

IMU BOARD OF TRUSTEES OF THE ELECTRIC, WATER AND COMMUNICATIONS UTILITIES

October 2, 2025 3:30 PM IMU Boardroom Agenda

- 1. Call to Order
- 2. Roll Call
- 3. Public Comment
- 4. Communications Utility Action Items
 - A. Authorization for Termination of Agreement M516509 UNDER Iowa Code Chapter 28E
- 5. Adjourn



MEMORANDUM

To: IMU Board of Trustees of the Electric, Water and Communications Utilities

From:

Date: October 2, 2025

Subject: Authorization for Termination of Agreement M516509 UNDER lowa Code Chapter

28E

Recommendation:

Attachments: 1. M516509 File

2. Res 2025- Authorizing Termination of 28E Agreement

Iowa Secretary of State 321 East 12th Street Des Moines, IA 50319 sos.iowa.gov



FILED

Filing Date: 12/18/2023 03:27 PM

Filing Number: M516509

28E Agreement

	Full Legal Name	Organization Type	County
Party 1	Cedar Falls Municipal Communications Utility	Other	Black Hawk
Party 2	Waverly Communications Utility	Other	Bremer
Party 3	Comm Utility of Bellevue, Iowa	Other	Jackson
Party 4	Indianola Municipal Utliity	Other	Warren
Party 5	Vinton Municipal Comm Utility	Other	Benton
Party 6	Pella Telecommunications Utility	Other	Marion
Party 7	New Hampton Municipal Comm Utility	Other	Chickasaw
Party 8	Waterloo Telecommunications Utility	Other	Black Hawk

370 - Other Public Works

Service Type

To provide for the joint ownership, management, control and maintenance of an Internet Protocol Video Head End, and make other shared services, equipment, appliances, and appurtenances for the joint benefit of parties.

Purpose

Indefinite

Duration

Contact Person: (Optional)

Mike

Contact First Name

Litterer

Contact Last Name

Director-Customer Service & Business Development

Job Title

Customer Service and Business Development

Department

319-268-1761

Phone Number

AMENDED AND RESTATED AGREEMENT UNDER IOWA CODE CHAPTER 28E BETWEEN WAVERLY COMMUNICATIONS UTILITY, THE MUNICIPAL COMMUNICATIONS UTILITY OF THE CITY OF CEDAR FALLS, THE COMMUNICATIONS UTILITY OF BELLEVUE, IOWA, INDIANOLA MUNICIPAL UTILITIES, VINTON MUNICIPAL COMMUNICATIONS UTILITY, CITY OF PELLA MUNICIPAL TELECOMMUNICATIONS UTILITY, NEW HAMPTON MUNICIPAL COMMUNICATIONS UTILITY, AND WATERLOO TELECOMMUNICATIONS UTILITY PROVIDING FOR JOINT OWNERSHIP AND USE OF CERTAIN FACILITIES AND RELATED MATTERS

BE IT REMEMBERED that for the mutual promises, covenants and considerations herein contained and pursuant to Iowa Code Chapter 28E, Waverly Communications Utility ("Waverly"), The Municipal Communications Utility of the City of Cedar Falls, Iowa ("CFU"), the Communications Utility of Bellevue, Iowa ("CUB"), Indianola Municipal Utilities ("IMU"), Vinton Municipal Communications Utility ("Vinton"), City of Pella Municipal Telecommunications Utility ("Pella"), New Hampton Municipal Communications Utility ("New Hampton"), and Waterloo Telecommunications Utility ("Waterloo"), all municipal utilities in good standing, organized, operating and existing under Iowa Code Chapter 388, have entered into the following agreement, to wit:

- 1. The purpose of this Agreement is to provide for the joint ownership, management, control and maintenance of an Internet Protocol (IP) Video Head End, and make available certain other shared services, equipment, appliances and appurtenances for the joint benefit of the parties. This Agreement does not include programming contracts.
- 2. CFU has installed in its headquarters building in Cedar Falls an IP Video Head End, including from time to time, needed software, licensing and hardware. The parties' joint ownership under this Agreement is as tenants in common with a separate individual ownership in each party.
- 3. It is understood CFU has utilized and incorporated some prior existing video infrastructure equipment, dishes, receivers and other apparatus into the IP Video Head End described in paragraph 2 hereof.
- 4. In order to facilitate and provide for services under this Agreement, each party agrees to construct at its own expense a fiber link to agreed upon Meet Points. Upon request, CFU will provide technical assistance regarding equipment selection and configuration of the fiber links. The fiber links thus constructed will be lit, managed and monitored by CFU Network

Engineers under paragraphs 5 and 8 hereof. Maintenance and repair of each party's fiber will be performed by the respective party.

- 5. CFU will provide the Head End Technicians and Network Engineers required to operate the IP Video Head End. The Head End Technicians and Network Engineers will be employees of CFU and shall not have any separate rights or standing under this Agreement. Each party to this Agreement shall be invoiced monthly by CFU for their proportionate share of the salary and benefits of one Head End Technician, and two and one-half Network Engineers. All parties will pay the invoice within 30 days of receipt. The percentage of payments are provided upon Schedule A attached hereto and shall be subject to modification under paragraph 9. Both percentage and number of employees for which CFU shall be reimbursed are subject to yearly adjustment under paragraph 9 hereof.
- 6. In the event any party or parties to this Agreement take programming or otherwise utilize the IP Video Head End in a manner different from any other party or parties, that non-joint program or utilization will be paid for entirely by the party or parties receiving the separate programing or making the separate utilization. If non-joint program or utilization requires space at CFU head end or property, CFU reserves the right to approve or disapprove said accommodation and additional fees may apply.
- 7. It is agreed that capital and other financial arrangements and undertaking, shall, except as specifically provided herein, be memorialized by separate agreement of the parties.
- 8. CFU will administer this Agreement and the operation and maintenance of the IP Video Head End including all existing video infrastructure equipment identified in paragraph 3, which shall be in any event consistent with its past practices in the ordinary course of business, applicable law, and industry standards. CFU will be solely responsible for all decisions regarding maintenance and operation. The cost of all needed replacement or repair parts, including software and software updates, improvements or contracted outside labor fees, and an annual fee (see Schedule A) to recover the salary and benefits expense incurred in calculating and billing each parties' ownership cost will be divided in the same manner as capital contributions as may be provided by separate agreement as provided by paragraph 7 hereof or as subsequently adjusted under paragraph 9 of this Agreement, and paid by all other parties and any new or additional party or parties to CFU upon presentation of an invoice reflecting the proper percentage division of actual cost only, within 30 days. This cost sharing arrangement will be applicable only to the extent the maintenance and operation expenses are necessary for the benefit of all parties to this Agreement.
- 9. In November of each year, commencing November 2023, all parties to this Agreement shall each designate a representative who shall meet at CFU headquarters or by conference call to review and adjust the allocation of costs and updated technologies applicable

under this Agreement. Cost allocations as adjusted will be effective January 1, 2024 and each January 1 after each said meeting thereafter. The reallocation of capital costs incurred after January 1, 2024, and salaries and benefits under paragraphs 5 and 8, and repair and maintenance costs under paragraph 8 hereof or as provided by paragraph 7 hereof will be established as the percentage of properties passed by all parties, and any additional or new party or parties of the prior June as defined in Schedule A. Estimates on Schedule A are informational and not limitations; the distribution formulas in Schedule A are binding on the parties. Schedule A may be amended as a part of the process described in this paragraph.

If by ten days after the meeting in November wherein the notification of reallocations is discussed, the parties are unable to agree on reallocations under this paragraph, then they shall mediate all outstanding disputes. Mediation shall commence upon the written notice of any member to all other members. If after notice the parties cannot agree upon a mediator, they shall each select a mediator and the mediators shall mutually select one more person to also act as mediator. If sixty days after appointment of a mediator or mediators the parties have not resolved their dispute or dispute then the parties shall select an arbitrator under Iowa Code chapter 679A, if they are unable to agree on an arbitrator within 30 days, then any party may petition the district court for appointment of an arbitrator. The arbitrator will make a decision within 90 days of selection or appointment. The parties shall accept or reject the decision of the arbitration within ten days of receipt. If the parties accept (or fail to reject) the arbitrator's decision within the time allowed, the decision shall be final and binding upon all parties on all matters in dispute. If any party rejects the arbitrator's decision, then one hundred eighty days thereafter this Agreement shall terminate as provided in paragraph 14.

10. Additional parties may join under this Agreement by adopting its terms with the consent of the governing body of all other members. New members will make an initial contribution to capital based on the percentage of properties passed in the new members' service area compared to the total number of properties passed in the service areas of all participating utilities as defined in Schedule A.

New or additional parties may be required to construct at their own expense a fiber link to CFU's designated meet point and provide equipment, appliances or appurtenances necessary to light the fiber link. Any fiber link thus constructed will be lit, managed and monitored by CFU Network Engineers under paragraphs 5 and 8 hereof. Maintenance and repair of each party's fiber will be performed by the respective party.

All additional contributions of capital from new members shall be distributed to the pre-existing members as their interests appear.

- 11. Additional parties may become customers of the shared IP Video Headend. Revenue from these additional parties will be shared among the current members based on their percentage of contributions.
 - 12. No separate legal or administrative entity is created by this Agreement.
- 13. Parties hereto shall not engage in joint financing, but shall each be separately responsible for financing their costs and expenses under this Agreement.
- 14. <u>Term of Agreement and Termination Provisions:</u> This Agreement shall be effective on October 11, 2023 and continue in effect until October 11, 2026, and thereafter shall continue for periods of three years unless any party other than CFU provides the others with notice of its intent to terminate, at least 1 year prior to the next termination date, in which event this Agreement shall terminate on the next expiration date. CFU shall give a two-year notice of termination to exit the Agreement regardless of the three-year term of the Agreement, so that CFU may exit the Agreement at any time after a two-year notice period.
- A. <u>Termination wherein CFU remains a party:</u> If upon any termination date there are more than two parties to this Agreement where one of the remaining parties is CFU and not all parties give notice of termination, any party giving notice of termination will be given, within 180 days of termination, their then share of the depreciated net value of their share of the joint assets as last determined under paragraph 9.
- B. <u>Termination wherein CFU is not a party:</u> If CFU gives notice of termination, this Agreement will terminate two years after notice is provided pursuant to paragraph 14. Upon CFU providing notice of termination, the remaining existing owners shall have the right of first refusal to purchase the joint assets included in this Agreement with the proceeds from the sale of the assets distributed to the then parties to this Agreement based on their percentage of ownership as it appears on the date of termination as last determined under paragraph 9.
- C. <u>Termination with no remaining parties:</u> Upon final termination of this Agreement wherein there are no remaining parties to the Agreement, all joint assets shall be liquidated and the proceeds from such liquidation shall be distributed to the then parties to this Agreement based upon their percentage of ownership as it appears on the date of termination as last determined under paragraph 9. CFU shall have the right of first refusal to retain all joint assets in its physical possession upon payment of the proceeds to the other parties in accordance with their percentage of ownership.
- D. In the event that any member utility, or the assets of any member utility are sold, leased or otherwise transferred, or any member is dissolved or discontinued, the member being sold, leased, otherwise transferred, dissolved or discontinued shall forfeit its share of the net value

of any assets as last determined under paragraph 9 above. As to such member, this Agreement terminates upon the date of such member being sold, leased or otherwise transferred, dissolved or discontinued.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the day and year set forth below.

MUNICIPAL COMMUNICATIONS UTILITY OF THE CITY OF CEDAR FALLS, IOWA

Zahoo J. Makeak

Richard McAlister, Board Chair

ATTEST:

MaraBeth Soneson, Board Secretary

MaraBur K. Sneson

10/11/2023

WAVERLY COMMUNICATIONS UTILITY

, Board Chair
ATTEST:

, Secretary to the Board

COMMUNICATIONS UTILITY OF BELLEVUE, IOWA

Jusa & Weins Cheull , City Administrator

ATTEST:

Royar Indiel
, Mayor

Dete

INDIANOLA MUNICIPAL UTILITIES

Lori Smith , Board Chair Deb White, Acting Board Chair

ATTEST:

Monica Thompson, Board Secretary

Oct 9, 2023

VINTON MUNICIPAL COMMUNICATIONS UTILITY

ATTEST:

Melissa Schwick Board Secretary

Sept 12, 2023
Date

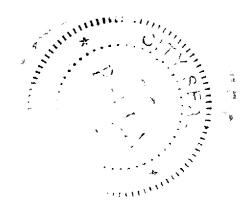
CITY OF PELLA TELECOMMUNICATIONS UTILITY

Donald Dewaard, N

ATTEST:

Manay Shith City Clerk

November 6, 2023



NEW HAMPTON MUNICIPAL COMMUNICATIONS UTILITY

, Board Chair

ATTEST:

Koren Clemens, Secretary to the Board

10-19-2023

WATERLOO TELECOMMUNICATIONS UTILITY

BOTHLY SONED

Andrew Van Fleet, Board Chair

ATTEST:

Kelley Felchle

Kelley Felchle, Secretary to the Board

9/8/2023

Indianola Municipal Utilities

RESOLUTION NO 2025-

AUTHORIZATION FOR TERMINATION OF AGREEMENT **M516509** UNDER IOWA CODE CHAPTER 28E: PROVIDING FOR SHARED USE OF CERTAIN FACILITIES AND RELATED MATTERS

WHEREAS, IMU Board of Trustees agrees that it is in the best interests of IMU terminate 28E agreement M516509, established to provide for the joint ownership, management, control and maintenance of an Internet Protocol Video Head End, and make other shared services, equipment, appliances, and appurtenances for the joint benefit of parties.

WHEREAS Pursuant to section 14 of the 28E Agreement, IMU is providing notice of termination of IMU's participation in the 28E Agreement at least one year from the next termination date. Pursuant to the 28E Agreement, IMU will receive the appropriate disposition as provided under section 14; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Indianola Municipal Utilities, Iowa, that the agreement (M516509) between Waverly Communications Utility, The Municipal Communications Utility of the City of Cedar Falls, The Communications Utility of Bellevue Iowa, City of Pella Municipal Telecommunications Utility, New Hampton Municipal Communications Utility, Waterloo Telecommunications Utility, Vinton Municipal Communications Utility and Indianola Municipal Utilities is hereby terminated and the Board Chair and general manager are hereby authorized and directed to execute the Notice of Termination on behalf of Indianola Municipal Utilities.

Approved this 2 nd day of October 2025.	
ATTEST:	Dom Selgrade, Board Chair
Monica Thompson, Board Secretary	