

# LEBANON UTILITY SERVICE BOARD

## Lebanon, Indiana

September 20, 2017

Council Chambers

5:00 P.M.

Board:

Gary Ladd, Chairman

Neil Taylor, Absent

Jim Urban, Secretary

Dan Lamar, Absent

Bill Stoner, Member

Staff:

Corby Unroe

Sandra Morgan

Trace Bowles, General Manager

Jeff Jacob, Legal Counsel

Guests:

Ken Olsen, American  
Structure Point

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1. Chairman Gary Ladd called the September 20, 2017 meeting of the Lebanon Utility Service Board to order at 5:00 P.M. Vice Chairman Neil Taylor and Member Dan Lamar were not in attendance. Confirmation of appropriate notification was acknowledged.

Chairman Ladd stated that a working session was held at 4:30 P.M., this same date. Confirmation of appropriate notification was acknowledged. No motions were made, no votes were taken.

2. Pledge of Allegiance to the American Flag was observed.

3. Chairman Ladd requested comments or changes to the September 6th, 2017 minutes. Secretary Jim Urban asked for a correction to Item No. 5 that needed the identity of the person who seconded the motion. Member Bill Stoner made a motion to accept the minutes with that change. Secretary Urban seconded the motion. Motion carried.

4. Electric Lineman Supervisor Corbin Unroe Introduced American Structure Point Project Manager Ken Olson who presented the Board with a cost estimate for additional work created by project delays and the land acquisition process for the 69kV South Loop Project. Discussions were had and discrepancies were found, therefore this item was tabled until further information can be presented.

5. Electric Operations Manager Trace Bowles asked the Board to approve a proposal from Valutech Solutions for AMI system support. Valutech Solutions will provide experienced guidance and program assistance concerning key aspects of the implementation process required for the electric departments AMI Project. This is a budgeted item. Secretary Urban made a motion to approve the quote from Valutech in the amount of \$39,570.00 to assist in the setup of the Utilities Electric Department's AMI Project with Engineering Services Manager, Tracy Bowles signing the Quote. Member Stoner seconded the motion. Motion carried.

6. Member Stoner made a motion to approve the claims dated September 20, 2017 for \$2,354,684.05. Secretary Urban seconded the motion. Motion carried.

7. Chairman Ladd asked for any other business that may be brought before the Board. Interim General Manager Trace Bowles stated that Lebanon Utilities is your public water, wastewater, electric and internet provider. We are Your Utility. We work for you and you alone. Last week we discussed our Mission Statement .....

*“To provide our community with reliable, economical, and high-quality services in a friendly and courteous manner.”*

This week I’d like to touch one area of the Mission Statement. “Economical”

Did you know that the budget for the Electric Department is \$23.5 million annually? About now you may be saying ‘No wonder my electricity costs so much’. What are these people doing with all that money?

I’ll tell you.

- 78% of the budget goes directly to our power provider – Indiana Municipal Power Agency or IMPA.
- 9% of the budget goes to wages and benefits for employees.
- 11% of the budget goes for materials, supplies, and expenses related to our day to day upkeep and operations of the Utility.
- This leaves 4% for Capital Improvement Projects for the upcoming year.

Putting this in perspective, if we take a person who uses \$100 per month in electricity....

- \$78 goes to pay wholesale power
- \$9 goes to pay wages and benefits
- \$11 goes to pay for materials, supplies, and expenses needed to keep up the system
- \$4 goes for material for new projects

A new power pole costs about \$4,200, so 87 households are needed to pay for just (1) new pole. A new service to a house in a subdivision costs about \$2,400. So about 50 households are needed to feed (1) new house.

I hope this helps to understand where the money goes when you pay your electric bill.

8. Chairman Ladd opened the floor for public comment.

9. The next Utility Board meeting is planned for October 4, 2017 at 5:00pm.

10. Hearing of no further business to be brought before the Board a motion was made to adjourn the meeting by Secretary Urban. The motion was seconded by Member Stoner. Motion carried

The meeting was adjourned at 5:25pm.

APPROVED THIS 4<sup>th</sup> DAY OF October, 2017

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CHAIRMAN OF THE BOARD

ATTEST:

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SECRETARY OF THE BOARD