

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

February 17, 2010

Utility Conference Center

4:00 P.M.

Present:

Board:

Allen Milburn, Chairman
Gary Ladd, Vice Chairman
Dan Lamar, Member
Jim Urban, Member

Staff:

Michael Martin
Mike Adams
Sandra Morgan

Linda Ridgway

Guests:

Kerri Vincent from IMPA

Larry Giddings, Legal Counsel

1. Chairman Allen Milburn called the regular meeting of the Lebanon Utility Service Board to order at 4:00 P.M. Member Tom Temple was not present. Confirmation of appropriate notification was acknowledged.
2. Chairman Milburn requested comments on the February 3rd, 2010 minutes. Hearing no comments Member Dan Lamar made a motion to approve the minutes as written. Vice Chairman Gary Ladd seconded. Motion carried.
3. Finance Manager Sandra Morgan addressed the Board requesting ratification of the December 2009 transfer of funds between the Telecommunications Utility and the Electric, Wastewater, and Water Utilities for the purpose of covering cash shortages in the Telecommunications Utility. The transfers resulted in a charge to the Utilities of \$1,052.18 with the split of \$350.73 from electric, \$350.73 from Water, and \$350.72 from Wastewater. Vice Chairman Ladd made a motion to ratify the transfer. Member Lamar seconded. Motion carried.
4. General Manager Mike Martin, Engineering and Electric Operations Manager Mike Adams, Legal Counsel Larry Giddings, and Kerry Vincent of ISC provided information to the Board regarding the severance payment to REMC relating to the electric territory boundary change in the I-65 Corridor. ISC developed estimated current values for the distribution facilities at a reproduction cost new depreciated and customers involved at two and half times gross revenues electricity sales during the twelve months preceding the annexation both as specified in Senate Bill 416 (See estimated current value summary sheet attached). Vice Chairman Ladd made a motion to accept the recommended estimate of \$1,395,850.60 as severance payment to REMC. Member Lamar seconded the motion and commented that the capital expenditures scheduled should be examined given that this item is an unbudgeted item for 2010. Motion carried.
5. Engineering and Electric Operations Manager Mike Adams requested Board approval to purchase relay cabinets for the West Substation 69kV breaker upgrade. Two quotes were

received to construct two control panels to house relays, AC and DC power as well as control wiring, one each for the 6904 and 6905 breakers. TEQ Solutions quoted \$7,500.00 and Power Construction Group \$16,600.00. Member Urban made a motion to accept the bid from TEQ Solutions in the amount of \$7,500.00. Secretary Ladd seconded. Motion carried.

6. Member Lamar made a motion to pay the claims dated February 17, 2010 for \$1,485,707.59. Vice Chairman Ladd seconded. Motion carried.

7. Chairman Milburn asked for any other business that should be brought before the Board.

General Manager Mike Martin updated the Board on the status of the strategic discussions with Cinergy MetroNet. Mayor Lewis, and Steve Biggerstaff have met with State Bank of Lizton regarding the financing of the project.

General Manager Mike Martin provided the Board with information regarding fiber optic to the Dialysis Center and wireless to Thorntown Medical Center, both should be completed by mid March.

Hearing no further business before the Board, a motion was made to adjourn the meeting by Member Urban. Vice Chairman Ladd seconded. Meeting was adjourned at 5:00 pm.

The next Utility Board Meeting will be Wednesday, March 3rd, 2010 at 2:00pm.

APPROVED THIS ____ DAY OF _____, 2010

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD