

**MINUTES OF CALLED MEETING OF THE BOARD OF WATER WORKS TRUSTEES
PURSUANT TO NOTICE
Tuesday, September 27, 2022**

Present (or Participating by Video or Audio Conference Link):

Board Members: Chairperson Mr. Graham Gillette, presiding; Mr. Joel Aschbrenner, Ms. Andrea Boulton, Ms. Susan Huppert, and Ms. Diane Munns

Staff members: Bill Blubaugh, Pat Bruner, Nathan Casey, Ted Corrigan, Kyle Danley, Doug Garnett, Amy Kahler, Mike McCurnin, Laura Sarcone, Jennifer Terry, Lindsey Wanderscheid, and Michelle Watson

Also in attendance: John Lande (legal counsel) and Melissa Walker (MW Media Consultants)

Mr. Gillette called the meeting to order at 3:30 p.m.

Consent Agenda

A motion was made by Ms. Munns, seconded by Ms. Boulton, to approve Consent Items A, B, C, D, and E, (Approval of Minutes, August 23, 2022, Board of Water Works Trustees Meeting; Minutes, September 6, 2022, Planning Committee Meeting; Minutes; Receipt and filing of the financial statements for audit purposes; Approval of Payments for August 2022; Approval of Summary of CEO-Approved Expenditures in Excess of \$20,000; and Approval of October 25, 2022, as the next meeting of the Board of Water Works Trustees). Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Public Comment Period

No comments were received from the public.

Mr. Corrigan provided an update on regionalization.

Receive and File 2022 Voice of the Customer Survey

In January of this year, a Request for Proposals was released for the 2022 Voice of the Customer Survey. Three proposals were received and SPPG + Essman Research (now known as SPPG) was the selected vendor. SPPG conducted the survey in the period of May through July 2022. In prior years, the survey method included written questionnaire or phone survey. This year, the methodology included 2 focus groups and 602 telephone and online surveys.

Customer Service staff and the Communications/PR team are analyzing survey data in finer detail and are evaluating the consultant's recommendations for focused communications on particular issues or themes, including environmental stewardship, financial stewardship, value of tap water compared to bottled water, perception of treated drinking water, and understanding of service charges on DMWW water bill. Changes will be prioritized and implemented as appropriate.

A motion was made by Ms. Boulton, and seconded by Mr. Aschbrenner, to Receive and File the 2022 Voice of the Customer Survey. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Not to Exceed \$1,110,000 Water Revenue Capital Loan Notes

DMWW plans to design, construct, and operate a fourth Aquifer Storage and Recover (ASR) well that can recover 3 million gallons per day to the water distribution system for approximately 100 days per year. The ASR will be constructed at the site of the Polk County Pump Station. A multi-year project, this ASR is included in the 2022 budget and the most recent 2023-2027 CIP received and filed by the Board in June 2022.

Planning and Design (P&D) loans are available from the State Revolving Fund (SRF) at 0% interest for three years. At the end of the three-year period, the planning and design costs are typically rolled into an SRF construction loan. DMWW's P&D application for an ASR at the Polk County Pump Station site was approved to be included in the state's Intended Use Plan (IUP) project list on September 20, 2022. In order to execute the Loan and Disbursement Agreement, DMWW must hold a public hearing and pass resolutions authorizing the Board of Trustees to execute the Agreement. At the August Board meeting, the Board of Trustees set the date for the public hearing as the September Board meeting. Notice of this public meeting was published in the Des Moines Register on September 14, 2022, as required by law.

Board Member Diane Munns introduced the following Resolution and moved the same be adopted. Board Member Joel Aschbrenner seconded the motion to adopt the following Resolution:

RESOLUTION INSTITUTING PROCEEDINGS TO TAKE
ADDITIONAL ACTION FOR THE AUTHORIZATION OF A
LOAN AND DISBURSEMENT AGREEMENT AND THE
ISSUANCE OF \$1,110,000 WATER REVENUE CAPITAL LOAN
NOTES

WHEREAS, pursuant to notice published as required by law, the Board has held a public meeting and hearing upon the proposal to institute proceedings for the authorization of a Loan and Disbursement Agreement by and between the Issuer and the Iowa Finance Authority and the issuance to the Iowa Finance Authority of \$1,110,000 Water Revenue Capital Loan Notes, to evidence the obligations under the said Loan and Disbursement Agreement, in order to provide funds to pay the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Water Utility, including those costs associated with the Polk County Pumping Station Site Aquifer Storage and Recovery Project, and has considered the extent of objections received from residents or property owners as to the proposed issuance of Notes; 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 WATER WORKS TRUSTEES OF THE CITY OF DES MOINES, STATE OF IOWA:

That this Board does hereby institute proceedings and take additional action for the authorization of a Loan and Disbursement Agreement by and between the Issuer and the Iowa Finance Authority and the issuance to the Iowa Finance Authority in the manner required by law of \$1,110,000 Water Revenue Capital Loan Notes, for the foregoing purposes.

That this Board does hereby consent to the terms and conditions of the DWSRF Loan Program, which terms and conditions and the disclosures provided with respect thereto are hereby acknowledged, accepted and approved.

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 water fund moneys may be advanced from time to time for capital expenditures which are to be paid from the proceeds of the above Notes. The amounts so advanced shall be reimbursed from the proceeds of the Notes 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 amount authorized in this Resolution unless the same are for preliminary expenditures or unless another declaration of intention is adopted.

That the Secretary, with the assistance of bond counsel, is hereby authorized and directed to proceed with the preparation of such documents and proceedings as shall be necessary to authorize the Issuer participation in the DWSRF Loan Program, to select a suitable date for final Board authorization of the required Loan and Disbursement Agreement and issuance of the Note to evidence the Issuer's obligations thereunder, and to take such other actions as the Board shall deem necessary to permit the completion of a loan on a basis favorable to the Issuer and acceptable to this Board.

A roll-call vote was taken and the vote was,

AYES: Joel Aschbrenner, Andrea Boulton, Graham Gillette,
Susan Huppert, and Diane Munns

NAYS: None

Whereupon, the Chairperson declared the measure duly adopted.

Board Member Andrea Boulton then introduced the following Resolution and moved the same be adopted. Board Member Diane Munns seconded the motion to adopt the following Resolution:

A RESOLUTION APPROVING AND AUTHORIZING A FORM OF INTERIM LOAN AND DISBURSEMENT AGREEMENT, AND AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SECURING THE PAYMENT OF \$1,110,000 WATER REVENUE CAPITAL LOAN NOTES ANTICIPATION PROJECT NOTE, SERIES 2022, UNDER THE PROVISIONS OF THE CODE OF IOWA, AND PROVIDING FOR A METHOD OF PAYMENT OF SAID NOTE

WHEREAS, the City of Des Moines, acting through its Board of Water Works Trustees, (hereafter the "Issuer"), proposes to issue its Water Revenue Capital Loan Notes

Anticipation Project Note, Series 2022, to the extent of \$1,110,000, for the purpose of defraying the costs of the Project hereinafter described; and, it is deemed necessary and advisable and in the best interests of the Issuer that a form of Interim Loan and Disbursement Agreement by and between the Issuer and the Iowa Finance Authority be approved and authorized; and

WHEREAS, the notice of intention of Issuer to take action for the issuance of \$1,110,000 Water Revenue Capital Loan Notes has heretofore been duly published and no objections to such proposed action have been filed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF WATER WORKS TRUSTEES OF THE CITY OF DES MOINES, IN THE COUNTY OF POLK, 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 Project Notes" shall mean any project notes or other obligations issued on a parity with the Note in accordance with the provisions of Section 11 hereof;
- ◆ "Agreement" shall mean an Interim Loan and Disbursement Agreement dated as of the Closing between and among the Issuer and the Original Purchaser, relating to the Interim Loan made to the Issuer under the Program;
- ◆ "Closing" shall mean the date of delivery of the Note to the Original Purchaser and the funding of the Interim Loan;
- ◆ "Fiscal Year" shall mean the twelve months' 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; provided, that the 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;
- ◆ "Governing Body" and "Board" shall mean the Board of Water Works Trustees of the City of Des Moines, or its successor in function with respect to the operation and control of the System;
- ◆ "Interim Loan" shall mean the principal amount allocated by the Original Purchaser and loaned to the Issuer under the Program, equal in amount to the principal amount of the Note;
- ◆ "Issuer" shall mean the City of Des Moines, Iowa, acting through its Board of Water Works Trustees;
- ◆ "Note" shall mean \$1,110,000 Water Revenue Capital Loan Notes Anticipation Project Note, Series 2022, authorized to be issued by this Resolution;

◆ "Original Purchaser" shall mean the Iowa Finance Authority, as the purchaser of the Note from Issuer at the time of its original issuance;

◆ "Paying Agent" shall be the Secretary, 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 any investments permitted in Iowa Code chapter 12B or section 12C.9. All interim investments must mature before the date on which the moneys are required for payment of principal and interest on the Notes or project costs;

◆ "Program" shall mean the Iowa Drinking Water Facilities Financing Program undertaken by the Original Purchaser;

◆ "Project" shall mean the costs of acquisition, construction, reconstruction, extending, remodeling, improving, repairing and equipping all or part of the Water Utility, including those costs associated with the Polk County Pumping Station Site Aquifer Storage and Recovery Project;

◆ "Project Costs" shall mean all engineering fees, archeological surveys, environmental studies, and fees related to a project plan preparation and submission, and other expenses incidental thereto, and also including the costs of issuance of the Note;

◆ "Project Fund" shall mean the Project Fund established by Section 6 of this Resolution;

◆ "Registrar" shall be the Secretary, 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 Note. Unless otherwise specified, the Registrar shall also act as Transfer Agent for the Note;

◆ "Secretary" shall mean the Secretary of the Board of Water Works Trustees of Des Moines, Iowa 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 water 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 water treatment facilities, storage facilities, pumping stations and all related property and improvements and extensions made by Issuer while the Note remains outstanding; all real and personal property; and all appurtenances, contracts, leases, franchises and other intangibles.

Section 2. Authority. The Agreement and the Note authorized by this Resolution shall be issued pursuant to Section 76.13 of the Code of Iowa, and in compliance with all applicable provisions of the Constitution and laws of the State of Iowa. The 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.

Section 3. Note Details, Execution, Redemption and Registration.

a. Note Details. The Note shall be designated a Water Revenue Capital Loan Notes Anticipation Project Note, be dated the date of delivery, in the denomination of \$1,000 or multiples thereof, and shall at the request of the Original Purchaser be initially issued as a single Note in the denomination of \$1,110,000 and numbered R-1. The Note shall not bear interest (0%), and shall mature three years from issuance. The Board hereby finds and determines that it is necessary and advisable to issue said Note pursuant to Section 76.13 of the Code of Iowa, as authorized by the Agreement and this Resolution.

b. Execution. The Note shall be executed by the manual or facsimile signature of the Chairperson and attested by the manual or facsimile signature of the Secretary, and impressed or imprinted with the seal of the Issuer 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, wire transfer or automated clearing house system transfer to the registered owner of the Note.

c. Redemption. The 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, in order of maturity and within an annual maturity by lot.

Notice of redemption shall be given by U.S. mail to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. Failure to give such notice by mail to any registered owner or any defect therein shall not affect the validity of any proceedings for the redemption of the Note. The Note is also subject to mandatory redemption to the extent not fully drawn upon.

d. Registration. The Note may be registered as to principal and interest on the books of the Registrar in the name of the holder and such registration noted on the Note after which no transfer shall be valid until the making of an entry upon the books kept for the registration and transfer of ownership of the Note, and in no other way. The Secretary is hereby appointed as Registrar under the terms of this Resolution. Registrar shall maintain the books of the Issuer for the registration of ownership of the Note for the payment of principal of and interest on the Note as provided in this Resolution. The Note shall be negotiable as provided in Article 8 of the Uniform Commercial Code subject to the provisions for registration and transfer contained in the Note and in this Resolution.

The ownership of any Note may be transferred only upon the Registration Books kept for the registration and transfer of the Note 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.

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

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 Note 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.

A Note which has been redeemed shall not be reissued but shall be cancelled by the Registrar. A Note which is 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 Note to the Issuer.

In the event any payment check representing payment of principal of or interest on the Note 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 Note 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 Note 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 Note 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 Note. 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.

Section 4. Form of Note. The form of Note shall be substantially as follows:

REGISTERED
No. R-1

REGISTERED
\$1,110,000

UNITED STATES OF AMERICA
STATE OF IOWA
COUNTY OF POLK
CITY OF DES MOINES, IOWA
WATER REVENUE CAPITAL LOAN NOTES
ANTICIPATION PROJECT NOTE
SERIES 2022

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>
0.00%	October 14, 2025	October 14, 2022

The City of Des Moines, Iowa, acting through its Board of Water Works Trustees, 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, to

IOWA FINANCE AUTHORITY

or registered assigns, the principal sum of ONE MILLION ONE HUNDRED TEN THOUSAND DOLLARS in lawful money of the United States of America, at maturity on October 14, 2025, without interest (0%). Payment of this Note shall at all times conform to the rules of the Iowa Drinking Water Facilities Financing Program. Issuer pledges the Project Fund to which there has been appropriated the anticipated receipts of certain funds held or to be received by the Issuer as well as the proceeds of certain Capital Loan Notes to be issued.

This Note is payable solely from said Project Fund.

This Note is issued pursuant to an Interim Loan and Disbursement Agreement and the Resolution, duly adopted and under and in substantial compliance with the Constitution and statutes of the state of Iowa, including specifically Section 76.13 of the Code of Iowa, as amended, for the purpose of defraying part of the cost of acquiring the Project. For a complete statement of the revenues and funds from which, and the conditions, under which this Note is payable, a statement of conditions under which additional notes of equal standing may hereafter be issued, and the general covenants and provisions pursuant to which this Note is issued, reference is made to the above described Resolution and Interim Loan and Disbursement Agreement. This Note is not payable in any manner by taxation and under no circumstances shall the Issuer be in any manner liable by reason of the failure of said Project Fund to be sufficient for the payment hereof.

The 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, in order of maturity and within an annual maturity by lot.

Notice of redemption shall be given by ordinary mail to the Original Purchaser (or any other registered owner of the Note). The terms of redemption shall be par, plus accrued interest to date of call. Failure to give such notice by mail to any registered owner or any defect therein shall not affect the validity of any proceedings for the redemption of the Note. The Note is also subject to mandatory redemption to the extent not fully drawn upon.

If selection by lot within a maturity is required, the Registrar shall designate the Notes to be redeemed by random selection of the names of the registered owners of the entire annual maturity until the total amount of Notes to be called has been reached.

The Note may be registered as to principal and interest on the books of the Secretary in the name of the holder after which no transfer shall be valid until the making of an entry upon the books kept for the registration and transfer of ownership of the Note, and in no other way. Registrar shall maintain the books of the Issuer for the registration of ownership of the Note for the payment of principal of and interest on the Note as provided in the Resolution.

Ownership of this Note may be transferred only by transfer upon the books kept for such purpose by the Secretary, the Registrar. Such transfer on the books shall occur only upon presentation and surrender of this Note at the office of the Registrar, 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 Resolution.

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, said Issuer by its Board of Water Works Trustees has caused this Note to be signed by the manual or facsimile signature of its Chairperson of the Board of Water Works Trustees and attested by the manual or facsimile signature of its Secretary of the Board of Water Works Trustees, with the seal of said City impressed or imprinted hereon, and authenticated by the manual or facsimile signature of an authorized representative of the Registrar, the Secretary of the Board of Water Works Trustee of Des Moines, Iowa, all as of the 14th day of October, 2022.

Date of authentication: October 14, 2022

BOARD OF WATER WORKS TRUSTEES
OF DES MOINES, STATE OF IOWA

This is one of the Notes described in the
within mentioned Resolution, as
registered by the Secretary

By:

Chairperson

SECRETARY

ATTEST:

By:

Registrar

By:

Secretary

(SEAL)

Registrar and Transfer Agent: Secretary
Paying Agent: Secretary

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: _____

(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 - Custodian
- MIN ACT (Cust) (Minor)
Under Iowa Uniform Transfers to Minors Act.....
(State)

(End of Note)

Section 5. Security for Note. The Note shall be payable solely from the Project Fund. To pay the principal on the Note when it becomes due, there is hereby created a pledge of the receipts anticipated in said Project Fund to continue until the payment in full of the principal on the Note.

Section 6. Establishment of Project Fund. The Issuer hereby creates and establishes a Project Fund, into which Project Fund are hereby appropriated the following:

Proceeds of \$1,110,000 Water Revenue Capital Loan Notes, additional action on the issuance of which previously has been taken and approved by the Board of Water Works Trustees on September 27, 2022

The funds so appropriated shall include in addition thereto all funds of the Issuer, including proceeds realized on the reinvestment of proceeds of the Note, from which the Issuer is or may become obligated to pay under contracts for the construction of the Project to the extent that proceeds of the Note are applied to the payment thereof.

Section 7. Application of Project Fund. The proceeds of the sale of the Note shall be deposited in the Project Fund for application to payment of Project Costs and the costs of issuance of the Note or to pay the principal of the Note when due and for no other purpose.

Disbursements for the payment of Project Costs shall be made by the Secretary upon receipt of vouchers approved by the Governing Body.

After completion of the Project, any moneys remaining in the Project Fund shall be held for the retirement of Note. When the Note is paid or payment is provided for, remaining moneys in the Project Fund may be withdrawn and used for any lawful purpose.

Section 8. Investments. Moneys in the Project Fund shall at all times be invested, to the extent practicable in Permitted Investments maturing at such times and in such amounts as will make cash available for the purposes of such Project Fund as needed.

Section 9. Covenants with Noteholders. Issuer covenants and agrees, so long as any Notes herein authorized remain unpaid, that it:

- a. Will proceed to complete with all practicable dispatch the construction and acquisition of the Project;
- b. Will not make or cause or permit to be made any application of the proceeds of the Note or of any moneys held in the Project Fund, except in accordance with the provisions of this Resolution;
- c. Will from time to time increase the amount of the appropriations to the Project Fund, to the extent necessary to assure that the expected receipts thereafter forthcoming, together with the funds appropriated and held in trust for the purpose, will be sufficient to pay when due the Note as to both principal and interest.
- d. Will obtain the collection of funds and the proceeds of the sale of water revenue capital loan notes anticipated to be received in the Project Fund and, if not paid from other sources, apply the same to the payment of the Note and interest thereon; and
- e. For the prompt and full performance of the terms and provisions of this Resolution and contract with the noteholders, the Issuer pledges its full faith and diligence and the exercise of its lawful powers.

Section 10. Contract Between Issuer and Purchaser. This Resolution constitutes a contract between the Issuer and the purchaser of the Note.

Section 11. Additional Notes. The Issuer may issue Additional Project Notes of equal standing and parity of lien with the Note for the purpose of paying Project Costs to the extent that funds appropriated to the Project Fund are adequate to pay all notes so issued and interest thereon.

The holder or holders of the Notes shall have all other rights and remedies given by law for the payment and enforcement of the Notes and the security therefor.

Section 12. Severability Clause. If any section, paragraph, clause or provision of this Resolution be held invalid, such invalidity shall not affect any of the remaining provisions hereof, and this Resolution shall become effective immediately upon its passage and approval.

Section 13. Repeal of Conflicting Resolutions or Ordinances. All ordinances and resolutions and parts of ordinances and resolutions in conflict herewith are hereby repealed.

Section 14. Paragraph Headings. The paragraph headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.

Section 15. Rule of Construction. This Resolution and the terms and conditions of the Notes authorized hereby shall be construed whenever possible so as not to conflict with the terms and conditions of the Interim Loan and Disbursement Agreement. In the event such construction is not possible, or in the event of any conflict or inconsistency between the terms hereof and those of the Interim Loan and Disbursement Agreement, the terms of the Interim Loan and Disbursement Agreement shall prevail and be given effect to the extent necessary to resolve any such conflict or inconsistency.

A roll-call vote was taken and the vote was,

AYES: Joel Aschbrenner, Andrea Boulton, Graham Gillette,
Susan Huppert, and Diane Munns

NAYS: None

Whereupon, the Chairperson declared the measure duly adopted.

Acceptance of Presedimentation Basins Valve Replacement

Mr. Corrigan reported that all work associated with the Presedimentation Basins Valve Replacement project has been satisfactorily completed.

A motion was made by Ms. Boulton, and seconded by Ms. Huppert, to accept the Presedimentation Basins Valve Replacement Contract, completed by The Waldinger Corporation, in the amount of \$686,430.10. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Acceptance of 2021 Des Moines Water Main Replacement Contract 2 – Feeder Main at SE 15th Street and Martin Luther King Jr. Parkway

Mr. Corrigan reported that all work associated with the 2021 Des Moines Water Main Replacement Contract 2 – Feeder Main at SE 15th Street and Martin Luther King Jr. Parkway project has been satisfactorily completed.

A motion was made by Ms. Munns, and seconded by Mr. Aschbrenner, to accept the 2021 Des Moines Water Main Replacement Contract 2 – Feeder Main at SE 15th Street and Martin Luther King Jr. Parkway Contract, completed by Raccoon Valley Contractors, LLC, in the amount of \$1,684,279.40. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Acceptance of 2021 Des Moines Water Main Replacement Contract 4 – Indianola Avenue

Mr. Corrigan reported that all work associated with the 2021 Des Moines Water Main Replacement Contract 4 – Indianola Avenue project has been satisfactorily completed.

A motion was made by Mr Aschbrenner, and seconded by Ms. Boulton, to accept the 2021 Des Moines Water Main Replacement Contract 4 – Indianola Avenue Contract, completed by J&K Contracting, LLC, in the amount of \$907,384.81. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Rejection of Bid and Cancellation of Public Hearing for 2022 Treatment Basin No. 1 Rechaining

At its July 2022 meeting the Board authorized staff to solicit bids for the 2022 Treatment Basin No. 1 Rechaining project. The Public Hearing was established as the date of the September 2022 Board meeting. The engineer’s estimate for the contractor cost portion of this project was \$250,000.

Only one bid was submitted for the contractor portion of this project. The Waldinger Corporation submitted this one bid which was opened on September 15, 2022. The Waldinger Corporation’s bid was \$492,000, which is nearly double the amount of the engineer’s estimate. Water Production and Engineering staff have met to discuss completion of this project. Water Production staff believes this project could be deferred for one year but no later than fall/winter of 2023/2024.

A motion was made by Ms. Boulton, and seconded by Ms. Huppert, to reject the bid received for the 2022 Treatment Basin No. 1 Rechaining Contract and to approve cancellation of the Public Hearing. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Authorization to Issue Purchase Order for Replacement RO Membranes for Saylorville Water Treatment Plant

Reverse osmosis membranes were replaced in three of the four skids were in 2019, 2020, and 2021. RO Skid #2 is at the end of its three-year operational life and should be replaced this year. On September 9, 2022, two proposals were received for the purchase of 294 RO membranes. (the number needed for one skid). The quotations included a standard 3-year manufacturer’s pro-rated warranty and freight costs. Staff recommended accepting the lowest cost response submitted by Consolidated Water Solutions.

A motion was made by Ms. Munns, and seconded by Ms. Huppert, to authorize staff to issue a Purchase Order in the amount of \$158,760 to Consolidated Water Solutions for purchase of replacement reverse osmosis membranes, with a 3-year pro-rated warranty, for the Saylorville Water Treatment Plant. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Authorization to Issue Payment to Evoqua Water Technologies LLC for Additional Repairs to Filter Press 2

It was discovered after rehabilitation work started on Filter Press 2 that several additional components of Filter Press 2 were deteriorated to the degree that replacement was required. This has increased the cost of replacement and repair parts from Evoqua and the costs incurred by Evoqua for providing on-site field service labor to repair Filter Press 2.

DMWW paid Evoqua \$171,016 in June 2022 for rehabilitation work on Filter Press 2. A second invoice, in the amount of \$165,059.70, has been submitted by Evoqua for the additional parts and labor provided by Evoqua to complete the rehabilitation of Filter Press 2. This rehabilitation work was completed last month. Evoqua estimates an additional \$110,000 is needed to provide labor and equipment to complete the rehabilitation of the remaining three filter press units.

A motion was made by Mr. Aschbrenner, and seconded by Ms. Boulton, to authorize staff to issue payment to Evoqua Water Technologies LLC, in the amount of a \$275,059.70, for providing staff and repair parts to complete the rehabilitation of Filter Press 2. Upon vote, the motion was adopted, with each member of the Board voting in favor of the motion.

Board Committee Reports

The following reports were provided:

- Planning Committee – A meeting was held on September 6, 2022, as reflected in the minutes thereof. Ms. Boulton gave a brief summary of the meeting.
- Finance and Audit Committee – There was no meeting held in September.
- Bill Stowe Memorial – Mr. Gillette shared that the Lakeside Labs interns will be providing their final report at the end of October. Ms. Boulton has created a committee of partners to engage in the next steps which includes developing a strategic plan for the Education Hub. Creation of an outdoor classroom space continues to be discussed.
- Greater Des Moines Botanical Garden – Mr. Gillette had no new updates.
- Des Moines Water Works Park Foundation Board – Ms. Boulton reported that the Foundation reviewed and returned comments to the City of Des Moines on the repayment proposal for the Ruan Connector construction debt.

CEO and General Manager's Comments

Mr. Corrigan brought attention to the Greater Des Moines Botanical Garden update included in the packet. He also advised that DMWW was featured in an AWWA journal article for our ISO 51000 energy award(s)/designation. Staff is conceptualizing a lead service line replacement pilot program.

Adjournment – Meeting adjourned by unanimous consent.

4:27 p.m. adjourned