

Water and Light Advisory Board
December 1, 2009

A meeting of the Water and Light Advisory Board was held December 1, 2009 at 8:00 a.m. at the Utility Services Conference Room, 105 E. Ash St. Attending the meeting were:

John Conway, Chair
Tom Baumgardner, Member
Tom O'Connor, Member
Bob Roper, Member excused
Dick Parker, Member
Mike Schmitz, Interim Water and Light Director
Dave Storvick, Acting Engineering Manager - Water
Ryan Williams, Acting Engineering Manager - Electric
Jim Windsor, Manager of Rates and Fiscal Planning
Tina Worley, Utility Services Manager
Tad Johnsen, Power Production Superintendent
Dan Stokes, Electric Distribution Manager
Marilyn Thorpe, Administrative Support Supervisor
Pam Mathews, Administrative Support Assistant
Winn Colwill, League of Women Voters

APPROVAL FOR THE NOVEMBER 5, 2009 MEETING MINUTES

The November 5, 2009 meeting minutes were approved by voice vote on a motion by Tom O'Connor and a second by Dick Parker.

DIRECTOR'S REPORT

a) 24" East Transmission Main – Mike Schmitz reported that Engineering Surveys and Services (ESS) was selected to provide the engineering services for the project. Black and Veatch will sub-contract for the route study and design portion of the project. The construction will be split into two phases, north and south. John Conway asked what the prospects are for obtaining rights-of-way. Mr. Schmitz responded that the route study will address that issue. A portion of the route has already been defined as a part of the Maguire Street extension, the creeks will be spanned because the new bridges were designed to carry the load of the 24" main. Dick Parker asked if the first phase will be useable before the second phase has begun. Mr. Schmitz said that it would be. Mr. Parker asked if there would be advantages to getting the rights-of-way first. Mike Schmitz said the best approach would be to complete the study first and then negotiate with the landowners. Tom Baumgardner asked about the timeline to complete the project. Dave Storvick said the study would take about nine months, with a 2012 completion date.

Dick Parker made a motion to forward the Board's recommendation to City Council to approve that ESS provide the engineering services for the project. Tom O'Connor made a second and it was unanimously approved.

b) Source Water Protection Plan – Dave Storvick reported that W&L staff and McBaine area landowners have discussed the potential list of members needed to form an ad-hoc committee. They determined that the University of Missouri and the surrounding water districts should be included. Many other entities tap into the aquifer. He said that the committee will address the issue of identifying wells that should be abandoned and capped and which wells are at risk of contamination. Mike Schmitz added that the Aquifer Storage Recovery (ASR) well plan will be part of the study. Mr. Conway stated that overlapping plans will increase the scope of the areas to be assessed and will extend to areas outside the city. There was some further discussion about what laws are in place to propel the studies and what would be the best way to proceed. The consensus was that the McBaine bottoms is an important portion of the study. Dave Storvick said the Department of Natural Resources has been prodding the city to abandon its deep wells. The city, MU and

the water districts are the primary entities involved in the deep wells. Mr. Schmitz said that would be a good place to start because there are deep wells we know we will no longer use and have not used for some time. Floyd Turner said there is grant money available in the form of matching funds to pay for capping the wells. Tom Baumgardner asked about potential financial risk in taking the lead. Mr. Schmitz said the risk should be minimal since having a Source Water Protection Plan is not mandated by law. Mr. Conway said there would be costs associated with staffing. The decisions can be based on need while still considering areas outside the city. In summary, he said the McBaine issues would have to be addressed; the hard rock deep wells assessed; we would have to share our plan with others that would have influence, and compare existing plans. Parallel paths could be followed during plan development, with different entities involved in the McBaine area and the deep well areas. An emergency response plan should also be included. Mr. Parker asked if there are plans in place to report on drug and pesticide contaminants. Mike Schmitz said our samples are taken as part of the U.S. Geological Survey (USGS) contract. Tom O'Connor said USGS now performs very sophisticated testing that will provide valuable data.

FINANCIAL REPORT

a) Financial Update – Jim Windsor provided FY10 expense and revenue data to date. Because of the large amount of power purchased by the utility, an estimate was made of that expense.

CHAIRMAN'S REPORT

a) Austin Texas - John Conway reported that he, Ryan Williams, and Dick Parker attended a meeting with Austin Energy on November 23. He said they brought back some very useful and beneficial information to share. They were presented an intense, one day overview of Austin's programs that were innovative and comprehensive. They provided information on how to expand our Demand Side Management (DSM) Programs. They have done extensive cost/benefit analyses. Ryan Williams said they do a good job of disseminating information to the public. Although Columbia has many of the same programs in place, Austin does a much better job of touting their programs to the public. They use thermostats instead of switches on air conditioners. They also control water heaters, pool pumps and chillers. Dick Parker said Mayor Hindman has requested that he prepare a comparison. He noted that the biggest difference is that Austin's programs are more available to renters and multi-unit housing occupants. John Conway said they require that when a house is put on the market they require an energy audit be performed before the property can be sold. Ryan Williams said they are expanding on the smart grid approach by going in the direction of an IT based power broker instead of a power provider. John Conway said they provided detailed reports showing how their DSM programs reduce consumption.

NEW BUSINESS

a) Blue Grass Wind Farm – Associated Electric has offered to renew the Bluegrass Ridge Wind Farm contract to allow us to take the first 6.3 MW out of the wind farm. A letter of agreement has been drafted to renew the agreement through March, 2010. Mike Schmitz said a Request for Proposal (RFP) for renewable power for mid to long-term contracts will be issued by Purchasing next week. Our renewable portfolio and policies will be discussed at length at the next board meeting.

OLD BUSINESS

- a) PILOT – A report on gross receipts was given to the Board as requested, detailing the amount that goes to the General Fund for the city's use.
- b) TEA – A report was provided to the Board as requested regarding TEA bilateral fees. Mike Schmitz said the report further enforces the belief that a fixed rate would be more cost effective.
- c) PURPA – Tom Baumgardner chaired a Public Hearing regarding the Public Utilities Regulatory Policies Act (PURPA) on Wednesday, November 11 at 6:00 p.m. in the City Council Chambers. Mike Schmitz said we fulfilled the requirement and we have complied with the regulations.

Guest Win Colwill announced that the League of Women Voters presented “Green Power Update Alternatives for Columbia” on Tuesday, November 17 at the Columbia Public Library. Renewable energy was discussed. She said the presentations were interesting and attendance was high.

Next meeting date: Tuesday, January 5, 2010 at 8 a.m. at the Water Distribution Joe Paul Crane Building, 1510 Business Loop 70 East.

The meeting adjourned at 9:30 a.m.

Respectfully submitted,