADDITIONAL ABBREVIATIONS MAY ALSO BE USED
THOUGH NOT IN THE ABOVE LIST

SCHEDULE I

Date of Advance	Amount of Advance	Lender's Initials

____________________	____________________	____________________
____________________	____________________	____________________
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Section 13. Equality of Lien. The timely payment of principal of and interest on the Notes and Parity Obligations shall be secured equally and ratably by the Net Revenues of the System without priority by reason of number or time of sale or delivery; and the revenues of the System are hereby irrevocably pledged to the timely payment of both principal and interest as the same become due.

Section 14. Application of Note Proceeds – Project Fund. Proceeds of the Notes shall be applied as follows:

- ♦ An amount equal to accrued interest shall be deposited in the Sinking Fund for application to the first payment of interest on the Notes.

- ♦ The balance of the proceeds shall be deposited to the Project Fund and expended therefrom for the purposes of issuance.

The Project Fund shall be invested in accordance with Section 18 of this Resolution. Earnings on investments of the Project Fund shall be deposited in and expended from the Project Fund. Any amounts on hand in the Project Fund shall be available for the payment of the principal of or interest on the Notes at any time that other funds of the System shall be insufficient to the purpose, in which event such funds shall be repaid to the Project Fund at the earliest opportunity. Any balance on hand in the Project Fund and not immediately required for its purposes may be invested not inconsistent with limitations provided by law, the Internal Revenue Code and this Resolution.

Section 15. User Rates. There has heretofore been established and published as required by law, just and equitable rates or charges for the use of the service rendered by the System. So long as the Notes are outstanding and unpaid the rates or charges to consumers of services of the System shall be sufficient in each year for the payment of the proper and reasonable expenses of operation and maintenance of the System and for the payment of principal and interest on the Notes and Parity Obligations as the same fall due, and to provide for the creation of reserves as hereinafter provided.

Any revenues paid and collected for the use of the System and its services by the Issuer or any department, agency or instrumentality of the Issuer shall be used and accounted for in the same manner as any other revenues derived from the operations of the System.

Section 16. Application of Revenues. From and after the delivery of any Notes, and as long as any of the Notes or Parity Obligations shall be outstanding and unpaid either as to principal or as to interest, or until all of the Notes and Parity Obligations then outstanding shall have been discharged and satisfied in the manner provided in this Resolution, the entire income and revenues of the System shall be deposited as collected in a fund to be known as the Communications Revenue Fund (the "Revenue Fund"), and shall be disbursed only as follows:

(a) Operation and Maintenance Fund. Money in the Revenue Fund shall first be disbursed to make deposits into a separate and special fund to pay current expenses. The fund shall be known as the Communications Revenue Operation and Maintenance Fund (the "Operation and Maintenance Fund"). There shall be deposited in the Operation and Maintenance Fund each month an amount sufficient to meet the current expenses of the month plus an amount equal to 1/12th of expenses payable on an annual basis such as insurance. After the first day of the month, further deposits may be made to this account from the Revenue Fund to the extent necessary to pay current expenses accrued and payable to the extent that funds are not available in the Surplus Fund.

(b) Sinking Fund. Money in the Revenue Fund shall next be disbursed to make deposits into a separate and special fund to pay the principal and interest requirements of the Fiscal Year on the Notes and Parity Obligations. The fund shall be known as the Communications Revenue Note and Interest Sinking Fund (the "Sinking Fund"). The required amount to be deposited in the Sinking Fund in any month shall be the equal monthly amount necessary to pay in full the installment of interest coming due on the next interest payment date on the then outstanding Notes and Parity Obligations, plus the equal monthly amount necessary to pay in full the installment of principal coming due on such Notes on the next succeeding principal payment date until the full amount of such installment is on hand. If for any reason the amount on hand in the Sinking Fund exceeds the required amount, the excess shall forthwith be withdrawn and paid into the Revenue Fund. Money in the Sinking Fund shall be used solely for the purpose of paying principal of and interest on the Notes and Parity Obligations as the same shall become due and payable.

(c) Subordinate Obligations. Money in the Revenue Fund may next be used to pay principal of and interest on (including reasonable reserves therefor) any other obligations which by their terms shall be payable from the revenues of the System, but subordinate to the Notes and Parity Obligations, and which have been issued for the purposes of extensions and improvements to the System or to retire the Notes or Parity Obligations in advance of maturity, or to pay for extraordinary repairs or replacements to the System.

(d) Surplus Revenue. All money thereafter remaining in the Revenue Fund at the close of each month may be deposited in any of the funds created by this Resolution, to pay for extraordinary repairs or replacements to the System, or may be used to pay or redeem the Notes or Parity Obligations, any of them, or for any lawful purpose.

Money in the Revenue Fund shall be allotted and paid into the various funds and accounts hereinbefore referred to in the order in which the funds are listed, on a cumulative basis on the l0th day of each month, or on the next succeeding business day when the l0th shall not be a business day; and if in any month the money in the Revenue Fund shall be insufficient to deposit or transfer the required amount in any of the funds or accounts, the deficiency shall be made up in the following month or months after payments into all funds and accounts enjoying a prior claim to the revenues shall have been met in full. The provisions of this Section shall not be construed to require the Issuer to maintain separate bank accounts for the funds created by this Section; except the Sinking Fund and the Reserve Fund shall be maintained in a separate account but may be invested in conjunction with other funds of the City but designated as a trust fund on the books and records of the City.

Section 17. Outstanding Obligations. Nothing in this Resolution shall be construed to impair the rights vested in the Outstanding Obligations. The amounts herein required to be paid into the various funds named in this Resolution shall be inclusive of payments required in respect to the Outstanding Obligations. The provisions of the resolution or resolutions referred to in Section 1 of this Resolution and the provisions of this Resolution are to be construed wherever possible so that the same will not be in conflict. In the event such construction is not possible, the provisions of the resolution first adopted shall prevail until such time as the Notes authorized by the resolution have been paid in full or otherwise satisfied as therein provided at which time the provisions of this Resolution shall again prevail.

Section 18. Investments. All of the funds provided by this Resolution may be invested only in Permitted Investments or deposited in financial institutions which are members of the Federal Deposit Insurance Corporation or its equivalent successor, and the deposits in which are insured thereby and all such deposits exceeding the maximum amount insured from time to time by FDIC or its equivalent successor in any one financial institution shall be continuously secured in compliance with Chapter 12C of the Code of Iowa, 2017, as amended, or otherwise by a valid pledge of direct obligations of the United States Government having an equivalent market value. All such interim investments shall mature before the date on which the moneys are required for the purposes for which the fund was created or otherwise as herein provided but in no event maturing in more than three years in the case of the Reserve Fund.

All income derived from such investments shall be deposited in the Revenue Fund and shall be regarded as revenues of the System. Investments shall at any time necessary be liquidated and the proceeds thereof applied to the purpose for which the respective fund was created.

Section 19. Covenants Regarding the Operation of the System. The Issuer hereby covenants and agrees with each and every holder of the Notes and Parity Obligations:

(a) Maintenance and Efficiency. The Issuer will maintain the System in good condition and operate it in an efficient manner and at reasonable cost.

(b) Sufficiency of Rates. On or before the beginning of each Fiscal Year commencing with Fiscal Year 2019/2020, the Governing Body will adopt or continue in effect rates for all services rendered by the System determined to be sufficient to produce Net Revenues for the next succeeding Fiscal Year adequate to pay principal and interest requirements and create reserves as provided in this Resolution but not less than 110 percent of the principal and interest requirements of the Fiscal Year. No free use of the System by the Issuer or any department, agency or instrumentality of the Issuer shall be permitted except upon the determination of the Governing Body that the rates and charges otherwise in effect are sufficient to provide Net Revenues at least equal to the requirements of this subsection.

(c) Insurance. That the Issuer shall maintain insurance for the benefit of the Noteholders on the insurable portions of the System of a kind and in an amount which normally would be carried by private companies engaged in a similar kind of business. The proceeds of any insurance, except public liability insurance, shall be used to repair or replace the part or parts of the System damaged or destroyed, or if not so used shall be placed in the Revenue Fund.

(d) Accounting and Audits. The Issuer will cause to be kept proper books and accounts adapted to the System and in accordance with generally accepted accounting practices, and will diligently act to cause the books and accounts to be audited annually and reported upon not later than 270 days after the end of each Fiscal Year by an Independent Auditor and will provide copies of the audit report to the holders of any of the Notes and Parity Obligations upon request. The holders of any of the Notes and Parity Obligations shall have at all reasonable times the right to inspect the System and the records, accounts and data of the Issuer relating thereto.

(e) State Laws. The Issuer will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Iowa, including the making and collecting of reasonable and sufficient rates for services rendered by the System as above provided, and will segregate the revenues of the System and apply the revenues to the funds specified in this Resolution.

(f) Property. The Issuer will not sell, lease, mortgage or in any manner dispose of the System, or any capital part thereof, including any and all extensions and additions that may be made thereto, until satisfaction and discharge of all of the Notes and Parity Obligations shall have been provided for in the manner provided in this Resolution; provided, however, that this covenant shall not be construed to prevent the disposal by the Issuer of property which in the judgment of its Governing Body has become inexpedient or unprofitable to use in connection with the System, or if it is to the advantage of the System that other property of equal or higher value be substituted therefor, and provided further that the proceeds of the disposition of such property shall be placed in a revolving fund to be used in preference to other sources for capital improvements to the System. Any such proceeds of the disposition of property acquired with the proceeds of the Notes or Parity Obligations shall not be used to pay principal or interest on the Notes or Parity Obligations or for payments into the Sinking.

(g) Fidelity Bond. The Issuer shall maintain fidelity bond coverage in amounts which normally would be carried by private companies engaged in a similar kind of business on each officer or employee having custody of funds of the System.

(h) Additional Charges. The Issuer will require proper connecting charges and/or other security for the payment of service charges.

(i) Budget. The Governing Body of the Issuer shall approve and conduct operations pursuant to a system budget of revenues and current expenses for each Fiscal Year. Such budget shall take into account revenues and current expenses during the current and last preceding Fiscal Year. Copies of such budget and any amendments thereto shall be provided to the holders of any of the Notes upon request.

Section 20. Remedies of Noteholders. Except as herein expressly limited the holder or holders of the Notes and Parity Obligations shall have and possess all the rights of action and remedies afforded by the common law, the Constitution and statutes of the State of Iowa, and of the United States of America, for the enforcement of payment of their Notes and interest thereon, and of the pledge of the revenues made hereunder, and of all covenants of the Issuer hereunder.

Section 21. Prior Lien and Parity Obligations. The Issuer will issue no other notes, bonds or obligations of any kind or nature payable from or enjoying a lien or claim on the property or revenues of the System having priority over the Notes or Parity Obligations.

Additional Obligations may be issued on a parity and equality of rank with the Notes with respect to the lien and claim of such Additional Obligations to the revenues of the System and the money on deposit in the funds adopted by this Resolution, for the following purposes and under the following conditions, but not otherwise:

(a) For the purpose of refunding any of the Notes or Parity Obligations which shall have matured or which shall mature not later than three months after the date of delivery of such refunding obligation and for the payment of which there shall be insufficient money in the Sinking Fund;

(b) For the purpose of refunding any outstanding Notes, Parity Obligations or general obligation notes or making extensions, additions, improvements or replacements to the System, if all of the following conditions shall have been met:

(i) before any such Additional Obligations ranking on a parity are issued, there will have been procured and filed with the Secretary of the Board of Trustees, a statement of an Independent Auditor, independent financial consultant or a consulting engineer, not a regular employee of the Issuer, reciting the opinion based upon necessary investigations that the Net Revenues of the System for the preceding Fiscal Year (with adjustments as hereinafter provided) were equal to at least 1.10 times the maximum amount that will be required in any Fiscal Year prior to the longest maturity of any of the Notes or Parity Obligations for both principal of and interest on all Notes and Parity Obligations then outstanding which are payable from the net earnings of the System and the Additional Obligations then proposed to be issued.

For the purpose of determining the Net Revenues of the System for the preceding Fiscal Year as aforesaid, the amount of the gross revenues for such year may be adjusted by an Independent Auditor, independent financial consultant or a consulting engineer, not a regular employee of the Issuer, so as to reflect any changes in the amount of such revenues which would have resulted had any revision of the schedule of rates or charges imposed at or prior to the time of the issuance of any such Additional Obligations been in effect during all of such preceding Fiscal Year.

(ii) the Additional Obligations must be payable as to principal and as to interest on the same month and day as the Notes herein authorized.

(iii) for the purposes of this Section, principal and interest falling due on the first day of a Fiscal Year shall be deemed a requirement of the immediately preceding Fiscal Year.

(iv) for the purposes of this Section, general obligation bonds or notes shall be refunded only upon a finding of necessity by the Governing Body and only to the extent the general obligation bonds or notes were issued or the proceeds thereof were expended for the System.

(v) for purposes of this Section, "preceding Fiscal Year" shall be the most recently completed Fiscal Year for which audited financial statements prepared by a certified public accountant are issued and available, but in no event a Fiscal Year which ended more than eighteen months prior to the date of issuance of Additional Obligations.

Section 22. Discharge and Satisfaction of Notes. The covenants, liens and pledges entered into, created or imposed pursuant to this Resolution may be fully discharged and satisfied with respect to the Notes and Parity Obligations, or any of them, in any one or more of the following ways:

(a) By paying the Notes or Parity Obligations when the same shall become due and payable; and

(b) By depositing in trust with the Treasurer, or with a corporate trustee designated by the Governing Body for the payment of the obligations and irrevocably appropriated exclusively to that purpose an amount in cash or direct obligations of the United States the maturities and income of which shall be sufficient to retire at maturity, or by redemption prior to maturity on a designated date upon which the obligations may be redeemed, all of such obligations outstanding at the time, together with the interest thereon to maturity or to the designated redemption date, premiums thereon, if any, that may be payable on the redemption of the same; provided that proper notice of redemption of all such obligations to be redeemed shall have been previously published or provisions shall have been made for such publication.

Upon such payment or deposit of money or securities, or both, in the amount and manner provided by this Section, all liability of the Issuer with respect to the Notes or Parity Obligations shall cease, determine and be completely discharged, and the holders thereof shall be entitled only to payment out of the money or securities so deposited.

Section 23. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the Issuer and the holder or holders of the Notes and Parity Obligations, and after the issuance of any of the Notes no change, variation or alteration of any kind in the provisions of this Resolution shall be made in any manner, except as provided in the next succeeding Section, until such time as all of the Notes and Parity Obligations, and interest due thereon, shall have been satisfied and discharged as provided in this Resolution.

Section 24. Amendment of Resolution Without Consent. The Issuer may, without the consent of or notice to any of the holders of the Notes and Parity Obligations, amend or supplement this Resolution for any one or more of the following purposes:

(a) to cure any ambiguity, defect, omission or inconsistent provision in this Resolution or in the Notes or Parity Obligations; or to comply with any application provision of law or regulation of federal or state agencies; provided, however, that such action shall not materially adversely affect the interests of the holders of the Notes or Parity Obligations;

(b) to grant to or confer upon the holders of the Notes or Parity Obligations any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the holders of the Notes;

(c) to add to the covenants and agreements of the Issuer contained in this Resolution other covenants and agreements of, or conditions or restrictions upon, the Issuer or to surrender or eliminate any right or power reserved to or conferred upon the Issuer in this Resolution; or

(d) to subject to the lien and pledge of this Resolution additional pledged revenues as may be permitted by law.

Section 25. Amendment of Resolution Requiring Consent. This Resolution may be amended from time to time if such amendment shall have been consented to by holders of not less than two-thirds in principal amount of the Notes and Parity Obligations at any time outstanding (not including in any case any Notes which may then be held or owned by or for the account of the Issuer, but including such refunding obligations as may have been issued for the purpose of refunding any of such Notes if such refunding obligations shall not then be owned by the Issuer); but this Resolution may not be so amended in such manner as to:

(a) Make any change in the maturity of interest rate of the Notes, or modify the terms of payment of principal of or interest on the Notes or any of them or impose any conditions with respect to such payment;

(b) Materially affect the rights of the holders of less than all of the Notes and Parity Obligations then outstanding; and

(c) Reduce the percentage of the principal amount of Notes, the consent of the holders of which is required to effect a further amendment.

Whenever the Issuer shall propose to amend this Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be filed with the Original Purchaser and to be mailed by certified mail to each registered owner of any Note as shown by the records of the Registrar. Such notice shall set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory Resolution is on file in the office of the Secretary of the Board of Trustees.

Whenever at any time within one year from the date of the mailing of the notice there shall be filed with the Secretary of the Board of Trustees an instrument or instruments executed by the holders of at least two-thirds in aggregate principal amount of the Notes then outstanding as in this Section defined, which instrument or instruments shall refer to the proposed amendatory Resolution described in the notice and shall specifically consent to and approve the adoption thereof, thereupon, but not otherwise, the Governing Body of the Issuer may adopt such amendatory Resolution and such Resolution shall become effective and binding upon the holders of all of the Notes and Parity Obligations.

Any consent given by the holder of a Note pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the instrument evidencing such consent and shall be conclusive and binding upon all future holders of the same Note during such period. Such consent may be revoked at any time after six months from the date of such instrument by the holder who gave such consent or by a successor in title by filing notice of such revocation with the Secretary of the Board of Trustees.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

The amount and numbers of the Notes held by any person executing such instrument and the date of his holding the same may be proved by an affidavit by such person or by a certificate executed by an officer of a bank or trust company showing that on the date therein mentioned such person had on deposit with such bank or trust company the Notes described in such certificate.

Section 26. Severability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions.

Section 27. Repeal of Conflicting Ordinances or Resolutions and Effective Date. All other ordinances, resolutions and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed; and this Resolution shall be in effect from and after its adoption.

ADOPTED AND APPROVED this __________ day of _______________, 2017.

____
Chairperson of the Board of Trustees

ATTEST:

____
Secretary of the Board of Trustees

CERTIFICATE

STATE OF IOWA	)
	) SS
COUNTY OF WARREN	)

I, the undersigned Secretary of the Board of Trustees of the Indianola Municipal Utilities, City of Indianola, State of Iowa, do hereby certify that attached is a true and complete copy of the portion of the corporate records of the Board of Trustees showing proceedings of the Board, and the same is a true and complete copy of the action taken by the Board with respect to the matter at the meeting held on the date indicated in the attachment, which proceedings remain in full force and effect, and have not been amended or rescinded in any way; that meeting and all action thereat was duly and publicly held in accordance with a notice of meeting and tentative agenda, a copy of which was timely served on each member of the Board and posted on a bulletin board or other prominent place easily accessible to the public and clearly designated for that purpose at the principal office of the Board (a copy of the face sheet of such agenda being attached hereto) pursuant to the local rules of Chapter 21, Code of Iowa, upon reasonable advance notice to the public and media at least twenty-four hours prior to the commencement of the meeting as required such law and with members of the public present in attendance; I further certify that the individuals named therein were on the date thereof duly and lawfully possessed of their respective offices as indicated therein, that no Board vacancy existed except as may be stated in the proceedings, and that no controversy or litigation is pending, prayed or threatened involving the incorporation, organization, existence or boundaries of the City or the right of the individuals named therein as officers to their respective positions.

WITNESS my hand and the seal of the Board hereto affixed this __________ day of _______________, 2017.

____

Secretary of the Board of Trustees of the Indianola Municipal Utilities

(SEAL)

LOAN AGREEMENT

This Loan Agreement is entered into as of the 10th day of August, 2017, by and between, the City of Indianola, State of Iowa (the "City") acting through its Board of Trustees of the Indianola Municipal Utilities (the "Board") and Cedar Rapids Bank & Trust of Cedar Rapids, Iowa (the "Lender"). The parties agree as follows:

1. The Lender has agreed to purchase $3,000,000 of the Issuer's Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, dated August 10, 2017 (the "Notes").

2. The Lender's agreement to purchase the Notes is in full force and effect and has not been repealed, rescinded or amended.

3. The Lender certifies that neither the interest rate on the Notes, the Lender's spread, nor the production or profits in connection with the purchase and sale of the Notes is unreasonably high.

4. The Lender hereby confirms that it is acquiring the Notes for its own account, the Notes will not be reoffered, and the Notes will be held in its possession.

5. The Lender shall loan to the City the sum of not to exceed $3,000,000 by advancing the proceeds of the Notes to the Issuer in accordance with the Resolution (as defined below), and the City's obligation to repay hereunder shall be evidenced by the issuance of Taxable Communications Utility Revenue Capital Loan Notes, Series 2017B, in the aggregate principal amount of $3,000,000 or such amount as shall be advanced and outstanding thereunder (the "Notes").

6. The loan proceeds shall be used to pay a portion of the costs of improvements and extensions to the Municipal Communications Utility, including working capital during the construction, start-up period and initial operation of the expanded communications utility system. Any remaining loan proceeds advanced under the Notes, including accrued interest, if any, shall be deposited in the Communications Revenue Fund (defined in the Resolution hereinafter referred to) and shall be held therein and used, along with other amounts therein, to pay interest on the Notes on June 1, 2018, or if later, the next interest payment date.

7. The City agrees to repay the loan and interest thereon as hereinafter provided. The Notes, in substantially the form set forth in the Resolution hereinafter referred to, shall be executed and delivered to the Lender to evidence the City's obligation to repay the amounts payable hereunder. The Notes shall be dated the date of delivery, shall bear interest from the date of each advance thereunder, until payment thereof, payable June 1, 2018, and semiannually thereafter on the first day of December and June in each year until maturity at the rates hereinafter provided. The Notes shall be issued as a single note payable to the Lender.

The Lender will make advances under the Notes upon the request from time to time of the Issuer to pay or reimburse the Issuer for payment of Project costs, costs of issuance and capitalized interest as provided in the Resolution. A loan initiation fee of $75,000 may be capitalized through an initial advance at the time of closing.

Advances of principal in an amount not exceeding $3,000,000 may be made under the Notes from time to time in accordance with the Resolution beginning on the Note Date and continuing through June 1, 2020. The amount and date of each advance shall be noted by the Lender on Schedule I attached to the Notes or in the internal records of Lender.

The Notes shall mature and bear interest as follows:

Term Note #1

Principal Amount*	Interest Rate	Maturity June 1st
$25,000	5.000%	2020
$75,000	5.000%	2021
$203,000	5.000%	2022
$213,000	5.000%	2023
$224,000	5.000%	2024
$236,000	**	2025
$248,000	**	2026
$260,000	**	2027
$274,000	**	2028
$288,000	**	2029
$302,000	**	2030
$318,000	**	2031
$334,000	**	2032***

* If less than $3,000,000 is advanced under the Notes, the annual principal payments shall be prorated at the end of the Draw Period to reflect the total amount advanced under the Notes. For example, if $2,400,000 is advanced under the Notes, the June 1, 2020 maturity shall be $20,000, which equals $25,000 x ($2,400,000/$3,000,000).

** The interest rate will be 5.00% through June 1, 2024, at which time the rate will adjust to the “Adjusted Interest Rate” (as defined herein).

*** Final maturity.

On the final Maturity Date, all remaining outstanding principal of the Notes plus accrued interest thereon shall be immediately due and payable.

Interest Rate: The outstanding principal of the Notes shall bear interest at the initial rate (the “Initial Interest Rate”) of 5.00% per annum from the date of each advance under the Notes until June 1, 2024. The Interest Rate on the Notes will be adjusted on June 1, 2024 (the "Interest Adjustment Date"), to a rate (the "Adjusted Interest Rate") per annum equal to 350 basis points (3.50%) over the 7-year U.S. Treasury Constant Maturities, as released by the Board of Governors of the Federal Reserve System posted on the World Wide Web at http://www.federalreserve.gov/releases/h15/current/, under the heading "H.15 Selected Interest Rates", or any successor heading, on the Interest Adjustment Date. In the event that the Adjusted Interest Rate cannot be ascertained due to changes in reports, publications, market conditions or regulatory requirements, then the Lender shall select a substitute rate or index that is reasonably equivalent to the Adjusted Interest Rate and published in the Wall Street Journal.

7.1. The City shall submit written requests for advances under the Notes no more frequently than monthly.

8. The Board has adopted a Resolution (the "Resolution") authorizing and approving the form of this Loan Agreement and providing for the issuance and securing the payment of the Notes, and the Resolution is incorporated herein by reference, and the parties agree to abide by the terms and provisions of the Resolution. The Notes and the interest thereon shall be payable solely and only out of the net earnings of the System and shall be a first lien on the future Net Revenues of the System to the extent provided in the Resolution. The Notes shall not be general obligations of the City nor shall it be payable in any manner by taxation, and the City shall be in no manner liable by reason of the failure of the net revenues to be sufficient for the payment of the Notes.

9. The City may borrow additional money, enter into further Loan Agreements and issue additional Notes or Bonds which are at the time of their issuance on a parity and equality of rank with the Notes with respect to the lien and claim of such additional Notes to the Communications Revenue Fund of the City.

10. In connection with its purchase of the Notes, the Lender represents and agrees as follows:

a. The Lender understands that no prospectus or official statement containing material information with respect to the City, the Notes or the Project is being prepared or authorized by the City in connection with the issuance of the Notes and that, with the degree of due diligence the Lender deems necessary, the Lender has made its own investigation and analysis with respect to the City, the Project and the Notes and the security therefore.

b. The Lender is acquiring the Notes for its own account and not with a view to resale or other distribution thereof and will not divide the Notes or resell or otherwise dispose of all or any portion of the Notes.

c. The Lender understands that the Notes (i) are not being registered under the Securities Act of 1933, as amended, and are not being registered or otherwise qualified for sale under the laws of the State of Iowa or the "blue sky" laws and regulations of any other state, (ii) will carry no rating from any national rating agency, and (iii) may not be readily marketable. The Lender agrees not to offer, sell or transfer any of the Notes or make any change in registration of any of the Notes without having first determined that the sale or transaction which necessitates or prompts the transfer or change of registration may be made without violating the Securities Act of 1933, the Iowa Uniform Securities Act and any other applicable laws, rule or regulations.

d. The Lender specifically acknowledges the provisions of Section 362.5 of the *City Code of Iowa* with respect to conflicts of interest in public contracts. The Lender specifically acknowledges that no officer of the Municipal Communications Utility or the Indianola Municipal Utilities of the City of Indianola, Iowa employed by the Lender was directly involved with the preparation of this Loan Agreement and no such employee' s remuneration of employment will be directly affected as a result of this Loan Agreement. In addition, no such officer employed by the Lender has an ownership interest in Lender.

11. This Loan Agreement is executed pursuant to the provisions of Sections 384.24A and 384.83 of the City Code of Iowa, as amended, and shall be read and construed as conforming to all provisions and requirements of the statute.

IN WITNESS WHEREOF, we have hereunto affixed our signatures all as of the date first above written.

CITY OF INDIANOLA, STATE OF IOWA, by and through its Board of Trustees of the Indianola Municipal Utilities (City)

By: ______________________________________
Chairperson of the Board of Trustees

ATTEST:

By: ___________________________________
Secretary of the Board of Trustees

(SEAL)

CEDAR RAPIDS BANK & TRUST (Lender)

By: ____________________________________
(Signature)

____
(Name)

____
(Title)

IMU Regular Downstairs **7.C.**

Meeting Date: 07/24/2017

Information

Subject

Consider Indianola Municipal Utilities and Mahaska Communication Group Customer and Territory Buy-Out Agreement

Information

In your packet is the buy-out agreement between the Indianola Municipal Utilities and Mahaska Communication Group. Highlights of the agreement include:

- MCG and IMU have mutually agreed that IMU shall purchase MCG's infrastructure within the City of Indianola that serves MCG customers within the City
- IMU determines that it is desirous of purchasing the infrastructure and providing communication services to MCG customers within the City of Indianola, but no later than December 31, 2018
- MCG shall prepare and submit to IMU within 30 days after receiving notice a statement of the amount owed by IMU based on the formula and information set out on Exhibit "A" (packet)
- MCG shall transfer and assign to IMU any fiber optic and all other appurtenances thereto
- On the commencement date, IMU shall pay in full the Purchase Price and MCG shall cease providing communication services to the MCG customers in the designated area and shall cease collecting revenue from said customers

FYI - The City Attorney has reviewed and is fine with this version of the agreement.

Simple motion is in order.

Fiscal Impact

Attachments

MCG Purchase Agreement

INDIANOLA MUNICIPAL UTILITIES / MAHASKA COMMUNICATION GROUP CUSTOMER AND TERRITORY BUY-OUT AGREEMENT

WHEREAS, Mahaska Communication Group ("MCG") is provides communication services to certain customers in Warren County, Iowa.

WHEREAS, the Indianola Municipal Utilities ("IMU") is a municipal utility in the state of Iowa and by and through the Board of Trustees provides utility services including communication services to customers in the City of Indianola, Iowa.

WHEREAS, IMU is desirous of purchasing the infrastructure to serve MCG's customers within the City of Indianola.

NOW THEREFORE, in consideration of the mutual promises and agreement made herein, it is agreed as follows:

1. Purchase. MCG and IMU have mutually agreed that IMU shall purchase MCG's infrastructure within the City of Indianola, Iowa that serves MCG customers within the City.

2. Notice to MCG. At such time as IMU determines that it is desirous of purchasing the infrastructure and providing communication services to MCG customers within the City of Indianola, but no later than December 31, 2018, IMU shall provide MCG with:

a. Written notice "(Notice");

b. A diagram of the geographic area ("designated area") involved;

c. The addresses of the customers whose accounts IMU intends to serve ("acquisition customers") that are included in the area; and

d. The date on which IMU will commence providing communication services ("commencement date); and

e. Identification of any infrastructure it requests transferred within the designated area.

3. Transfer of Infrastructure. MCG shall prepare and submit to IMU within 30 days after receiving the Notice, a statement of the amount owed by IMU based on the formula and information set out on Exhibit "A" updated through the date of the Notice.

Within 15 days after IMU's receipt of the Statement IMU shall notify MCG in writing as to whether IMU accepts MCG's calculations. If MCG and IMU are unable to agree, either party may require that the matter be submitted to Arbitration as set forth in paragraph 11 of this Agreement.

4. Continued Communication services. Prior to the commencement date, MCG shall continue to provide communication services to the MCG customers in good standing within the designated area and MCG shall receive all revenue therefrom and be responsible for all expenses.

5. Notice. At least 30 days prior to the commencement date, IMU shall provide written notice to all MCG acquisition customers in the designated area, advising them of the transfer of customer accounts to IMU as of the commencement date. MCG shall approve the contents of the notice prior to the notice being sent to MCG customers.

6. New Customers. MCG and IMU agree that MCG shall continue to add new customers and may install additional infrastructure within the City of Indianola as needed to serve new MCG customers who request service until such time as all customers are transferred to IMU.

7. Transfer of Fiber Optic.

a. Fiber Optic that terminates within designated area. At the request of IMU and on the commencement date, MCG shall transfer and assign to IMU any fiber optic and all other appurtenances thereto, within the designated area, provided that the fiber optic terminates within the designated area. Any transfer from MCG to IMU shall be "as is" and without any express or implied warranties of any type and IMU shall hold MCG harmless from any future claims concerning said fiber optic as set forth in paragraph 12 of this Agreement.

b. Fiber Optic that does not terminate within designated area. MCG will not transfer or assign to IMU any fiber optic that does not terminate within the designated area.

8. Payment. On the commencement date, IMU shall pay in full the Purchase Price and MCG shall cease providing communication services to the MCG customers in the designated area and shall cease collecting revenue from said customers. On the commencement date, IMU shall commence providing communication services to these customers and shall be entitled to all future revenue therefrom. In the event IMU is unable to commence providing communication services on the commencement date, IMU is still liable for payment of the full Purchase Price on the commencement date, without any adjustment for the delay in transfer of service. MCG shall continue providing communication services and shall continue to receive all revenues therefrom until IMU commences providing communication services to the customers in the designated area.

9. Accounts Receivable. Any outstanding receivables for MCG acquisition customers in the designated area shall remain with MCG. MCG will be responsible for any collections and will retain all amounts collected.

10. Approval. This Agreement shall become binding on each party upon the passage of a Resolution by the Board of Directors of MCG and the Board of Trustees of IMU and the execution of this Agreement by the Chairperson of the Board of Directors of MCG and the Board

of Trustees of the Indianola Municipal Utilities, respectively.

11. Arbitration. In the event MCG and IMU are unable to agree on any issue arising out of this Agreement, either party may require that an arbitrator shall be selected by a committee which shall include one member of the Board of Trustees of the Indianola Municipal Utilities, one member of the Board of Directors of MCG, and a disinterested third party selected by the other two members of the committee. The determination of the arbitrator shall be binding on both parties. If the parties cannot agree on an Arbitrator within 60 days after either party requests arbitration, either party may petition the Iowa District Court for Warren County, to appoint an arbitrator.

12. Liability. It is the intention of MCG and IMU that MCG shall not incur any pecuniary liability by reason of the terms of this Agreement, or the undertakings required of MCG by this Agreement, the performance of any act required by MCG to comply with this Agreement, or the performance of any act requested of it by IMU. IMU agrees to indemnify and hold MCG, (including any person at any time serving as an Officer, Director, Trustee, agent or employee) harmless to the fullest extent permitted by law from any losses, costs, charges, expenses, (including attorneys' fees), judgments and liabilities incurred by it or them, as the case may be, in connection with any third party action, suit or proceeding instituted or threatened in connection with the transaction contemplated by this Agreement unless caused by the negligent or intentional act of MCG. If any such claim is asserted, MCG, or any individual indemnified herein, as the case may be, will give prompt notice to IMU, but MCG shall assume its defense thereof selecting legal counsel acceptable to it, with full power to litigate, compromise or settle the same in its sole discretion, it being understood that neither MCG, nor its agents, nor any indemnified individual, will settle or consent to settlement of the same without the written consent of IMU. The obligation of the parties under this section shall survive the termination of this Agreement.

13. Notices. Any notices or mailings required by this Agreement shall be sent to the respective party by personal delivery or certified mail to the following persons at the following addresses:

Mahaska Communications Group:
General Manager
Mahaska Communication Group
PO Box 1038
210 S. D Street
Oskaloosa, IA 52577

Indianola Municipal Utilities:
General Manager
Indianola Municipal Utilities
110 N. 1st Street
Indianola, IA 50125

14. Binding on Successors and Assigns. This Agreement is binding on the parties, their

successors or assigns.

15. Waiver. The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

16. Severability. If any term or provision of this Agreement is held invalid or unenforceable to any extent, the remaining terms and provisions of this Agreement shall not be affected thereby, but each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law. This Agreement shall be construed and enforced in accordance with the laws of the State of Iowa, and shall be deemed to have been entered into and performed in Warren County, Iowa.

17. Headings. The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction and interpretation of this Agreement.

18. Amendments. The terms, covenants, conditions and provisions of this Agreement cannot be altered, changed modified, added to or deleted from, except in a writing signed by all of the parties hereto.

19. Interpretation of Agreement. This Agreement shall be construed and interpreted without regard to the party responsible for its preparation and will be deemed as prepared jointly by the parties. In resolving any ambiguity or uncertainty relating to the Agreement, the parties agree that no consideration or weight shall be given to the identity of the party drafting the document.

20. Entire Agreement. This Agreement constitutes the entire Agreement of the parties with respect to the subject matter hereof and supercedes all negotiations, preliminary agreements and all prior and contemporaneous discussions and understandings of the parties hereto.

Dated ______________________, 2017	Dated ______________________, 2017
Mahaska Communications Group	City of Indianola, Iowa By Board of Trustees of the Indianola Municipal Utilities
By: __________________________________	By: ______________________________
Title: _________________________________	Board Chair
ATTEST:	ATTEST:
By: __________________________________	By: ______________________________

EXHIBIT A:
Infrastructure & Equipment Purchase

Equipment	Retail
Set Top Box	$171.60
DVR	$302.40
n Router	$61.20
ac Router	$142.80

Service Mix	Man Hrs	Rate	Labor	Material	Total
DTV	7.5	$75.00	$562.50	$78.00	$640.50
INT	4.5	$75.00	$337.50	$36.00	$373.50
TEL	4.5	$75.00	$337.50	$36.00	$373.50
INT, DTV	8.5	$75.00	$637.50	$78.00	$715.50
TEL, DTV	8.5	$75.00	$637.50	$78.00	$715.50
TEL, INT	5.5	$75.00	$412.50	$36.00	$448.50
TEL, INT, DTV	9.5	$75.00	$712.50	$78.00	$790.50

Start Date	Aging	Multiplier
2/1/2013	> 4 Years	20%
2/1/2014	>3, <4 Years	40%
2/1/2015	>2, <3 Years	60%
2/1/2016	>1, <2 Years	80%
1/31/2017	<1 Year	100%

IMU Regular Downstairs **7.D.**

Meeting Date: 07/24/2017

Information

Subject

Consider resolution amending/substituting and incorporating revised material bids for the 2017 Fiber to the Home Project

Information

In your packet is the resolution and letter from Bob Lyons, NewCom Technologies, Inc. regarding the re-bid for materials. On May 22, 2017 the Board approved the material bids (packet). On July 18, 2017 NewCom Technologies issued a re-bid to update items, reduced quantity of fiber and other quantity counts were slightly modified due to minor design changes and additional new neighborhood segments since the Issued for Bid submittal package.

Following is the revised material bid results:

Vendor	Award on July 18, 2017	Revised Award
Power & Tel	$702,285.44	$723,257.39
Graybar	-0-	-0-
Wesco	$2,390.35	$2.397.85
Resco	$680.92	$686.56
Terry Durrin	$164,020.00	$156,640.00
Irby	$414,877.96	$170,453.01
Total Material Awards	$1,283,254.67	$1,053,434.81

Roll call is in order.

Fiscal Impact

Attachments

Resolution

NewCom Information

Bid Tab

May 22 Minutes

RESOLUTION NO. 2017-_____
RESOLUTION AMENDING/SUBSTITUTING AND INCORPORATING THE FOLLOWING REVISED MATERIAL BIDS
for the 2017 Fiber to The Home Project – Material Procurement for
Indianola Municipal Utilities, Indianola, Iowa

Board Member__________________introduced the following resolution entitled "RESOLUTION AMENDING/SUBSTITUTING AND INCORPORATING THE FOLLOWING REVISED MATERIAL BIDS for the 2017 Fiber to The Home Project – Material Procurement for Indianola Municipal Utilities, Indianola, Iowa and moved its adoption. 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 NO. 2017-_____
RESOLUTION AMENDING/SUBSTITUTING AND INCORPORATING THE FOLLOWING REVISED MATERIAL BIDS
for the 2017 Fiber to The Home Project – Material Procurement for
Indianola Municipal Utilities, Indianola, Iowa

WHEREAS, Resolution 2017-186 approving the materials bids for the 2017 Fiber To The Home Project was approved by the IMU Board of Trustees on May 22, 2017; and

WHEREAS, on July 18, 2017 NewCom Technologies Inc. issued a re-bid to update items, reduced quantity of fiber and other quantity counts were slightly modified due to minor design changes and additional new neighborhood segments since the Issued for Bid submittal package; and

NOW, THEREFORE, BE IT RESOLVED BY THE IMU BOARD OF TRUSTEES that Resolution No. 2017-186 is hereby amended/substituted to incorporate the following revised bids for the 2017 Fiber to the Home Project – Material Procurement for the Indianola Municipal Utilities, Indianola, Iowa.

Vendor	Award on July 18, 2017	Revised Award
Power & Tel	$702,285.44	$723,257.39
Graybar	-0-	-0-
Wesco	$2,390.35	$2.397.85
Resco	$680.92	$686.56
Terry Durrin	$164,020.00	$156,640.00
Irby	$414,877.96	$170,453.01
Total Material Awards	$1,283,254.67	$1,053,434.81

Section 2. The IMU Board Chair and the City Clerk are directed to execute a contract with the contractor for the construction of the public improvement. The contract not to be binding on the Board of Trustees until approved by the Board.

PASSED AND APPROVED this 24th day of July, 2017.

____
Adam Voigts, Chair

ATTEST:

____
Diana Bowlin, City Clerk

NewComTechGIS
Telecommunications Engineering
NewCom goes the extra mile!

NewCom Technologies, Inc.
6000 Grand Avenue
Des Moines, Iowa 50312
800-626-6234
515 274-9611 (Local)
515 274-9622 (FAX)
newcom@newcomtech.com
newcomtech.com

May 19, 2017 (Updated July 18, 2017)

Mike Metcalf and Curtis Dean
Electrical Superintendent and Interim General Manager
Indianola Municipal Utilities
110 N 1st St.
Indianola, IA 50125
mmetcalf@indianolaiowa.gov
Curtis@smartsourceconsulting.com

Dear Mike and Curtis,

Sealed bids for the materials purchase as well as the Contractor on the 2017 IMU Fiber to the Home Project were received and opened at 2:00 PM on April 13, 2017. This project is to expand IMU's capability as a local internet, telephone, and video service provider to the Indianola metro area.

The construction contract includes the installation of approximately 60 miles of optical fiber cable, 90% of which is underground, 10% aerial. A small portion of the build will use existing conduit. Existing cabinets which currently house electronics for Active Ethernet will be transformed into passive component cabinets. The materials contract will supply 80% of the project materials, including the cabinets, fiber cable, MSTs, and splice enclosures.

Bids for materials were received from six vendors. A summary of the bids is included on the attached page. The amount recommended for purchase from each vendor is shown in the table below.

July 18, 2017 update: A re-bid was issued to update a few items. Unfortunately, one of the vendors did not bid what the re-bid documents asked for, so the award will go to the next highest bidder, which is Power & Tel. The revised award layout is in the table below.

Another difference in the price is due to an error in our database link to the software we used to design the network. The main difference is the reduced quantity of fiber (Irby is the sole fiber vendor). Other quantity counts have been slightly modified due to minor design changes and a couple additional new neighborhood segments since the Issued for Bid submittal package.

Vendor	Award	Revised Award
Power & Tel	$701,285.44	$723,257.39
Graybar	$ 0	0
Wesco	$2,390.35	$2,397.85
Resco	$ 680.92	$686.56
Terry Durrin	$164,020.00	$156,640.00
Irby	$414,877.96	$170,453.01
Total Material Awards	$1,283,254.67	$1,053,434.81
Engineer's Estimate	$1,452,727.00	$1,094,978.00
Percentage	88.33%	96.21%

Respectfully,

Bob Lyons, PE
Cc: Chris Longer, Mike Metcalf, Jim Petro

2017 IMU FTTH Original Materials Bid Results

Bidder:	Award Amt	Line Items Awarded	Percentage $	Percentage Item Qty
Power & Tel	$ 701,285.44	54	55%	83%
Wesco	$ 2,390.35	2	0.19%	3%
Resco	$ 680.92	1	0.05%	2%
Irby	$ 414,877.96	6	32.55%	9%
Graybar		0	0.00%	0
Terry Durin	$ 164,020.00	2	12.19%	3%
Total Award	$ 1,283,254.67	65	100.00%	100%

2017 IMU FTTH Revised Materials Bid Results

Bidder:	Award Amt	Line Items Awarded	Percentage $	Percentage Item Qty
Power & Tel	$ 723,257.39	55	56%	85%
Wesco	$ 2,397.85	2	0.19%	3%
Resco	$ 686.56	1	0.05%	1%
Irby	$ 170,453.01	6	32.20%	9%
Graybar		0	0.00%	0
Terry Durin	$ 156,640.00	1	12.05%	2%
Total Award	$ 1,053,434.81	65	100.00%	100%

INDIANOLA MUNICIPAL UTILITIES
IMU
Electric • Network Services • Water

NewCom Technologies

Indianola Municipal Utilities - Fiber to the Home Project

Materials Contract Bids List - April 13, 2017 2:00 PM Training Room @ The Indianola Municipal Building
110 N 1st Street, Indianola, IA

Bidder		Contact	Email	Phone
Power & Tel	Memphis, TN	Mike Brems	mike.brems@ptsupply.com	319-533-5675
Graybar	Des Moines, IA	Alan matthews	alan.matthews@graybar.com	
Wesco	Des Moines, IA	Bruce Connely	wjulander@wescodist.com, bconnelly@wescodist.	515-244-8611
Resco	Ankeny, IA	Drew Primrose	dprimrose@resco1.com	1-888-293-7372
Terry Durin	Cedar Rapids, IA	Peter Durin	pdurin@terry-durin.com	319-364-4106

Bids

Item No.	Quantity	U/M	Mfg and Cat No. (Description) or General Product Description	Unit Bid Price	Total Item Bid Price	Selected Price	Bidder
1	16,962	Ft	Superior Essex/120122D01 (12 ct Fiber)				
	16,962		Power & Tel	$ 0.24	$ 4,131.94		
			Graybar	$ 0.24	$ 4,126.85		
			Wesco	$ 0.37	$ 6,242.02		
			Wesco Alternative Bid	$ 0.24	$ 4,053.92		
			Terry Durin	$ 0.28	$ 4,783.28		
			Irby	$ 0.17	$ 2,951.39	$ 2,951.39	Irby
			Resco	$ 0.29	$ 4,910.50		
2	22,607	Ft	Superior Essex/120242D01 (24 ct Fiber)				
			Power & Tel	$ 0.29	$ 6,556.03		
			Graybar	$ 0.29	$ 6,605.77		
			Wesco	$ 0.44	$ 9,924.47		
			Wesco Alternative Bid	$ 0.31	$ 6,895.14		
			Terry Durin	$ 0.31	$ 6,895.14		
			Irby	$ 0.22	$ 4,905.72	$ 4,905.72	Irby
			Resco	$ 0.34	$ 7,792.63		
3	82,139	Ft	Superior Essex/120482D01 (48 ct Fiber)				
			Power & Tel	$ 0.38	$ 31,469.09		
			Graybar	$ 0.39	$ 32,017.78		
			Wesco	$ 0.58	$ 47,558.48		
			Wesco Alternative Bid	$ 0.40	$ 32,773.46		
			Terry Durin	$ 0.38	$ 30,966.40		
			Irby	$ 0.30	$ 24,559.56	$ 24,559.56	Irby
			Resco	$ 0.45	$ 37,307.53		
4	86,579	Ft	Superior Essex/120962D01 (96 ct Fiber)				
			Power & Tel	$ 0.65	$ 56,665.96		
			Graybar	$ 0.68	$ 59,280.64		
			Wesco	$ 0.99	$ 85,713.21		
			Wesco Alternative Bid	$ 0.71	$ 61,471.09		
			Terry Durin	$ 0.61	$ 52,813.19		
			Irby	$ 0.52	$ 45,194.24	$ 45,194.24	Irby
			Resco	$ 0.78	$ 67,185.30		
5	81,564	Ft	Superior Essex/121442D01 (144 ct Fiber)				

			Power & Tel	$ 0.96	$ 78,668.48	
			Graybar	$ 0.98	$ 79,924.56	
			Wesco	$ 1.46	$ 119,083.44	
			Wesco Alternative Bid	$ 1.01	$ 82,542.77	
			Terry Durin	$ 0.90	$ 73,244.47	
			Irby	$ 0.76	$ 62,070.20	$ 62,070.20 Irby
			Resco	$ 1.14	$ 93,268.43	
6	21,222	Ft	Superior Essex/122882D01 (288 ct Fiber)			
			Power & Tel	$ 1.64	$ 34,794.74	
			Graybar	$ 1.70	$ 36,030.71	
			Wesco	$ 2.48	$ 52,630.56	
			Wesco Alternative Bid	$ 1.72	$ 36,416.95	
			Terry Durin	$ 1.61	$ 34,124.98	
			Irby	$ 1.45	$ 30,771.90	$ 30,771.90 Irby
			Resco	$ 1.94	$ 41,253.45	
7	10	Ea	Commscope/MST-02MH00-B0200U (MST 2 port 200' Tail)			
			Power & Tel	$ 77.37	$ 773.70	773.7 Power & Tel
			Graybar	$ 87.29	$ 872.90	
			Wesco	$ 82.50	$ 825.00	
			Terry Durin	No Bid		
			Resco	$ 91.74	$ 917.38	
8	5	Ea	Commscope/MST-02MH00-B0500U (MST 2 port 500' Tail)			
			Power & Tel	$ 134.21	$ 671.05	671.05 Power & Tel
			Graybar	$ 151.43	$ 757.15	
			Wesco	$ 143.10	$ 715.50	
			Terry Durin	No Bid		
			Resco	$ 159.13	$ 795.63	
9	6	Ea	Commscope/MST-02MH00-B0750U (MST 2 port 750' Tail)			
			Power & Tel	$ 170.55	$ 1,023.30	1023.3 Power & Tel
			Graybar	$ 193.71	$ 1,162.26	
			Wesco	$ 183.09	$ 1,098.54	
			Terry Durin	No Bid		
			Resco	$ 202.21	$ 1,213.25	
10	1	Ea	Commscope/MST-02MH00-B1000U (MST 2 port 1,000' Tail)			
			Power & Tel	$ 209.21	$ 209.21	209.21 Power & Tel
			Graybar	$ 236.03	$ 236.03	
			Wesco	$ 223.07	$ 223.07	
			Terry Durin	No Bid		
			Resco	$ 248.05	$ 248.05	
11	4	Ea	Commscope/MST-02MH00-B1500U (MST 2 port 1,500' Tail)			
			Power & Tel	$ 294.08	$ 1,176.32	1176.32 Power & Tel
			Graybar	$ 334.00	$ 1,336.00	
			Wesco	$ 315.66	$ 1,262.64	
			Terry Durin	No Bid		
			Resco	$ 348.66	$ 1,394.65	
12	18	Ea	Commscope/MST-04MH00-B0200U (MST 4 port 200' Tail)			
			Power & Tel	$ 99.47	$ 1,790.46	1790.46 Power & Tel
			Graybar	$ 112.23	$ 2,020.14	
			Wesco	$ 106.07	$ 1,909.26	
			Terry Durin	No Bid		
			Rsco	$ 117.94	$ 2,122.86	
13	43	Ea	Commscope/MST-04MH00-B0500U (MST 4 port 500' Tail)			
			Power & Tel	$ 155.91	$ 6,704.13	6704.13 Power & Tel
			Graybar	$ 176.36	$ 7,583.48	
			Wesco	$ 166.67	$ 7,166.81	
			Terry Durin	No Bid		
			Resco	$ 184.85	$ 7,948.59	
14	11	Ea	Commscope/MST-04MH00-B0750U (MST 4 port 750' Tail)			
			Power & Tel	$ 192.51	$ 2,117.61	2117.61 Power & Tel
			Graybar	$ 218.65	$ 2,405.15	
			Wesco	$ 206.66	$ 2,273.26	
			Terry Durin	No Bid		
			Resco	$ 228.25	$ 2,510.73	
15	7	Ea	Commscope/MST-04MH00-B1000U (MST 4 port 1,000' Tail)			

Item	Qty	Unit	Description	Vendor	Unit Price		Total	Award
				Power & Tel	$ 230.70	$	1,614.90	1614.9 Power & Tel
				Graybar	$ 260.97	$	1,826.79	
				Wesco	$ 246.64	$	1,726.48	
				Terry Durin	No Bid			
				Resco	$ 273.53	$	1,914.68	
16	1	Ea	Commscope/MST-04MH00-B1250U (MST 4 port 1,250' Tail)					
				Power & Tel	$ 274.86	$	274.86	274.86 Power & Tel
				Graybar	$ 312.18	$	312.18	
				Wesco	$ 295.04	$	295.04	
				Terry Durin	No Bid			
				Resco	$ 325.88	$	325.88	
17	1	Ea	Commscope/MST-04MH00-B1500U (MST 4 port 1,500' Tail)					
				Power & Tel	$ 316.04	$	316.04	316.04 Power & Tel
				Graybar	$ 358.94	$	358.94	
				Wesco	$ 339.23	$	339.23	
				Resco	$ 374.70	$	374.70	
				Terry Durin	No Bid			
18	20	Ea	Commscope/MST-06RH00-B0100U (4x3 MST 6 port 100' Tail)					
				Power & Tel	$ 106.95	$	2,139.00	2139 Power & Tel
				Graybar	$ 121.13	$	2,422.60	
				Wesco	$ 114.48	$	2,289.60	
				Resco	$ 126.80	$	2,536.01	
				Terry Durin	No Bid			
19	14	Ea	Commscope/MST-06RH00-B0200U (4x3 MST 6 port 200' Tail)					
				Power & Tel	$ 121.90	$	1,706.60	1706.6 Power & Tel
				Graybar	$ 138.05	$	1,932.70	
				Wesco	$ 130.48	$	1,826.72	
				Resco	$ 144.53	$	2,023.40	
				Terry Durin	No Bid			
20	74	Ea	Commscope/MST-06RH00-B0500U (4x3 MST 6 port 500' Tail)					
				Power & Tel	$ 178.52	$	13,210.48	13210.48 Power & Tel
				Graybar	$ 202.19	$	14,962.06	
				Wesco	$ 191.08	$	14,139.92	
				Resco	$ 211.66	$	15,662.64	
				Terry Durin	No Bid			
21	37	Ea	Commscope/MST-06RH00-B0750U (4x3 MST 6 port 750' Tail)					
				Power & Tel	$ 215.87	$	7,987.19	7987.19 Power & Tel
				Graybar	$ 244.48	$	9,045.76	
				Wesco	$ 231.07	$	8,549.59	
				Resco	$ 255.94	$	9,469.93	
				Terry Durin	No Bid			
22	13	Ea	Commscope/MST-06RH00-B1000U (4x3 MST 6 port 1,000' Tail)					
				Power & Tel	$ 253.22	$	3,291.86	3291.86 Power & Tel
				Graybar	$ 286.80	$	3,728.40	
				Wesco	$ 271.05	$	3,523.65	
				Resco	$ 300.22	$	3,902.85	
				Terry Durin	No Bid			
23	4	Ea	Commscope/MST-06RH00-B1250U(4x3 MST 6 port 1,250' Tail)					
				Power & Tel	$ 257.92	$	1,031.68	1031.68 Power & Tel
				Graybar	$ 384.77	$	1,539.08	
				Wesco	$ 425.93	$	1,703.72	
				Resco	$ 305.79	$	1,223.18	
				Terry Durin	$ 305.80	$	1,223.20	
24	26	Ea	Commscope/MST-08RH00-B0100U (4x3 MST 8 port 100' Tail)					
				Power & Tel	$ 131.33	$	3,414.58	3414.58 Power & Tel
				Graybar	$ 148.74	$	3,867.24	
				Wesco	$ 140.58	$	3,655.08	
				Resco	$ 155.71	$	4,048.46	
				Terry Durin	No Bid			
25	22	Ea	Commscope/MST-08RH00-B0200U (4x3 MST 8 port 200' Tail)					
				Power & Tel	$ 147.84	$	3,252.48	3252.48 Power & Tel
				Graybar	$ 167.44	$	3,683.68	
				Wesco	$ 158.25	$	3,481.50	
				Resco	$ 175.29	$	3,856.38	

Item	Qty	Unit	Description	Vendor	Unit Price	Extended Price	
				Terry Durin	No Bid		
26	99	Ea	Commscope/MST-08RH00-B0500U (4x3 MST 8 port 500' Tail)				
				Power & Tel	$ 209.18	$ 20,708.82	20708.82 Power & Tel
				Graybar	$ 236.93	$ 23,456.07	
				Wesco	$ 223.91	$ 22,167.09	
				Resco	$ 248.00	$ 24,552.35	
				Terry Durin	No Bid		
27	39	Ea	Commscope/MST-08RH00-B0750U (4x3 MST 8 port 750' Tail)				
				Power & Tel	$ 243.38	$ 9,491.82	9491.82 Power & Tel
				Graybar	$ 283.68	$ 11,063.52	
				Wesco	$ 268.11	$ 10,456.29	
				Resco	$ 288.55	$ 11,253.48	
				Terry Durin	No Bid		
28	7	Ea	Commscope/MST-08RH00-B1000U (4x3 MST 8 port 1,000' Tail)				
				Power & Tel	$ 280.74	$ 1,965.18	1965.18 Power & Tel
				Graybar	$ 330.44	$ 2,313.08	
				Wesco	$ 312.29	$ 2,186.03	
				Resco	$ 332.85	$ 2,329.94	
				Terry Durin	No Bid		
29	3	Ea	Commscope/MST-08RH00-B1250U (4x3 MST 8 port 1,250' Tail)				
				Power & Tel	$ 294.62	$ 883.86	883.86 Power & Tel
				Graybar	$ 437.32	$ 1,311.96	
				Wesco	$ 486.54	$ 1,459.62	
				Resco	$ 349.30	$ 1,047.91	
				Terry Durin	No Bid		
30	1	Ea	Commscope/MST-08RH00-B1500U (4x3 MST 8 port 1,500' Tail)				
				Power & Tel	$ 385.05	$ 385.05	385.05 Power & Tel
				Graybar	$ 437.32	$ 437.32	
				Wesco	$ 413.30	$ 413.30	
				Resco	$ 456.52	$ 456.52	
				Terry Durin	No Bid		
31	13	Ea	Commscope/MST-12RH00-B0100U (4x3 MST 12 port 100' Tail)				
				Power & Tel	$ 177.23	$ 2,303.99	2303.99 Power & Tel
				Graybar	$ 201.30	$ 2,616.90	
				Wesco	$ 190.24	$ 2,473.12	
				Resco	$ 210.13	$ 2,731.63	
				Terry Durin	No Bid		
32	11	Ea	Commscope/MST-12RH00-B0200U (4x3 MST 12 port 200' Tail)				
				Power & Tel	$ 195.81	$ 2,153.91	2153.91 Power & Tel
				Graybar	$ 221.78	$ 2,439.58	
				Wesco	$ 209.60	$ 2,305.60	
				Resco	$ 232.16	$ 2,553.72	
				Terry Durin	No Bid		
33	65	Ea	Commscope/MST-12RH00-B0500U (4x3 MST 12 port 500' Tail)				
				Power & Tel	$ 261.87	$ 17,021.55	17021.55 Power & Tel
				Graybar	$ 296.60	$ 19,279.00	
				Wesco	$ 280.31	$ 18,220.15	
				Resco	$ 310.48	$ 20,181.21	
				Terry Durin	No Bid		
34	29	Ea	Commscope/MST-12RH00-B0750U (4x3 MST 12 port 750' Tail)				
				Power & Tel	$ 307.09	$ 8,905.61	8905.61 Power & Tel
				Graybar	$ 347.80	$ 10,086.20	
				Wesco	$ 328.71	$ 9,532.59	
				Resco	$ 364.09	$ 10,558.69	
				Terry Durin	No Bid		
35	5	Ea	Commscope/MST-12RH00-B1000U (4x3 MST 12 port 1,000' Tail)				
				Power & Tel	$ 352.30	$ 1,761.50	1761.5 Power & Tel
				Graybar	$ 399.02	$ 1,995.10	
				Wesco	$ 377.11	$ 1,885.55	
				Resco	$ 417.69	$ 2,088.47	
				Terry Durin	No Bid		

Item	Qty	Unit	Description / Bidder	Unit Price	Total		
36	1	Ea	Commscope/MST-12RH00-B1250U (4x3 MST 12 port 1250' Tail)				
			Power & Tel	$ 350.35	$ 350.35	350.35 Power & Tel	
			Graybar	$ 514.80	$ 514.80		
			Wesco	$ 578.57	$ 578.57		
			Resco	$ 415.37	$ 415.37		
			Terry Durin	No Bid			
37	712	Ea	24"x36"x24" Polycarbonate Tier 15 Cover Hand Hole				
			Power & Tel	$ 244.64	$ 174,183.68		
			Graybar	No Bid			
			Wesco	$ 262.06	$ 186,586.72		
			Resco	$ 279.13	$ 198,740.56		
			Resco Alt	$ 264.02	$ 187,982.24		
			Terry Durin	$ 220.00	$ 156,640.00	156640 Terry Durin	
38	20	Ea	30"x48"x36" Polycarbonate Tier 15 2 Piece Cover Vault with pre-manufactured opening A6001430TAPCX36				
			Power & Tel	$ 699.33	$ 13,986.60		
			Graybar	No Bid			
			Wesco	No Bid			
			Resco	No Bid			
			Resco Alt	No Bid			
			Terry Durin- incorrect bid	$ 435.00	$ 8,700.00	13986.6 Power & Tel	
39	1,840	Ea	13"x24"x12" Polycarbonate Tier 15 Cover Hand Hole				
			Power & Tel	$ 83.69	$ 153,989.60	153989.6 Power & Tel	
			Graybar	No Bid			
			Wesco	$ 93.90	$ 172,776.00		
			Resco	$ 95.37	$ 175,480.80		
			Resco Alt	$ 104.59	$ 192,445.60		
			Terry Durin	$ 86.00	$ 158,240.00		
40	731	Ea	5/8" x 8' Copper Ground Rod				
			Power & Tel	$ 8.61	$ 6,295.74	6295.74 Power & Tel	5286.6
			Graybar	$ 9.68	$ 7,076.08		
			Wesco	$ 9.40	$ 6,871.40		
			Resco	$ 9.25	$ 6,761.75		
			Terry Durin	$ 8.95	$ 6,542.45		
41	731	Ea	½" – 5/8" Copper Ground Rod Clamp				1288541.27
			Power & Tel	$ 1.06	$ 771.21		
			Graybar	$ 1.17	$ 855.27		
			Wesco	$ 1.04	$ 760.24		
			Resco	$ 0.94	$ 686.56	686.56 Resco	
			Terry Durin	$ 1.25	$ 913.75		
42	3,655	Ft	#8 AWG Solid Ground Wire				
			Power & Tel	$ 0.59	$ 2,145.49		
			Graybar	No Bid			
			Wesco	$ 0.25	$ 913.75	913.75 Wesco	
			Resco	$ 0.78	$ 2,854.92		
			Terry Durin	$ 0.33	$ 1,206.15		
43	588	Ea	1.5" Round Copper Blank Tags				
			Power & Tel	$ 0.59	$ 346.92	346.92 Power & Tel	
			Graybar	No Bid			
			Wesco	$ 2.50	$ 1,470.00		
			Resco	$ 0.80	$ 470.40		
			Terry Durin	No Bid			
44	208	Ea	B Size Fiber Splice Closure				
			Power & Tel	$ 191.79	$ 39,892.32	39892.32 Power & Tel	
			Graybar	$ 221.20	$ 46,009.60		
			Wesco	$ 171.29	$ 35,628.32		
			Resco	$ 240.05	$ 49,930.40		
			Resco Alternative Bid	$ 192.79	$ 40,100.32		

Wesco was the low bidder on this item. However, the specific part number wasn't clarified in the bid documents. IMU wants to stay with what they currently use.

Item	Qty	Unit	Description / Bidder	Unit Price	Total	Award	
			Terry Durin	No Bid			
45	4	Ea	C Size Fiber Splice Closure				
			Power & Tel	$ 212.90	$ 851.60	851.6 Power & Tel	
			Graybar	$ 245.55	$ 982.20		
Wesco was the low bidder on this item. However, the specific part number wasn't clarified in the bid documents. IMU wants to stay with what they currently use.			Wesco	$ 199.96	$ 799.84		
			Resco	$ 266.43	$ 1,065.72		
			Resco Alternative Bid	$ 308.70	$ 1,234.80		
			Terry Durin	No Bid			
46	19	Ea	D Size Fiber Splice Closure				
			Power & Tel	$ 301.67	$ 5,731.73	5731.73 Power & Tel	
			Graybar	$ 347.92	$ 6,610.48		
Wesco was the low bidder on this item. However, the specific part number wasn't clarified in the bid documents. IMU wants to stay with what they currently use.			Wesco	$ 296.04	$ 5,624.76		
			Resco	$ 377.55	$ 7,173.45		
			Resco Alternative Bid	$ 417.41	$ 7,930.79		
			Terry Durin	No Bid			
47	317	Ea	B Size Fiber Splice Closure 24 ct Splice Tray				
			Power & Tel	$ 12.86	$ 4,076.62	4076.62 Power & Tel	289
			Graybar	$ 14.83	$ 4,701.11		
			Wesco	$ 14.23	$ 4,510.91		
			Resco	$ 16.59	$ 5,259.03		
			Resco Alternative Bid	$ 23.33	$ 7,395.61		
			Terry Durin	No Bid			
48	22	Ea	C Size Fiber Splice Closure 24 ct Splice Tray				
			Power & Tel	$ 14.78	$ 325.16	325.16 Power & Tel	4
			Graybar	$ 17.05	$ 375.10		
			Wesco	$ 16.36	$ 359.92		
			Resco	$ 18.56	$ 408.32		
			Terry Durin	No Bid			
49	26	Ea	D Size Fiber Splice Closure 72 ct Splice Tray				
			Power & Tel	$ 22.97	$ 597.22	597.22 Power & Tel	9
			Graybar	$ 26.49	$ 688.74		
			Wesco	$ 45.42	$ 1,180.92		
			Resco	$ 28.78	$ 748.28		
			Resco Alternative Bid	$ 30.76	$ 799.76		
			Terry Durin	No Bid			
50	18	Ea	288 act SC/APC port ct Fiber Distribution Cabinet with 4" riser, 50 ft OSP fiber feeder pigtail to be spliced in vault below Clearfield RN1-288-C1E-200B 050F				
			Power & Tel	$ 5,133.04	$ 92,394.72	92394.72 Power & Tel	
			Graybar	$ 5,489.56	$ 98,812.08		
			Wesco	$ 5,518.98	$ 99,341.64		
			Terry Durin	No Bid			
			Resco	No Bid			
51	2	Ea	144 act SC/APC port ct Fiber Distribution Cabinet with 4" riser, 50 ft OSP fiber feeder pigtail to be spliced in vault below				
			Power & Tel	$ 3,363.01	$ 6,726.02	6726.02 Power & Tel	
			Graybar	$ 3,597.30	$ 7,194.60		
			Wesco	$ 3,690.21	$ 7,380.42		
			Terry Durin	No Bid			
			Resco	No Bid			
52	41	Ea	1x32 Splitter for Fiber Distribution Cabinet				
			Power & Tel	$ 907.84	$ 37,221.44	37221.44 Power & Tel	
			Graybar	$ 1,043.25	$ 42,773.25		
			Wesco	$ 1,099.34	$ 45,072.94		
			Terry Durin	No Bid			
			Resco	No Bid	#VALUE!		

Item		Qty	Unit	Description / Vendor	Unit Price	Extended	Award
53		8	Ea	Patch panel with splitters for Existing Cabinet Upgrade chassis, Clearfield TKA-ZZG-ZZZ			
	1377.93			Power & Tel	$ 355.89	$ 2,847.12	2847.12 Power & Tel
	1449.15			Graybar	$ 355.89	$ 2,847.12	
	Wesco combined part numbers for 53 and 53a into a single price			Wesco	$ 1,555.00	$ 12,440.00	
				Resco	No Bid		
				Resco Alternative Bid	No Bid		
				Terry Durin	No Bid		
53a		23	Ea	Patch panel with splitters for Existing Cabinet Upgrade ports with tails, Clearfield MTK-PES-EAZ-ZZZ			
				Power & Tel	$ 1,022.04	$ 8,176.32	8176.32 Power & Tel
	TBD			Graybar	$ 1,093.26	$ 8,746.08	
	Group Price comparison			Wesco	$ 1,555.00	$ 12,440.00	
P & T		1,378	P&T low bidder	Resco	No Bid		
Graybar		1,449		Resco Alternative Bid	No Bid		
Wesco		1,555		Terry Durin	No Bid		
54		16,510	Ft	Green #12 THHN Solid Copper Conductor Tracer Wire			
				Power & Tel	$ 0.10	$ 1,718.36	
				Graybar	$ 0.10	$ 1,616.66	
				Wesco	$ 0.09	$ 1,485.90	1484.1 Wesco
				Resco	$ 0.10	$ 1,660.91	
				Terry Durin	$ 0.10	$ 1,568.45	
55		580	Ea	CommScope/FHDHP1D0200F (200 ft tonable drop cable with hardened connector)			
				Power & Tel	$ 78.56	$ 45,564.80	45564.8 Power & Tel
				Graybar	$ 100.55	$ 58,319.00	
				Wesco	$ 95.02	$ 55,111.60	
				Resco	$ 93.15	$ 54,027.00	
				Terry Durin	No Bid		
56		604	Ea	CommScope/FHDHP1D0300F (300 ft tonable drop cable with hardened connector)			
				Power & Tel	$ 105.13	$ 63,498.52	63498.52 Power & Tel
				Graybar	$ 128.33	$ 77,511.32	
				Wesco	$ 121.28	$ 73,253.12	
				Resco	$ 124.65	$ 75,288.60	
				Terry Durin	No Bid		
57		318	Ea	CommScope/FHDHP1D0400F (400 ft tonable drop cable with hardened connector)			
				Power & Tel	$ 126.67	$ 40,281.06	40281.06 Power & Tel
				Graybar	$ 156.11	$ 49,642.98	
				Wesco	$ 147.55	$ 46,920.90	
				Resco	$ 150.18	$ 47,757.24	
				Terry Durin	No Bid		
58		112	Ea	CommScope/FHDHP1D0500F (500 ft tonable drop cable with hardened connector)			
				Power & Tel	$ 148.22	$ 16,600.64	16600.64 Power & Tel
				Graybar	$ 183.91	$ 20,597.92	
				Wesco	$ 173.81	$ 19,466.72	
				Resco	$ 175.74	$ 19,682.88	
				Terry Durin	No Bid		
59		32	Ea	CommScope/FHDHP1D0750F (750 ft tonable drop cable with hardened connector)			
				Power & Tel	$ 210.14	$ 6,724.48	6724.48 Power & Tel
				Graybar	$ 274.23	$ 8,775.36	
				Wesco	$ 259.16	$ 8,293.12	
				Resco	$ 249.14	$ 7,972.48	
				Terry Durin	No Bid		
60		5	Ea	CommScope/FHDHP1D01000F (1000 ft tonable drop cable with hardened connector)			
				Power & Tel	$ 344.89	$ 1,724.45	1724.45 Power & Tel
				Graybar	$ 438.65	$ 2,193.25	

Item	Qty	Unit	Description / Bidder	Unit Price	Extended	Award
			Wesco	$ 414.55	$ 2,072.75	
			Resco	$ 408.91	$ 2,044.55	
			Terry Durin	No Bid		
61	1,649	Ea	Clearfield/TAP-BBD-1Z-ZZZ (Patch and Splice Demark box for drop cable with Duplex SC/APC Connector)			
			Power & Tel	$ 20.30	$ 33,474.70	33474.7 Power & Tel
			Graybar	$ 22.10	$ 36,442.90	
			Wesco	$ 22.33	$ 36,822.17	
			Resco	$ 25.41	$ 41,901.09	
			Terry Durin	No Bid		
The Following are for the PoP Patch Panel Configurations for 3-288 ct, 1-144 ct, and 1-48 ct Fiber						
63	4	Ea	High Density Rack Mount FDU 8RU, 288 fiber. Clearfield GPH-288-A1B-AA6-B200F			
			Power & Tel	$ 4,162.30	$ 16,649.20	16649.2 Power & Tel
			Graybar	$ 4,452.13	$ 17,808.52	
			Wesco	$ 4,521.21	$ 18,084.84	
			Resco	No Bid		
			Terry Durin	No Bid		
64	2	Ea	High Density Rack Mount FDU 4RU, 144 fiber. Clearfield GPG-144-A1B-AA3-B200F			
			Power & Tel	$ 2,193.50	$ 4,387.00	4387 Power & Tel
			Graybar	$ 2,303.99	$ 4,607.98	
			Wesco	$ 2,387.25	$ 4,774.50	
			Resco	No Bid		
			Terry Durin	No Bid		
65	2	Ea	High Density Rack Mount FDU 4RU, 48 fiber. Clearfield GPE-48-A1B-AA3-B200F			
			Power & Tel	$ 1,128.16	$ 2,256.32	2256.32 Power & Tel
			Graybar	$ 1,185.14	$ 2,370.28	
			Wesco	$ 1,239.00	$ 2,478.00	
			Resco	No Bid		
			Terry Durin	No Bid		
						$ 1,053,434.81

2017 IMU FTTH Materials Bid Results

Revised

Bidder:	Award Amt	Line Items Awarded	Percentage $	Percentage Item Qty
Power & Tel	$ 723,257.39	55	69%	85%
Wesco	$ 2,397.85	2	0.23%	3%
Resco	$ 686.56	1	0.07%	2%
Irby	$ 170,453.01	6	16.18%	9%
Graybar		0	0.00%	0
Terry Durin	$ 156,640.00	1	14.87%	2%
Total Award	$ 1,053,434.81	65	100.00%	100%

Original

Bidder:	Award Amt	Line Items Awarded	Percentage $	Percentage Item Qty
Power & Tel	$ 701,285.44	54	55%	83%
Wesco	$ 2,390.35	2	0.19%	3%
Resco	$ 680.92	1	0.05%	2%
Irby	$ 414,877.96	6	32.55%	9%
Graybar		0	0.00%	0
Terry Durin	$ 155,320.00	2	12.19%	3%
Total Award	$ 1,274,554.67	65	100.00%	100%

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – MAY 22, 2017

The Board of Trustees met in regular session at 5:30 p.m. on May 22, 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.

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

Claims list for May 15, 2017

Minutes from May 8, 2017

April 2017 Treasurer and Financial Reports

Salary – Tyler Offenburger, IMU Electric Crew Chief, from Range 26-6 $60,495/year (includes longevity) to Range 27-6+ $66,832/year (includes longevity)

Electric Utility Action Items
The following resolution entitled, "RESOLUTION FOR NMPP AND MEAN MEMBERSHIP" was approved on a motion by White and seconded by Rozga. Finance Director Chris DesPlanques as Indianola's representative and Mike Metcalf as the alternate representatives to the MEAN Management Committee, MEAN Board of Directors and NMPP Member's Council. On roll call the vote was, AYES: Voigts, Rozga, McClymond, Forbush and White. NAYS: None. Whereupon the Chairperson declared the motion carried unanimously and the following resolution duly adopted.

RESOLUTION NO. 2017-184
MEMBER RESOLUTION FOR APPOINTMENTS TO
THE NMPP AND MEAN COMMITTEE

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

Electric Utility Information Items -General Manager Rob Stangel and Electric Superintendent Mike Metcalf presented information regarding the Electric Utility.

Water Utility Information Items – Lou Elbert, Water Superintendent presented information regarding the Water Utility Information Items.

Communications Utility Action Items
The Chair then announced that the City Clerk and the IMU General Manager had opened and tabulated the bids for the public improvements described in general as the 2017 Fiber to The Home Network Project (Construction) for Indianola Municipal Utilities, Indianola, Iowa, in accordance with the plans and specifications previously adopted.

The following bids were presented by the City Clerk and the IMU General Manager.

Name and Address of Bidder	Amount of Bid
Excel Utility St. James, Mo	$3,754,298.00
Bear Construction Lawrence, KS	$5,583,304.98
Michels Corp Brownsville, WI	$9,191,168.06

Board member White moved and Forbush seconded to acknowledging bids received and designated Excel Utility as the apparent low bidder in an amount of $3,754,298.00. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by White and seconded by Forbush to award the contract for the 2017 Fiber To The Home Network Project (Construction) to Excel Utility in an amount of $3,754,398.00 subject to financing. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Board Member White introduced the following resolution entitled "RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT", subject to financing, and moved its adoption. Board Member Forbush seconded the motion to adopt. The roll was called and the vote was: AYES: Voigts, Rozga, McClymond, Forbush and White. NAYS: None. Whereupon, the Chair declared the following Resolution duly adopted:

RESOLUTION NO. 2017-185
RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT
FOR THE FIBER TO THE HOME PROJECT TO EXCEL UTILITY
SUBJECT TO FINANCING

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

The Chair then announced that the City Clerk and the IMU General Manager had opened and tabulated the bids for the public improvements described in general as the 2017 Fiber to The Home Project – Material Procurement for Indianola Municipal Utilities, Indianola, Iowa, in accordance with the plans and specifications previously adopted.

The following bids were presented by the City Clerk and the IMU General Manager.

VENDOR	AWARD
Power & Tel Des Moines, Iowa	$701,285.44
Wesco Des Moines, Iowa	$2,390.35
RESCO Ankeny, Iowa	$680.92
Terry Durin	$164,020.00

Cedar Rapids, Iowa	
Irby Eagan, MN	$414,877.96
Total Material Awards	$1,283,254.67

Board member Rozga moved White seconded to acknowledging bids received and designated the above vendor's as the apparent low bidder in a total amount of $1,283,254.67. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by Rozga and seconded by White to award the contract to the above-mentioned vendors for the 2017 Fiber To The Home Project – Material Procurement Project subject to financing. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Board Member Rozga introduced the following resolution entitled "RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT", subject to financing, and moved its adoption. Board Member White seconded the motion to adopt. The roll was called and the vote was: AYES: McClymond, Forbush, White, Voigts and Rozga. NAYS: None. whereupon, the Chair declared the following Resolution duly adopted:

RESOLUTION NO. 2017-186
RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT
FOR THE FIBER TO THE HOME PROJECT – MATERIAL
SUBJECT TO FINANCING

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

Board Member White introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $7,500,000 COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017A, OF THE INDIANOLA MUNICIPAL UTILITIES, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Board Member Rozga seconded the motion to adopt. The roll was called and the vote was, AYES: Voigts, Rozga, McClymond, Forbush and White. NAYS: None. Whereupon the Chairperson declared the Resolution duly adopted as follows. Whereupon, the Chairperson declared the Resolution duly adopted as follows:

RESOLUTION NO. 2017-187
RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $7,500,000 COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017A, OF THE INDIANOLA MUNICIPAL UTILITIES, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

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

Board Member Rozga introduced the following Resolution entitled "RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE

ISSUANCE OF NOT TO EXCEED $5,500,000 TAXABLE COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017B, OF THE INDIANOLA MUNICIPAL UTILITIES, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF", and moved that the same be adopted. Board Member White seconded the motion to adopt. The roll was called and the vote was, AYES: McClymond, Forbush, White, Voigts and Rozga. NAYS: None. Whereupon the Chairperson declared the Resolution duly adopted as follows:

RESOLUTION NO. 2017-188

RESOLUTION FIXING DATE FOR A MEETING ON THE AUTHORIZATION OF A LOAN AGREEMENT AND THE ISSUANCE OF NOT TO EXCEED $5,500,000 TAXABLE COMMUNICATIONS UTILITY REVENUE CAPITAL LOAN NOTES, SERIES 2017B, OF THE INDIANOLA MUNICIPAL UTILITIES, STATE OF IOWA, AND PROVIDING FOR PUBLICATION OF NOTICE THEREOF

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

A motion was made by White and seconded by Forbush to set June 12, 2017 as the public hearing for the communications rates. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

The proposal and letter of engagement with Curtis Dean dba SmartSource Consulting was approved on a motion by White and seconded by Forbush subject to the General Manager Rob Stangel working out an exit clause and adding additional language in the agreement that Mr. Dean will report to the IMU Board of Trustees. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

No report was received for the Communications Utility Informational Items

Combined Electric, Water and Communications Utilities Action Items

The Board discussed the agreement with Denman & Company LLP to perform audit services for the Indianola Municipal Utilities and the City. It was the consensus of the Board to table this item for additional information and to have a discussion with the Indianola City Council.

Combined Electric, Water and Communications Utilities Informational Items – General Manager Rob Stangel presented information regarding the combined electric, water and communications utilities.

The Board discussed the process to hire a new General Manager. This will be placed on the June 12, 2017 IMU Board of Trustee agenda.

Meeting adjourned at 7:15 p.m. on a motion by White and seconded by Forbush.

Adam Voigts, Chair

Diana Bowlin, City Clerk

IMU Regular Downstairs **9.**

Meeting Date: 07/24/2017

Information

Subject

Water Utility Action Items

Information

Fiscal Impact

Attachments

No file(s) attached.

IMU Regular Downstairs **9.A.**

Meeting Date: 07/24/2017

Information

Subject

Authorization for Warren Water to serve IMU customer

Information

IMU has received a request from a residential, new construction customer to be served by Warren Water District (WWD) although the property is technically within the IMU service territory. Due to geographic barriers and a 1 1/2 mile main extension required to serve this customer, Superintendent Lou Elbert is recommending that the Board approve a waiver for WWD to serve the property located next to 10276 150th Avenue. A map is included to show the location of the property, WWD's main locations and IMU's main location.

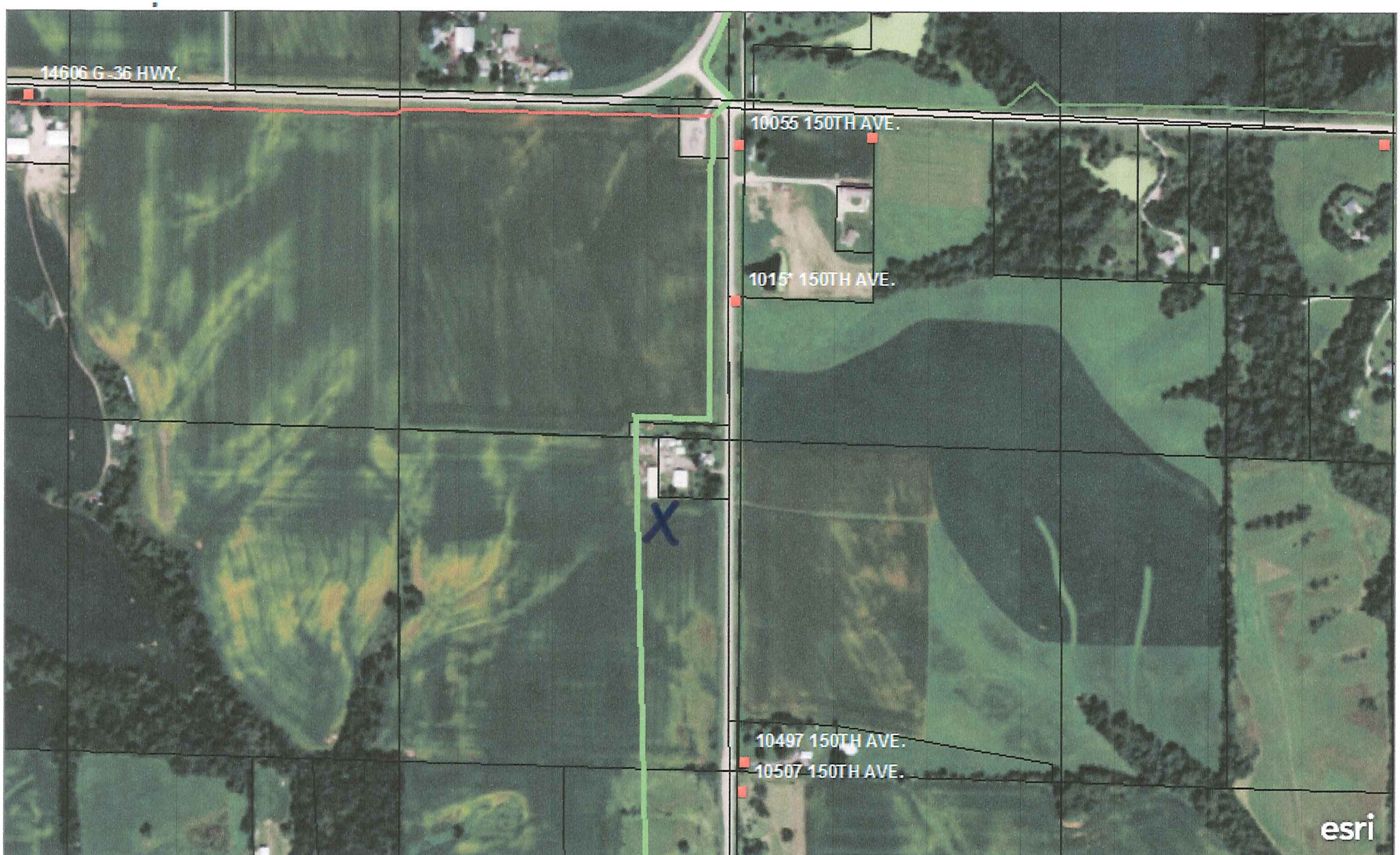
Simple motion is in order.

Fiscal Impact

Attachments

Maps

1½ miles to new home
Warren Water 12" water main
HILLCREST AVE
G36 HWY
143RD AVE
148TH AVE
150TH AVE
14TH ST
IOWA AVE
JERSEY ST
146TH LN
9319
9393
9744
14205
14857
14606
1400
1700
1606
1602
1601
1506
1301
1210
1200
1110
1100
10276
10602
10621
10622
10659
10660
10702
14485
14703
14338
10783
14654
10836



Warren Water 12" Water Main
NEW Home X

IMU Regular Downstairs **11.A.**

Meeting Date: 07/24/2017

Information

Subject

Discussion regarding revised policy 3.3.11.2 for refunds or back billing and resolution concerning utility bills

Information

During the operational review, the work group of City Manager Ryan Waller, Finance Director Chris Des Planques, Utility Services Supervisor Chris Longer, HR Director Melissa McCoy, City Attorney Amy Beattie and City Clerk Diana Bowlin identified areas of the existing trustee policy 3.3.11.2 for refunds or back billing and a resolution that would address billing parameters for each utility that needed to be addressed.

In your packet is a proposed resolution approving the revised policy for refunds or back billing and also a copy of the current policies.

Staff is recommending the following be added to the 3.3.11.2 of the electric and water policy:

- "The General Manager, or his designee, has the authority to issue credits to utility accounts with bona-fide excessive electric/water usage in amounts up to $1,000."
- "For any back bill issued under this policy, the customer shall be offered a payment plan agreement with repayment terms up to 12 months without interest or penalty. Any requested payment plan exceeding 12 months shall require Trustee approval."

The final change would be to adopt a resolution for the Trustees that will address billing parameters for each utility (electric, water sewer, storm water, recycling) including how the utility bill payment is distributed between all utilities. The resolution will include:

- Bills issued: The billing agency shall prepare and issue bills for combined service accounts for each month.
- Bills payable: Bills for combined service accounts shall be due when billed and payable at the office of the billing agency.
- Late payment penalty: Bills not paid within 20 days of the billing date shall be considered delinquent. A late payment penalty of five percent (5%) of the amount due shall be added to each water delinquent bill and 1.5% to each electric delinquent bill
- Order of payment: Payment received shall be applied in the following order: Electric, Water, Sewer, Stormwater

The Council Study Committee discussed these items at their July 17, 2017 meeting. If it is the consensus of the Board to proceed with these changes then we will place this on the August 14 agenda for formal approval.

Fiscal Impact

Attachments

Current Policy

Resolution Revised Policy

Resolution Utilities

Current Policy

registration 25% of the adjustment period. The adjustment period for under registered meters shall not exceed six (6) months.

The Utility shall issue an estimated bill based on accurate average consumption data from up to the past 36 months. In cases where accurate consumption data is not available, the Utility shall engage the services of a qualified engineer to determine the appropriate methodology to estimate consumption.

3.3.11.2. An adjustment, refund or back billing shall be made for any overcharge or undercharge resulting from incorrect reading of the meter, incorrect application of the rate schedule, incorrect meter connection or other similar reason. Events covered by this subsection include the meter multiplier being incorrectly applied to a customer's consumption, incorrect reading of the meter or application of the rate schedule, incorrect meter connection, or other similar reason. A refund or back billing shall be issued for the actual consumption either for the proceeding 60 months from the time the error was identified or for the period from the establishment of the current account holder to the time the error was identified, whichever is less. The maximum refund or back bill shall not exceed the dollar amount equivalent to actual consumption times the rate for like charges in the 12 months preceding the discovery of the error unless otherwise ordered by the governing body.

3.3.11.3. When a customer provides reasonable evidence to the Utility that an accidental ground has existed on the customer's facilities, the Utility shall estimate the normal usage for each billing period during which the ground is reasonably believed to have existed, not to exceed two (2) months. The bill for each such period shall be recomputed, treating the amount of above-normal energy consumption as "lost energy". Lost energy shall be billed at the lowest rate on the customer's rate schedule and the total difference will be credited to the customer's account.

3.4. Disconnection or Denial of Service (Hearing): Customers denied service or disconnected under section 3.5 and 3.6 of this Service Plan shall have the right to a hearing. The customer may appeal the resolution of the dispute to the governing body. If there is still a dispute involving areas of authority of the Iowa Utilities Board, the customer may appeal to that board as provided for in Section 199 of the Iowa Administrative Code.

RESOLUTION NO. 2017-_______

RESOLUTION APPROVING REVISED POLICY 3.3.11.2 FOR REFUNDS OR BACK BILLING

WHEREAS, the Indianola Municipal Utilities recently applied Policy 3.3.11.2 to certain customers; and

WHEREAS, the Indianola Municipal Utilities Board of Trustees in reviewing the policy believes it is in the best interest of the citizens of Indianola for the Board to revisit and revise the Policy.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Trustees of Indianola Municipal Utilities that the current Policy 3.3.11.2 is hereby deleted and there is inserted in lieu thereof the following:

3.3.11.2 Whenever an incorrect reading of a meter, incorrect application of a rate schedule, incorrect meter connection or other similar reason occurs, the Utility shall make a refund for any overcharge or shall back bill for any undercharge. A refund or back billing shall be calculated using the actual consumption for (1) the proceeding 60 months from the time the error was identified, or (2) for the period from the establishment of the current account holder to the time the error was identified, whichever is less. The maximum refund or back bill shall not exceed the amount of the actual consumption multiplied by the rate for like charges in the twelve (12) months preceding the discovery of the error, unless otherwise ordered by the governing body.

For any refund issued under this policy, the Utility staff has the authority to approve a refund of an amount less than $1,000. A refund exceeding this amount must be approved by the Utility Board. In all events, a refund shall be a credit on the customer’s invoice and shall not be paid in cash.

For any back bill issued under this policy, the customer shall be offered a payment plan agreement with repayment terms up to 12 months without interest or penalty. Any requested payment plan exceeding 12 months shall require the Utility Board’s approval. Failure to complete repayment will not lead to disconnection of services, but will lead to appropriate legal action being initiated by the Utility. The payment plan agreement shall also provide for complete repayment upon the closing of that customer’s account. An agreement with terms exceeding these must be approved by the Utility Board.

DATED this _____ day of March 2017.

____

________________, Chair

ATTEST:

RESOLUTION NO. ______

A RESOLUTION CONCERNING UTILITY BILLING

WHEREAS, the Indianola Municipal Utilities performs billing activities for certain public utilities;

WHEREAS, the Board of Indianola Municipal Utilities, now deems it necessary and proper to amend its current policies concerning utility billing.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE INDIANOLA MUNICIPAL UTILITIES:

Section 1:

BILLING FOR PUBLIC UTILITIES

All utility services shall be billed as part of a combined service account, payable in accordance with the following:

1. Bills Issued. The billing agency shall prepare and issue bills for combined service accounts each month.
2. Bills Payable. Bills for combined service accounts shall be due when billed and payable at the office of the billing agency.
3. Late Payment Penalty. Bills not paid within 20 days of the billing date shall be considered delinquent. A late payment penalty of five percent (5%) of the amount due shall be added to a water delinquent bill and one and one half (1.5%) to a electric delinquent bill.
4. Order of Payment. Payment received shall be applied in the following order: Electric, Water, Sewer, Stormwater.

Section 2:

UTILITY BILLINGS.

All utility user charges shall be due and payable under the same terms and conditions provided for payment of a combined service account as contained in this Resolution. Utility service may be discontinued in accordance with the provisions contained in Section ______of the Indianola Municipal Code if the combined service account becomes delinquent, and the provisions contained in Section _______ relating to lien notices shall also apply in the event of a delinquent account.

Section 3: All Resolutions or parts of Resolutions in conflict with the provisions of this Resolution are hereby repealed**.**

Section 4: This Resolution shall be in full force and effect after its passage, approval and publication as provided by law.

PASSED AND APPROVED this _____ day of _________________, 2017.

____

__________________, Chairperson

ATTEST:

____

Publication Date: ______________

IMU Regular Downstairs **12.A.**
Meeting Date: 07/24/2017

Information

Subject

Enter into closed session to discuss labor negotiations pursuant to Iowa Code Section 20.17(3)

Information

Fiscal Impact

Attachments

No file(s) attached.
