

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

March 3, 2010

Utility Conference Center

2:00 P.M.

Present:

Board:

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

Staff:

Michael Martin
Mike Adams
Bob Waples

Linda Ridgway

Guests:

Scott Miller from Umbaugh

Larry Giddings, Legal Counsel

1. Chairman Allen Milburn called the regular meeting of the Lebanon Utility Service Board to order at 2:00 P.M. Confirmation of appropriate notification was acknowledged.
2. Chairman Milburn requested comments on the February 17th, 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. General Manager Mike Martin introduced Scott Miller, CPA of Umbaugh & Associates who presented further analysis regarding the Water Rate Study. General Manager Martin made a recommendation to accept the five year equal phase in of a 9% increase in the first two years and an 8% increase the last three years based on analysis conducted by Umbaugh & Associates and discussions with city officials. Member Dan Lamar made a motion to accept the five year equal phase in. Secretary Tom Temple seconded. Motion carried.
4. General Manager Mike Martin, and Attorney Larry Giddings presented a Resolution and Ordinance for approval by the Board regarding LED Street Light retrofits. Engineering and Electric Operations Manager Mike Adams discussed technical aspects, cost savings to the city as well as contributions to an energy efficiency program to be administered by the utilities. The Ordinance will be presented to the City Council for approval and if accepted will position the Utilities for a grant from the Department of Energy via IMPA. Without this grant the project would be too costly to undertake. Vice Chairman Gary Ladd made a motion to accept the Resolution with all members signing and the Ordinance to be presented to the city council for their approval. Member Urban seconded. Motion carried.
5. General Manager Mike Martin presented to the Board information regarding the Indiana Utility Regulatory Commission's Statewide Demand-Side Management Program. This program is intended to incentivize customers to engage in programs altering their pattern and amounts of electric energy consumption and thus saving them on electricity cost. The goal of DSM or (energy efficiency) is to reduce the future need for investments in new power plants and the cost for purchased power through the efficient use of electricity. Manager Martin

welcomes the program as the IURC will oversee the program in conjunction IMPA and alleviate the amount of resources required to implement these types of programs ourselves.

6. Member Urban made a motion to pay the claims dated February 28, 2010 for \$339,700.27, and March 03, 2010 for \$1,654,065.29. 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 discussions with Boone County REMC regarding the boundary change in the south I-65 corridor. The Utilities' outside attorney Mike Cracraft with Hackman, Hulett and Cracraft, LLP is preparing for an attorney's conference with the IURC Administrative Law Judge and the attorneys for REMC set for March 23, 2010 where this subject will be discussed. At this conference, it will be determined how to proceed. Manager Martin will keep the Board members informed.

Hearing no further business before the Board, a motion was made to adjourn the meeting by Member Urban. Secretary Temple seconded. Meeting was adjourned at 3:30 pm.

The next Utility Board Meeting will be Wednesday, March 17th, 2010 at 4:00pm.

APPROVED THIS ____ DAY OF _____, 2010

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD