

**BOARD OF WORKS
ELECTRIC UTILITY
FRIDAY, AUGUST 7, 2009
8:00 A.M.**

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

The Columbia City Board of Works met in regular session with the Electric Utility. All members except Crowder were present, Mayor Fleck presiding.

DEPARTMENT HEAD REPORT Larry Whetstone reported the Van Buren Street project was complete.

Larry also reported they provided the Pow Wow with 10 temporaries. He advised they have had questions about temporary services. He explained we require anyone needing a temporary to provide it and then we hook to it. He explained anytime we provide a temporary it takes some extra time and suggested when there was a situation that the City provides the temporary that they increase the charges to \$50 per temp to help offset the costs involved. He explained on the normal temps there was a \$25 fee. Mayor Fleck questioned what they did for Old Settlers. Larry advised they hang one metering device with 6 meters on it and they connect into our system. He reported they have generators in addition to the power supplied from the City. He advised there was no comparison in what they provide for the Pow Wow versus Old Settlers. He explained they normally do not provide the temporaries; all they do is run wire to the point and make a hook up. Roger Seymoure confirmed they were providing more than just the one point and were providing temporaries for them. Larry advised that was correct. Mayor Fleck felt they needed to talk further on the issue. Larry mentioned another organization they provide temporary service for was the 4th of July celebration. Mayor Fleck advised that needed to be looked at again as well. Rosie Coyle advised in the past they have charged the vendors to set up down there.

Larry reported they continue to get things laid out for the new phase in Chesapeake. He advised STAFCO finally made their complete change over and they hooked up the temporary at the new hospital site for the construction management trailer. Mayor Fleck questioned if they got the redundancy issue resolved. Larry advised they had not. He reported they hooked up a new house in Brennan's Addition and had 49 shut offs for this month. He stated there was a question raised on the necessity of going back the day after shut off to make sure service was still off. Rosie Coyle explained it was because they have had so many people tampering with their meter. Larry questioned what was done to those people. Rosie advised their service is disconnected and the meter was taken out. Larry felt some day the City may get sued because of a death from tampering with the meter. He felt there needed to be a harsh penalty for meter tampering. Rosie advised it would have to be changed because she could only charge what the rates say. Additional discussion followed on the issues of people turning service on without us knowing. Larry advised our penalties were not near what REMC charges.

Larry advised he had another request to tie a generator into our services. He reported he and Attorney Grossnickle had a sample ordinance from IMPA. He explained he was getting more and more requests for generators and windmills. Mayor Fleck questioned if it was from big users. Larry advised most of the requests have been from households.

Larry reported they continue with meter replacements. Mayor Fleck explained one of the considerations on the rate adjustment case was the rapid installation of the meters. He stated other communities have been denied because they are not getting them changed out. Larry explained the primary goal when they started was to get the most difficult ones to read done first. He stated they now try to replace the meters as they are on shut off. He understood that it does create some hectic days for the billing girls. Rosie advised they were working together to get them done.

FINANCIAL REPORT The Board briefly reviewed the financial report. Larry questioned what fund their equipment was purchased out of. Rosie advised she usually takes it out of depreciation but could take it out of whichever fund he wanted.

RATE ISSUE Mayor Fleck reported he and Buzz Krohn met with the Office of the Utility Consumer Counsel. He explained the case before them was very straight forward. He stated all we were trying to do was to absorb and pass through the necessary costs that have been generated primarily from our wholesale power supplier. He advised we were informed in January that the rate increase to the City would be 14%. He explained the net bill that people receive, 70% is the cost of electricity to us and about 30% of that revenue we receive to maintain the system, put up lines, do repairs, employ and make certain we comply with all of the regulatory requirements. He stated even with the rate adjustment we will have to make will probably be less than ½ of what was passed to us. He advised we were required to maintain a certain reserve and for a city our size the ideal reserve approaches about \$1 million which was about 2 months of power costs on the average.

SPLASH PAD Larry Whetstone reported Mark Green got with him regarding the problem with dechlorinating the water before it entered the river. He explained they found a liquid solution to use versus the tablets so they put a relay in so that it would only pump when the water was activated instead of pumping the chemical in during the time it was open. He stated on cold days the kids would press the button but would not get in the water so advised they initiated a thermostat in the circuit so that when it gets to a certain temperature it would not activate.

Having no further business to discuss the meeting was adjourned.

Mayor James Fleck

Attest:

Clerk Treasurer Rosie Coyle