



ROCHELLE UTILITY ADVISORY BOARD MEETING  
Wednesday, November 28, 2012

The Rochelle Utility Advisory Board met on November 28, 2012 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 3:01 p.m.

***Present at the meeting:***

Bob Elliott, UAB Chairman	Joe Orlikowski, RMU
Richard Ohlinger, UAB	Joanne Peters, RMU
Ray Schwartz, UAB	Barbara Bell, RMU
Maryann Macklin, UAB	Kathy Cooper, RMU
Jim Black, UAB	Scott Koteski, RMU
Claude McKibben, UAB	Dan Westin, RMU
Dave Plyman, City Manager	Jeff Sartorius, RMU
Chet Olson, Mayor	Eric Wagner, RMU
Dennis Berg, City Council	Jason Anderson, City of Rochelle
Chris Frye, Finance Manager	Lynette Fischer, City of Rochelle
	Jeff Leon, WRHL

***Introductions:*** City Manager Plyman introduced new staff members; Dan Westin, Finance & Business Analysis, Jeff Sartorius, Assistant Superintendent of Electric Operations, and Eric Wagner, Technology Administrator. All were welcomed by the Board.

***Approval of Minutes:***

MOTION:	To approve the UAB meeting minutes dated September 26, 2012
MAKER:	Ray Schwartz
SECOND:	Richard Ohlinger
VOICE VOTE:	Motion Carried

***Financial Statements:*** Chris Frye provided a summary of the October 2012 Financial Statements. Ms. Frye reported that 60% of the budgeted purchased power has been spent in the first 6 months. Mr. Ohlinger voiced his concern that the zero PCA during the first 3 months contributed to an estimated revenue loss of \$600,000. Richard inquired why the rate increase didn't capture the PCA costs and City Manager Plyman reminded the board that the cost of service study had recommended a 14% increase and only a 7% increase was implemented. The City Manager added that the electric income was down and purchased power costs were up. Ms. Frye reported the negative number within the Communications inventory is being investigated.

***Completed Projects:*** The completed projects were summarized with photos by each of the RMU Superintendents.

***Projects in Progress:*** The projects in progress were explained by the RMU Superintendents. Ms. Cooper reported that a CDAP grant may fund part of the costs for Well #12. Mr. Koteski reported that there was no news regarding the FCC licensing for the Open Range equipment. The electric division has numerous projects underway. Mr. Westin provided an update on the electric cost of service study. Mr. Orlikowski reported on numerous electric projects.

**Planned Projects:** The planned projects were summarized by RMU Superintendents. Mr. Orlikowski advised he was in the process of obtaining cost estimates to replace the leaking roofs at both substations. Mr. Koteski reported that the Kishwaukee Clinic that was going into lot 2 of Lighthouse point intends to use the NITT fiber between Rochelle and DeKalb.

**Old Business:** Mr. Orlikowski advised both Prairie State units were running. The Ameren court case regarding “reactive metering” has been settled to our favor. City Manager Plyman added the settlement means a savings of about \$100,000 annually. Mr. Schwartz asked if there was any update regarding Batavia selling their share of Prairie State and City Manager Plyman advised there was not.

**New Business:** Scott Koteski reported that with the additional revenue from the newly acquired collocation leases within the Technology Center, the Advanced Communications division would like to explore options to reinvest the funds back into the community. One option under consideration is a fiber to the premise project that would expand our current fiber network to include all business and residential customers within the city limits. Exp. (formerly TENG & Associates) has prepared a design and engineering quote broken out into three phases. The first phase is a Conceptual Communication Master Plan.

The Board discussed the fiber project and some of the questions raised included marketing of customers, a triple play package, and competitive pricing. The Conceptual Communication Master Plan will address these questions. Mr. Schwartz questioned the report within the agenda packet that indicated the number of communication customers and Scott advised that he didn’t believe the report to be accurate. Mr. Ohlinger added that RMU has a superior fiber internet product that wasn’t being marketed.

MOTION:	The Utility Advisory Board recommends that RMU staff move forward with the proposed Conceptual Communication Master Plan submitted by Exp. in the amount of \$35,000.
MAKER:	Claude McKibben
SECOND:	Jim Black
VOICE VOTE:	Motion Carried

**Comments for the Public:** none

**Comments from the Board:** Mr. Schwartz asked why the Oregon Wireless was being sold and Scott Koteski advised that the equipment was outdated and costing too much money. Mr. Ohlinger asked about the fiber installation along Route 251. Scott reported that Windstream was installing fiber for AT&T. Mr. Schwartz recommended that an area fiber map would be an asset in the GREDCO office.

**Adjournment:**

MOTION:	To adjourn at 4:37 p.m.
MAKER:	Jim Black
SECOND:	Maryann Macklin
VOICE VOTE:	Motion Carried

Minutes Submitted By,  
Joanne M. Peters