

KEOKUK MUNICIPAL WATERWORKS
SUMMARY OF BOARD PROCEEDINGS

March 24, 2021

Present: Chairman Pro Tem Hickey, Trustees Hausch and Long. Chairperson Boyd was absent.

The public was invited to attend the Go To Meeting by phone, computer or smart phone, as the office was closed due to COVID-19.

Chairman Pro Tem Hickey opened the regular meeting. A motion was made by Trustee Long and seconded by Trustee Hausch that the minutes from the previous regular meeting of February 24, 2021, be approved as presented. All ayes, Motion Carried.

Trustee Long made a motion and Trustee Hausch seconded, to approve vouchers. All ayes, Motion carried.

Mr. Bogner went over a debt service schedule and charts for the refinancing of current bonds. He introduced Mr. Maloney with D.A. Davidson, who gave an over view of the process of the refinancing and answered any questions they had. After some discussion the following resolution was adopted, RES #1127

Resolution to fix a date for a public hearing on a proposal to issue waterworks system utility revenue and revenue refunding bonds thereunder in an aggregate principal amount not to exceed \$5,900,000

WHEREAS, the City of Keokuk (the "City"), in Lee County, State of Iowa, did heretofore establish the Keokuk Municipal Waterworks (the "Waterworks Utility") of the City and for which the Waterworks Utility has continuously supplied water and water service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Waterworks Utility are vested in the Board of Trustees (the "Board") of the Waterworks Utility; and

WHEREAS, the Waterworks Utility now proposes to issue indebtedness in an aggregate principal amount not to exceed \$5,900,000, in one or more series, pursuant to the provisions of Chapter 384 of the Code of Iowa, 2021, as amended, for the purposes of: (i) paying the cost, to that extent, of constructing water improvements and extensions to the municipal waterworks system of the Water Utility, (ii) paying for the costs necessary to refund outstanding indebtedness, (iii) funding a debt service reserve fund, and (iv) paying for costs related to the issuance of the revenue and revenue refunding bonds (collectively the "Project"); and

WHEREAS, it is necessary to fix a date of meeting of the Board at which it is proposed to take action to issue the revenue bonds, payable from the net revenues of the Waterworks Utility, and to give notice thereof as required by such law;

NOW, THEREFORE, Be It Resolved by the Board of the Waterworks Utility as follows:

Section 1. This Board shall meet on April 21, 2021, at the Waterworks Utility Offices, 20 N 4th Street, Keokuk, Iowa, 52632 at 2:30 o'clock p.m., at which time and place a hearing will be held and proceedings will be instituted and action necessary to issue revenue bonds.

Section 2. The Board Secretary is hereby directed to give notice of the proposed action setting forth the amount and purpose thereof, the time when and place where the said meeting will be held by publication at least once, not less than four (4) and not more than twenty (20) days before the meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE
PROCEEDINGS TO ISSUE KEOKUK WATERWORKS UTILITY REVENUE AND
REVENUE REFUNDING BONDS IN ONE OR MORE SERIES
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,900,000

(WATER REVENUE)

The Board of Trustees (the “Board”) of Keokuk Municipal Waterworks (the “Waterworks Utility”) will meet on April 21, 2021, at the Waterworks Utility Offices, 20 N 4th Street, Keokuk, Iowa, 52632 at 2:30 o’clock p.m., to consider the issuance, in one or more series, of Waterworks Utility Revenue Bonds and Waterworks Utility Revenue Refunding Bonds (collectively the “Revenue Bonds”), the proceeds of which will be used for the purposes of: (i) paying the cost, to that extent, of constructing water improvements and extensions to the municipal waterworks system of the Water Utility, (ii) paying for the costs necessary to refund outstanding indebtedness, (iii) funding a debt service reserve fund, and (iv) paying for costs related to the issuance of the revenue and revenue refunding bonds (collectively the “Project”).

Due to federal and state government recommendations in response to COVID-19 pandemic conditions, alternative access to the meeting is provided via Go To Meeting.

Please join my meeting from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/530922301>

You can also dial in using your phone.
United States (Toll Free): 1-866-899-4679
United States: +1 (571) 317-3116

Access Code: 530-922-301

Electronic access information was included in the posted agenda of this public meeting.

In addition to electronic access, written comments may be filed or made prior to the meeting and will be recorded in the minutes

The Revenue Bonds will not constitute a general obligation of the City of Keokuk, Iowa (the “City”), nor will the Revenue Bonds be payable in any manner by taxation but, together with any additional obligations as may be hereafter issued and outstanding from time to time ranking on a parity therewith, will be payable solely and only from the net revenues of the Waterworks Utility.

At that time and place, oral or written objections may be filed or made to the proposal to issue the revenue bonds. After receiving objections, the Board may determine to issue the Revenue Bonds, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the Board of the Waterworks Utility Board Secretary

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the "Regulations") of the Internal Revenue Service, the Board declares (a) that it intends to undertake the Project which is reasonably estimated to cost approximately \$5,900,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the "Bonds"), or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the Board, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the Board and no expenditures will be made by the Board until after the date of this Resolution or a prior intent resolution of the Board, and (c) that the Board reasonably expects to reimburse the expenditures made for costs of the Board out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Motion was made by Trustee Hausch and seconded by Trustee Long. All ayes. Motion carried.

Passed and approved this 24th day of March, 2021.

Mr. Maddox presented the Board with monthly charts and informed the Board of the work that has been done around the plant. Two of the Miox units have been repaired and recently one developed a leak in a new spot and had to be pulled out for repairs. The new ultrafiltration skids are about ready for delivery of the canisters in May.

Mr. Johnston presented the Board with monthly charts. He reported that the Distribution department recently attended a class on Trenching and Shoring. Everyone will be certified. The two newest employees have passed their CDL testing. Mr. Johnston shared the results of the mowing bids for this year and after some discussion the following resolution was adopted, RES #1128, the Board hereby accepts the bid received from Jerry's Handyman Service, LLC, in the amount, of \$270.00, for mowing Keokuk Municipal Waterworks properties. Motion was made by Trustee Long and seconded by Trustee Hausch. All ayes. Motion carried.

Ms. Barnes discussed monthly financials, budget, operating expenses, and water sales to date. She also reported that there were no safety incidents this month. Ms. Barnes informed the Board, that Mr. Bogner needs to be able to officially sign documents as the General Manager for the Waterworks. After some discussion the following resolution was adopted, RES #1129, the Board hereby authorizes David Bogner to sign any financial document or any document pertaining to the Keokuk Municipal Waterworks. Motion was made by Trustee Long and seconded by Trustee Hausch. All ayes. Motion carried.

Mr. Bogner shared with the Board that he has reached out to the Union Representative and Attorneys and are looking for a date that they can meet. Discussion was held regarding the spending on the Chemical Feed Room and the Ultrafiltration Project. The refinancing on the bonds and reserves will help fund these projects.

Mr. Bogner discussed the need for a replacement of a board member and made a few suggestions. Mr. Bogner brought up the new American Rescue Plan Act by Congress. He will look into how the Waterworks could benefit from this.

The Chamber of Commerce has contacted the Waterworks regarding the drinking station for use during Earth Day on April 17, 2021. The station will be set up at Tolmie Park on April 16th.

There being no further business to come before the Board of Trustees, the meeting was adjourned. The next regular meeting of the Board of Trustees, will be April 21, 2021, at 2:30 P.M. For participation by phone or computer, instructions will be included on the agenda.

ATTEST: _____
David Bogner, Secretary

Michael Hickey, Chairman Pro Tem