

**Water and Light Advisory Board**  
**May 4, 2006**

A meeting of the Water and Light Advisory Board was held May 4, 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  
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  
Mike Thomas, Electric Distribution Manager  
Marilyn Thorpe, Administrative Support Supervisor

Robert Roper - Excused

**APPROVAL OF THE APRIL 6, 2006 MEETING MINUTES:** The minutes of the April 6, 2006 meeting were approved with a motion by Tom Baumgardner and second by Ernie Gaeth.

**FINANCIAL REPORT:** The Water and Electric Utility combined operations reflect an operating income of \$1,212,451 for the six months ended March 31, 2006; compared to an operating income of \$584,037 for the same period last year. This is an increase of \$628,414.

The Water Utility has an operating income of \$392,992 for the six month ended March 31, 2006; compared to an operating income of \$315,243 for the same period last year. This is an increase of \$77,749 in operating income..

The Electric Utility has an operating income of \$819,459 for the six months ended March 31, 2006; compared to an operating income of \$268,794 for the same period last year. This is an increase in operating income of \$550,665.

Jim Windsor was asked to compile a cost analysis associated with the utility being in MISO for a year.

**ENGINEERING:**

a) 161 kV Line update – Mike Schmitz gave an update on the construction process of the project. He noted there had been four route changes since the beginning of the project. But he said everything was moving forward.

b) Water Treatment Expansion – Mike said the filter and settling basins are in service. No date has been set for dedicating the building.

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c) ASR Addition – Mike reported that Layne Western was the low bidder for converting Well #8 to an ASR well at a cost of \$333,467.00. Well #8 is located on Fairview Road. He said W&L had previously installed an ASR at Deep Well #10 in 2004 and that W&L had used this ASR during peak conditions in 2005 and was satisfied with its operation. After discussion by the Board Tom Baumgardner made a motion that the Board recommends Council award the contract to Layne-Western for the conversion of Well #8 into an ASR at a cost of \$330,467. Greg Macias made a second to the motion. Motion passed with a unanimous vote.

d) Alluvial Wells 15 & 16 - Mike Schmitz told the Board that the original CIP was to drill two additional wells in the McBaine bottoms. But with the increase in prices for materials it was staff decided it would be better to go forward with drilling one well and then come back to Council at a later date to get approval for the second one. Mike said staff requested four alternate bids. The Base Bid is for drilling and installing one complete 110' operating well (#15). Alternate #1 is the price for drilling and capping one 110' deep well (#16). Alternate #3 is for the drilling and capping of two 110' deep wells (#17 and #18). Alternate #4 is the price per well to add all the controls and equipment to any of the Alternates #1,#2, or #3 to make them a fully operational well. Bids were received from two drilling companies for the above options. The Board discussed the bids. Greg Macias made a motion with a second by Ernie Gaeth to recommend Council award the contract to Layne-Western for the Base Bid for Well #15 in the amount of \$272,175. The vote passed unanimously.

**WATER REPORT:** Floyd Turner told the Board that the Fire Department had been doing their annual fire hydrant testing and that there had been several main breaks as a result of the tests. He said a training session was held with the Fire Department on the proper way to open the hydrants. Floyd said that the main breaks had slowed down considerably since the training session.

**UTILITY SERVICES:** Tina Worley told the Board that the customer survey had been completed and that the results should be available in June. She said there was a new program being initiated by the City to help low income housing residents. Window air conditioner units will be changed out for high efficiency units. She said an RFP for design on the land fill gas units would go out this week. She will report back to the Board in June with more information.

**NEW BUSINESS:** Dan Dasho introduced Mike Thomas as the new Electric Distribution Manger replacing retiring Ben Johnston.

**OLD BUSINESS:** Dan told the Board that the City Council would have the first reading for the Bond Issue at their next meeting. The City Manager is forming a committee to promote the Bond Issue. Dan told the Board that the City is investigating wind energy as a renewable resource. The Board said they would like more information on wind energy and wind farms. Dan will provide additional information to Board regarding wind energy at the June meeting.

Dan told the Board that the City was hosting a "Visioning" meeting at Stephens College, Monday, May 8 at 7:00 p.m. The plan is to develop a strategic plan for the City.

Next meeting date is June 1.

Meeting adjourned at 8:45 a.m.

Respectfully submitted,