

**Water and Light Advisory Board**  
**June 1, 2006**

A meeting of the Water and Light Advisory Board was held June 1, 2006 at 7:00 a.m. at the Administration office downtown. Attending the meeting were:

John Conway, Chair  
Tom Baumgardner, Vice Chair  
Ernie Gaeth, Member  
Greg Macias, Member  
Robert Roper - Member  
Dan Dasho, Director  
Mike Schmitz, Chief Engineer  
Floyd Turner, Water Operations Manager  
Tad Johnsen, Power Production Superintendent  
Jim Windsor, Manager of Rates & Fiscal Planning  
Tina Worley, Utility Services Manager  
Dan Stokes, Electric Distribution Manager  
Marilyn Thorpe, Administrative Support Supervisor

Dick Parker  
Win Colwell, League of Women Voters  
Eleanor Goodge, League of Women Voters

**APPROVAL OF THE MAY 4, 2006 MEETING MINUTES:** The minutes of the May 4, 2006 meeting were approved with a motion by Ernie Gaeth and second by Tom Baumgardner.

**INTRODUCTION OF NEW ELECTRIC DISTRIBUTION MANAGER:** Dan Stokes was introduced as the new Electric Distribution Manager.

**FINANCIAL REPORT:** The Water and Electric Utility combined operations reflect an operating income \$160,476 for the seven months ended April 30, 2006; compared to an operating income of \$609,315 for the same period last year. This is a decrease of \$448,839.

The Water Utility has an operating income of \$629,975 for the seven months ended April 30, 2006; compared to an operating income of \$334,458 for the same period last year. This is an increase of \$295,517 in operating income.

The Electric Utility has an operating income of \$469,499 for the seven months ended April 30, 2006; compared to an operating income of \$274,857 for the same period last year. This is a decrease in operating income of \$744,356.

Jim Windsor told the Board that the Sikeston and Nearman plants were down for maintenance, which caused prices to go up. Sikeston will be back up May 15 and Nearman in June. Jim said it was unusual for both plants to be down at the same time and for a longer than usual period. He said the mild April temperatures have kept revenue down.

Jim discussed the cost analysis information he prepared for the Board per their request from the last meeting. He said several factors had to be considered which included:

- (\$2,138,726) - Transmission fees that were paid that discontinued with the advent of MISO. These included charges for the delivery of energy from Ameren, Sikeston, and Nearman.
- \$232,707 - Transmission fees charged by MISO.
- \$424,508) – Transmission revenue paid to CWLD.
- \$400,457 – The contract with The Energy Authority (TEA) to act as our market participant.
- (\$2,903,942) – Revenues from energy sold into the MISO market.
- \$1,411,462 – Cost of extra energy purchased to sell into MISO market.
- \$6,936,396 – Charges for energy purchased from the MISO market, as well as other MISO charges.
- \$57,070 – MISO charges not directly related to the market activity. These include membership fees and legal fees.
- (\$1,762,974) – Normal energy purchases that CWLD would have made from another source had the MISO market not been available (based on 2003 and 2004 information).
- \$1,807,942 – Estimate of total one year impact.

Jim said the \$1,807,942 is about 3.8% of CWLD's total annual fuel and purchase power expense.

### **ENGINEERING:**

- a) 161 kV Line update – Mike Schmitz said staff was still in the process of acquiring easements for the 161 kV line in southeast Columbia. He said most of the land owners had been cooperative but they were having trouble getting an easement from Raul Walters. Mike said necessary actions would need to be taken to get the easement.
- b) Water Treatment Plant Expansion – Mike said the plant is in full operation. He said the site is being cleaned up and that the old lime system room was going to be renovated for new offices. He said the plant is now at 32 million gallon capacity. Mike said plans are to have a dedication in September or October.
- c) 36" Water Main – Mike said the preconstruction meeting for the main was held yesterday. Emery Sapp & Sons had been sent the Notice to Proceed. Digging should start in a month.
- d) ASR and Well #15 – Mike said the preconstruction meeting was held last week. Layne Western was awarded the contract. He said the ASR well should be ready to fill in September. He said it would take 30 days to fill. It will then be discharged and recharged. He said Well #15 would be on the same site as Wells #13 and #14. It should be in operation the third week of July.

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**POWER PLANT/POWER SUPPLY:**

- a) Power Plant Outages – Tad said that the Nearman and Sikeston plants shutdowns had taken longer than usual due to some unusual maintenance problems. He said the Callaway Nuclear plant was also down which meant our costs would continue to rise until it comes back on line.
- b) Peak Usage – May usage was down from this time last year. The projected peak for this year is 265 megawatts. Ninety-three megawatts was the high for the month of May
- c) Power Plant RFP Air Permit Responses – An evaluation committee was formed to review the proposals for engineering services related to the air permitting and design of a new power plant in Columbia. Dan said at this time the committee did not feel it could make a single recommendation for all three phases of the project. He said it was staff's recommendation that the Phase II and Phase III work be solicited and awarded as part of a future RFP. He said four firms had been interviewed for the Phase I part of the project. The Board discussed all of the proposals. Bob Roper made a motion to recommend Council award the Phase I contract to SEGA for \$67,900. Greg Macias made a second to the motion. Vote was unanimous in favor of the motion.

**WATER REPORT:** Hydrant Testing – Floyd Turner said that Water Distribution had held a training session with the Fire Department to show them the correct way to do fire flows. He said there had been very few main breaks since the training.

**UTILITY SERVICES:** Tina Worley told the Board that the customer survey results would be available at the July meeting. She Utility Services was going to hire a Mechanical Engineer to do a survey on the switches and their benefits to the utility. Tina said Water and Light along with the other departments of the City were hosting an Energy Conservation Fair June 28 from 4 p.m. to 8 p.m. The fair is to educate citizens on the programs available to them through the City.

**NEW BUSINESS:** Bob Roper asked if there had been any comments made about charging for electric meters. Dan said reaction was varied but that the builders were not happy with the charge.

Dan said he and some staff members had met with Tom Carnahan, with Associated and discussed the wind farm in northern Missouri. The turbine is expected to go on line in October or November. The Board will be kept up to date on any developments.

Request for Proposals for the landfill generator will be going out shortly. Staff feels with the combination of landfill gas and wind energy we should meet our required quota.

**OLD BUSINESS:** Dan asked if any of the Board members were planning on attending the APPA meeting.

Win Colwell handed out information on residential air conditioner rebate programs and super saver low interest loan program.

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Next meeting date is July 6.

Meeting adjourned at 8:30 a.m.

Respectfully submitted,