

**BOARD OF WORKS
ELECTRIC UTILITY
FRIDAY, MAY 1, 2009
8:00 A.M.**

Mayor James Fleck – Present
Clerk Treasurer Rosie Coyle – Present
Attorney Lindsey Grossnickle – Present
Walt Crowder – Present
Roger Seymoure – Present

The Columbia City Board of Works met in regular session with all members present, Mayor Fleck presiding.

DEPARTMENT HEAD REPORT Larry Whetstone reported they continue with meter replacements and advised they had 1,244 in place. He questioned if on slow days if he would have additional employees help change out meters if it would cause a problem for the billing girls. Rosie Coyle explained the only problem was getting the people set up and meters changed over. She advised she would inform the girls and have them work on them the best they could. Larry advised they finally got the device to reset the meters back to 0 which should help out a lot.

Roger Seymoure questioned the percentage of new meters installed. Larry advised they had about 1/5 of the total amount done. Walt Crowder questioned how long it took to get to the 1,244 in. Larry explained Angie Hildebrand had been working on them after she gets meter reads completed each month. He thought it had been close to a year. Rosie advised the new meters speed up the reading process so Angie would have more time to work on them. Walt questioned how long it took to set up the new accounts. Rosie thought about ½ hour per meter. Mayor Fleck added that Rosie was putting barcodes on the utility bills which will relieve some responsibilities and should speed up the process as well. Additional discussion followed.

Larry advised some people complained that their bill increased with the new meters. He explained it was because the mechanical meters were not reading correctly. He advised electric meters do not miss anything. He reported REMC had some of the same issues. Rosie stated she ran about 12 customers who had the new meters and maybe 2 went up and the others went down or stayed the same. She explained it all depended on the age of the meter that was in there.

Larry advised they continue with tree trimming and had about 40 stumps to grind. He added they continue with pole replacements when weather permits.

Larry reported the digger truck was up for replacement. He explained the stand by truck was 25 years old and was on its last leg. He stated if they could get a new digger truck they would like to keep the old one to replace what the stand by truck was doing now. Rosie confirmed the truck was budgeted this year for replacement. Larry advised it was. He stated the wastewater plant thought they could make good use of the old truck to change out pumps. Walt questioned if it would require a different driver's license. Jeff Walker advised it would require having a CDL.

Walt understood the common sense of using it but was not sure it was of good business sense in terms of using the truck. Larry advised the sewage guys operate the truck now they just do not drive it. Walt recalled this being a general topic from other departments when wanting to use the digger truck and not having the appropriate licensing. Larry felt it would do the job needed for them but it would also create the problem of storage. Walt asked for time to think about it. Larry asked for direction from the Board regarding a new truck. Walt questioned the condition of the truck being replaced in regards to mechanically. Larry advised it was in very good shape. Mayor Fleck questioned how long it would take for delivery of a new truck. Larry advised it would take 4 – 6 months. Walt suggested starting the process of collecting bids so they could have a better idea of true costs. He questioned if the truck would already be built or would it have to be built specifically. Larry advised it would be built to our specifications.

Larry reported they put in 3 new services between rain showers and have been working on taking down the transmission line to the old substation.

REPORT ON HOSPITAL PROJECT PROGRESS Larry Whetstone reported they received the hospital plans and advised they did have some questions. Mayor Fleck advised this was a long term project for the hospital and questioned as a City if we needed to have an electrical engineer look at the plans. Larry did not think so. Jeff Walker explained the only point of contention was that it was easier for the hospital's representative to run both feeds off of 205 at their proposed entrance because they did not have easements off of Towerview. He advised the City's request was to take the second feed off of Towerview and then the transfer switch pad could be set on site. Mayor Fleck questioned how they should take action to sit down with them and discuss the issues. Jeff advised John Meister was going to follow up on it. Mayor Fleck suggested getting back with him. Jeff and Larry both felt Mayor Fleck should contact Mr. Meister.

Larry added that it was also requested to have power there before construction. He stated another question was if they could utilize temporary service as part of the permanent.

Jeff stressed that the City wanted to provide the best most reliable service to the hospital as possible but they did not feel the way it was engineered was the best effect.

RATE STUDY Mayor Fleck explained an ongoing rate study was being done by Buzz Krohn and they were almost to the point where a decision needed to be made on whether to do a full blown study or just a pass through study. Mayor Fleck explained the difference was one was more expensive, would require a hearing in front of the IURC and an examination by the OUCC. He advised the rate study was not a simple proposition and they were trying to get a handle on it to make a recommendation. He advised there had not been a rate increase for about 10 years. He felt it was a difficult time and was not like any other rate study.

Rosie Coyle thought it was even more difficult because the City was still under the IURC and all the hurdles required to go through to do anything. She thought this may have been done sooner with less impact had the City not been under the IURC. She suggested pursuing opting out after the study was done.

ENERGY SAVINGS PROJECT Mayor Fleck reported Troy Gawthrop would be making a formal presentation regarding ways to approach energy conservation. He explained once a program was set up within the City they hope to create a program to engage the customers so they too could learn ways to conserve energy.

GLOBAL WARMING Larry Whetstone reported IMPA had an emergency meeting last week and were requesting the City Council sign a resolution regarding Global Warming. He advised he also had a press release asking customers to sign papers and send to their congressman. He explained if the President gets his way we would be greatly penalized for having coal produce our electricity. He advised it would be \$30 - \$70 more to the customer per month just to handle the penalty.

Mayor Fleck advised there were several proposals in front of Congress with respect to what was called cap and trade. He explained the cap was the amount of carbon based material allowed to produce and the trade was that you could buy caps that would make it higher in terms of what the limitation was. He advised this has been going on for at least a year. He explained the trade was that some of the states that have different forms of power supply tend to be out front in this environmental issue. He stated the utilities in the Midwest tend to have carbon based power and as a result the interests were significantly different. He suggested that until we understand a little better what the issues were to come down and just say we support one position or another in his opinion was not doing the rate payer's justice. He advised it was not that we were against it but that we simply do not need to be lock stepped with the provider if the provider had the obligation of providing the lowest rate. Larry advised unfortunately our provider saw fit a few years ago to buy a coal mine and put a generation facility at the coal mine. He agreed we may need more facts but IMPA was really starting to push this.

Larry advised he was approached by two customers who wanted to put in their own generator or windmills. He explained IMPA has had more requests than Columbia City and have come up with a resolution and metering facts of how it would done and how it needed to be put into a proposal to the City Council to have an ordinance in effect if and when this occurs. He stated the customer would only be able to provide 10 KW of their own power which was basically a 40 amp service and the City had to be equipped to handle the overproduction if any and not to give cash back but a credit on their metering if they produce more than they need.

INFLUENT SCREEN CHANNEL MODIFICATIONS Jeff Walker advised the Board asked Cecil Whitaker to negotiate a reduced fee on the proposed work done by Corporate Construction on the Influent Screen at the Water Pollution Control Facility. He explained Cecil was able to reduce the cost by \$18,294.00. He asked the Board's approval for Cecil to do a change order.

Walt Crowder felt it was a great compromise and credited all parties involved. He advised he was comfortable with the credit given.

Upon the motion of Crowder second by Seymoure to accept the settlement that Whitaker Engineering has negotiated on for a cost savings of \$18,294.00 that has been credited back to the City from the project and support Jeff Walker's recommendation to approve, all voted aye.

HEALTH FAIR – BUS PARKING Rosie Coyle reported the Health Fair was scheduled for May 6 and 7. She questioned if it was ok to have the bus park in front of City Hall. She advised they would be here until 5:00 both nights.

The Board was not opposed to having the bus park at City Hall. Rosie advised she would take with Chief Petersen.

GROWING THE ELECTRIC BUSINESS Walt Crowder advised he would like to discuss ways of growing the electric business and maybe put it on the agenda for next time.

Having no further business to discuss the meeting was adjourned.

Mayor James Fleck

Attest:

Clerk Treasurer Rosie Coyle