



**IMU Board of Trustees
January 13, 2014
Conference Room City Hall
5:30 p.m.**

Agenda

1. Roll Call
2. Oath of Office
3. Recess into an Exempt Session under Iowa Code Chapter 20.17(3) to discuss union negotiations.
4. Consent
 - A. Claims
 - B. Minutes
 - C. Salaries
 - D. 2013 W Hwy 92 Distribution Relocation Project - Change Order #2
 - E. 2011 Hwy 65/69 Underground Conversion Project - Certificate of Substantial Completion
5. Reports
 - A. General Manager
 - B. Chairperson
 - C. Monthly Financials
6. 2014 Hwy 92 & I-35 Transmission Relocation Project
 - A. IDOT Reimbursement Agreement
 - B. Public Hearing on the Plans, Specifications, Form of Contract, and Estimate of Cost for Construction
 - C. Receipt of Bids for Construction
 - D. Award Contract for Construction

- E. Any other items thereto
- 7. Discussion Items
 - A. FY 2015 Draft Budget
 - B. Timetable for Hiring Open Positions
 - C. Format of Meetings
- 8. Other Business
- 9. Adjourn

IMU Regular Upstairs

2.

Meeting Date: 01/13/2014

Information

Subject

Oath of Office

Information

City Clerk Diane Bowlin will administer the oath of office to Heather Hulen, the newest appointed IMU Trustee.

Heather has recently met twice with IMU staff to begin the orientation process as she begins her 6-year term.

Welcome!

Financial Impact

N/A

Staff Recommendation

Information

Subject

Recess into an Exempt Session under Iowa Code Chapter 20.17(3) to discuss union negotiations.

Information

Labor Attorney Jim Hanks and General Manager Todd Kielkopf will present information pertaining to the status of negotiations and seek input & general direction.

Financial Impact

N/A

Staff Recommendation

IMU Regular Upstairs

4. B.

Meeting Date: 01/13/2014

Information

Subject

Minutes

Information

Minutes of the December 9, 2013 meeting are attached.

Financial Impact

N/A

Staff Recommendation

Attachments

Minutes

BOARD OF TRUSTEE MINUTES
REGULAR SESSION – DECEMBER 9, 2013

The Board of Trustees met in regular session at 5:30 p.m. on December 9, 2013 in the City Hall Conference Room. Chairperson Pat Reding called the meeting to order and on roll call the following members were present: Chris Boone, Grant Johnson, Pat Reding and Eric Vander Linden. Absent: Bob Lester.

The consent agenda consisting of the following was approved on a motion by Johnson and second by Vander Linden. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

December 2 2013 claims list

November 25, 2013 minutes

Resolution Setting The Salaries For Appointed Officer And Employees Of The Indianola Municipal Utilities For The Period Beginning December 29, 2013 (The complete resolution may be viewed at the City Clerk's Office)

This being the time and place fixed for a public hearing on the matter of the adoption of plans, specifications, form of contract and estimate of cost relative to the 2014 Hwy. 92 & I-35 Transmission Relocation Project – Material Procurement for Indianola Municipal Utilities, Indianola, Iowa the Chair called for any oral objections to the adoption of the plans, specifications, form of contract and estimate of cost. No oral objections were offered and the Trustee Clerk reported that no written objections had been filed.

Board Member Johnson introduced the following Resolution entitled "RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST" for the 2014 Hwy. 92 & I-35 Transmission Relocation Project – Material Procurement, and moved that it be adopted. Board Member Boone seconded the motion to adopt. The roll was called and the vote was, AYES: Vander Linden, Boone, Reding and Johnson. NAYS: None. ABSENT: Lester. Whereupon, the Chair declared the following resolution duly adopted:

RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF CONTRACT
AND ESTIMATE OF COST

2014 Hwy. 92 & I-35 Transmission Relocation Project – Material Procurement

(The complete resolution may be viewed at the City Clerk's Office)

The Chair then announced that the City Clerk and the IMU General Manager had opened and tabulated the bids for the public improvements described in general as the 2014 Hwy. 92 & I-35 Transmission Relocation Project – Material Procurement for Indianola Municipal Utilities, Indianola, Iowa in accordance with the plans and specifications previously adopted.

The following bids were presented by the City Clerk and the IMU General Manager.

Name and Address of Bidder

American Wire Group
Hallandale, Florida

Irby

Fort Dodge, Iowa

RESCO
Ankeny, Iowa

WESCO
Des Moines, Iowa

The City Clerk and the IMU General Manager then recommended that the bid of American Wire Group and RESCO in the amount of \$3,348.00 and \$235,099.17 respectfully be accepted.

Board Member Johnson introduced the following resolution entitled "RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT" for the 2014 Hwy. 92 & I-35 Transmission Relocation Project – Material Procurement to American Wire Group and RESCO, and moved its adoption. Board Member Boone seconded the motion to adopt. The roll was called and the vote was: AYES: Vander Linden, Boone, Reding and Johnson. NAYS: None. ABSENT: Lester. Whereupon, the Chair declared the following Resolution duly adopted:

RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT
for the 2014 Hwy. 92 & I-35 Transmission Relocation Project – Material Procurement

(The complete resolution may be viewed at the City Clerk's Office)

A motion was made by Boone and seconded by Vander Linden to adopt the Water Service Repair Loan Policy. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

It was moved by Vander Linden and seconded by Boone to approve V&K's \$24,300 engineering proposal for the 2014 West Iowa Water Main Project. Question was called for and on voice vote the Chairperson declared the motion carried unanimously.

Board member Vander Linden moved to approve an amendment to Exhibit D of the Municipal Energy Agency of Nebraska (MEAN) Schedule M contract which adds a fixed-term purchase power agreement with Shavano Falls Hydro, LLC at a nominal 8 MW of irrigation-based hydro generation for a term of 22 years. Board member Johnson seconded the motion. On roll call the vote was, AYES: Boone, Reding, Johnson and Vander Linden. NAYS: None. ABSENT: Lester. Whereupon the Chairperson declared the motion carried and the amendment duly approved. Board member Johnson requested more details (what the project is, price per MW, etc) on any future amendments.

Todd Kielkopf, General Manager, updated the Board on the FY 2015 Budget with the Board reviewing the summarized budget at the January 13, 2014 meeting and adoption at the January 27, 2014 meeting.

The Board presented Chris Boone with a plaque for her service on the Board from January 23, 2006 to December 31, 2013.

Meeting adjourned on a motion by Boone and seconded by Vander Linden.

Patrick Reding, Chairperson

Diana Bowlin, City Clerk

Meeting Date: 01/13/2014

Information

Subject

Salaries

Information

Ben Hildreth, from Lead Generation Operator to Line Apprentice, effective January 19, 2014. As per past practice for promotional appointments, Ben's hourly wage will be frozen within Range 26 until he is eligible to earn the appropriate wage rate based on his progression within the apprenticeship program.

Stephen Clingman, from Inventory Specialist/Storekeeper to Line Apprentice at Range 26-2 at \$22.237/hr. (\$46,252/yr) effective January 19, 2014 as per the union contract clause pertaining to promotional hires. Stephen will remain on that step until he is eligible for a step increase based on his progression within the apprenticeship program.

Financial Impact

N/A

Staff Recommendation

Meeting Date: 01/13/2014

Information

Subject

2013 Hwy 92 Distribution Relocation Project - Change Order #2

Information

Change Order #2 delays the start date to March 1, 2014 at no change in contract value. IMU had proposed this to Watts Electric Company last fall and it was only recently returned for Trustee approval.

Financial Impact

N/A

Staff Recommendation

Attachments

Change Order



Allan R. Powers, P.E. Richard D. Kline, P.E.
Timothy G. Ernst, P.E.

245 S. 5th St., PO Box 620, Carlisle, IA 50047
p.515-989-3083 f.515-989-3138 pe@peengr.com

CHANGE ORDER NO. 2

Owner: Indianola Municipal Utilities
Contractor: Watts Electric Company
Project: 2013 Hwy 92 Distribution Relocation Project
Date: October 21, 2013

Original Contract Amount	\$	565,631.45
Previous Change Order Adjustments	\$	-
Amount of this Change Order	\$	-
Current Value of Contract	\$	565,631.45

Items included in this Change Order

Item	Description	Amount
1	Change the anticipated construction start date from January 1, 2014 to March 1, 2014. The date for substantial completion will remain June 30, 2014 and the date for final completion July 31, 2014.	\$ -

Total Value of Change Order \$ -

Recommended for Approval


Allan Powers, PE
P & E Engineering Co.

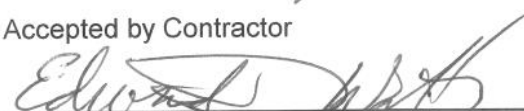
Date 10/21/13

Approved


For Indianola Municipal Utilities

Date 10-31-13

Accepted by Contractor


For Watts Electric Company

Date 12/10/13

Meeting Date: 01/13/2014

Information

Subject

2011 Hwy 65/69 Underground Conversion Project - Certificate of Substantial Completion

Information

P&E Engineering and IMU staff are recommending issuing the attached Certificate of Substantial Completion, which does not contain any punch list items. This will begin the process of releasing retained amounts and accepting the project.

Financial Impact

N/A

Staff Recommendation

Attachments

Certificate



P & E ENGINEERING CO.

POWER SYSTEMS ANALYSIS AND DESIGN

245 S. 5th St., PO Box 620, Carlisle, IA 50047
515-989-3083 FAX 515-989-3138
E-MAIL peengr@peengr.com

Allan R. Powers, P.E. Richard D. Kline, P.E.
Timothy G. Ernst, P.E. Dennis L. Blasberg, P.E.

CERTIFICATE OF SUBSTANTIAL COMPLETION

Date Issued Dec. 16, 2013

Owner Indianola Municipal Utilities

Contractor Dig America

Project 2011 Indianola Hwy 65/69 Underground Conversion Project

This Certificate of Substantial Completion applies to all Work under the referenced Contract.

The Work to which this Certificate applies has been inspected by authorized representatives of Owner, Contractor, and Engineer, and that Work is hereby declared to be substantially complete in accordance with the Contract Documents on

Dec. 16, 2013 (Date of Substantial Completion)

A tentative list of items to be completed or corrected follows. This list may not be all-inclusive, and the failure to include an item in it does not alter the responsibility of Contractor to complete all the Work in accordance with the Contract Documents. The items in the tentative list shall be completed or corrected by Contractor within 30 days of the Date of Substantial Completion except as shown below.

1. No items are identified.



P & E ENGINEERING CO. POWER SYSTEMS ANALYSIS AND DESIGN

245 S. 5th St., PO Box 620, Carlisle, IA 50047
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Allan R. Powers, P.E. Richard D. Kline, P.E.
Timothy G. Ernst, P.E. Dennis L. Blasberg, P.E.

This Certificate does not constitute an acceptance of Work not in accordance with the Contract Documents, nor is it a release of Contractor's General Warranty and Guarantee under Paragraph 6.19 of the General Conditions of the Contract, nor the obligation to complete Work in accordance with the Contract Documents.

Issued by P & E Engineering Co. on Dec. 16, 2013 by Allan Powers.
(Printed Name)

Signed *Allan Powers*

Accepted by Contractor on Dec 30 2013 by *Delroy Scheeler*.
(Printed Name)

Signed *Delroy Scheeler*

Accepted by Owner on _____ by _____.
(Printed Name)

Signed _____

IMU Regular Upstairs

5. A.

Meeting Date: 01/13/2014

Information

Subject

Administrative News Items

Information

Financial Impact

N/A

Staff Recommendation

Attachments

News Items

NEWS ITEMS

TO: IMU Trustees
FROM: IMU Administrative Staff
DATE: January 10, 2014

1. **Council Meetings Change:** The City Council will be holding its Council Study Committee meetings at 6pm on the 3rd Monday instead of on the second Monday, freeing up Council Chambers if Trustees are interested in having the discussion-oriented Trustee meeting in that location and/or televised.
2. **MISO Max. Generation Order:** MISO issued a maximum generation order in effect for Tuesday morning and again Tuesday late afternoon/early evening, so both of the combustion turbines at the East Iowa Ave. facility operated at full capacity. With the cold weather making the units more efficient, they far exceeded expected (summertime) output using just those two units. The downtown units did not get ordered to run.

It appears that the cause was a combination of regional high electric load, unexpected outages of conventional-fuel plants, and a lack of expected wind generation. Under the IMU contract, reimbursement is cost of fuel plus \$5/MW unless the market price of the energy exceeds \$25/MW above the cost of fuel.

3. **New Source EPA Standards:** Carbon sequestration would be required for new coal-fired power plants under revised proposed EPA standards released this week. Proposed standards for existing plants are due to be released this summer. The electric industry in general is opposed and plans on taking action to prevent these types of rules from being implemented due to a lack of proven safe methods to store carbon underground.

Meeting Date: 01/13/2014

Information

Subject

Financials

Information

The November financial report is attached and was previously distributed via e-mail.

The December financial report is also attached (was prepared early enough), which may be useful for discussions about budget projections.

Staff did not request Treasurer Doug Shull to attend the meeting, so no action is required.

Financial Impact

N/A

Staff Recommendation

Attachments

Nov Financials

Dec Financials

IMU Monthly Financial Reports

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Notes & Comments

1. Total Cash Flow from all activities the on Treasurer's Report was -\$580,788. Water Utility Revenue Bonds totaling \$274,683 were paid. The combination of seasonal O&M revenues vs. costs & capital project activities resulted in negative cash flow.
2. Water consumption (page 6) is returning closer to a range of between 2012 (hot/dry year) and the prior 3-year average. This trend will likely to continue into the fall.
3. The Electric Gross Margin (page 7) remains slightly less than the seasonally-adjusted budget. The spread between \$/kWh of sales and cost will be less than in the previous year by design, as the April 2013 wholesale rate increase is paid. IMU's retail rates have not increased to fully compensate for that increase. Reserves remain above policy levels & targets, however the vast majority of that is committed to current year projects (W. Hwy 92, I-35, and Network Services signups).
4. Using the cash-based + depreciation model, Electric Utility Net Income (page 8) declined to -\$84,706 vs. a seasonally-adjusted budget of -\$77,000. Electric O&M Activities Cash Flow (Page 10) declined as expected to be FYTD negative. Again, this was expected due to the timing of seasonal wholesale power bills vs. sales collected.
5. The Water Utility (pages 7 & 12) generally met seasonal expectations in terms of Net Income and Cash Flow. Reserves are well above targets due to the timing of capital projects.

Staff continues to allocate \$390,000 of current balances for a future debt service use (listed as "Designated for Future Projects). There will still be funds for additional projects if needed (page 14).

6. The Communications Utility (page 15) remains under budget until cash is transferred for Partner programming & services. The Admin. Fund (page 16) cash flow is under budget primarily due to the timing of contracted services payments.

FINANCIAL REPORT
MONTH OF NOVEMBER, 2013

Page 1

FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,282,664.46	74,097.33	126,404.05	105,849.98	2,352.07	1,333,855.65	
011 Police	421,046.15	139,860.86	171,531.73	40,914.89	15,324.54	414,965.63	
015 Fire	227,755.58	26,209.16	54,770.63	4,149.06	27.81	203,315.36	
016 Ambulance	219,750.01	62,621.53	65,807.22	2,072.60	2,985.02	215,651.90	
041 Library	31,812.96	72,222.50	52,403.75	4,006.52	77.25	55,560.98	
042 Park & Recreation	305,073.43	74,723.68	85,334.37	10,922.82	1,821.17	303,564.39	
045 Memorial Pool	-124,888.47	5,616.06	2,201.84	0.00	833.33	-122,307.58	
071 General Fund Deb Service	50,756.98	8,464.79	0.00	0.00	0.00	59,221.77	
099 Franchise Fees-MEC	95,766.28	0.00	0.00	0.00	0.00	95,766.28	
GENERAL FUND SUB-TOTAL	2,509,737.38	463,815.91	558,453.59	167,915.87	23,421.19	2,559,594.38	
110 Road Use Tax (Streets)	718,616.73	111,774.91	70,973.17	0.00	14,733.14	744,685.33	
112 Trust & Agency	0.00	38,524.22	0.00	0.00	38,524.22	0.00	
125 TIF--Downtown	133,165.85	54,111.27	0.00	0.00	0.00	187,277.12	
126 TIF--East Hwy 92	0.00	0.00	0.00	0.00	0.00	0.00	
127 TIF--Hillcrest/Industrial Park	353,891.87	129,983.54	125,000.00	0.00	66,957.81	291,917.60	
141 Library Special Revenue	32,396.23	51.86	846.38	0.00	0.00	31,601.71	
142 Park & Rec Special Revenue	129,028.80	1,521.44	13,939.70	0.00	0.00	116,610.54	
160 Downtown Revolving Loan	52,290.00	0.00	0.00	0.00	0.00	52,290.00	
161 Downtown Business Inc Program	5,928.33	0.00	3,415.16	0.00	0.00	2,513.17	
177 Police Forfeiture	3,420.31	0.00	0.00	15,000.00	0.00	18,420.31	
190 Vehicle Reserve	105,735.79	0.00	0.00	1,666.67	0.00	107,402.46	
199 Police Retirement	119,045.40	72.88	0.00	0.00	1,041.67	118,076.61	
SPECIAL REVENUES SUB-TOTAL	1,653,519.31	336,040.12	214,174.41	16,666.67	121,256.84	1,670,794.85	
200 DEBT SERVICE (SUB-TOTAL)	2,540,431.88	96,668.71	6,546.25	137,041.13	0.00	2,767,595.47	
301 Capital Projects (General)	497,990.30	0.00	467.39	1,666.67	0.00	499,189.58	
321 Capital Projects (Streets)	1,377,587.15	37.00	43,141.00	0.00	0.00	1,334,483.15	
344 Community Athletic Facility	33.18	1.24	166.40	0.00	0.00	-131.98	
353 Community ReDevelopment (D&D)	135,680.92	82.76	0.00	0.00	0.00	135,763.68	
CAPITAL PROJECTS SUB-TOTAL	2,011,291.55	121.00	43,774.79	1,666.67	0.00	1,969,304.43	
610 Sewer	54,956.32	0.00	121,926.60	139,250.00	33,283.14	38,996.58	
650 Stormwater Utility	194,790.06	16,523.79	0.00	0.00	5,208.33	206,105.52	
670 Recycling	39,191.52	17,176.42	2,418.50	0.00	1,375.00	52,574.44	
710 Sewer Capital Projects	178,968.69	770,722.89	220,589.12	0.00	256,391.66	472,710.80	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	300,905.91	0.00	0.00	2,083.33	0.00	302,989.24	
791 Sewer Revenue Bonds	365,502.51	0.00	0.00	67,500.00	0.00	433,002.51	
820 Health Insurance	1,100,460.34	112,103.69	96,844.90	0.00	0.00	1,115,719.13	
830 Health Reimbursement Account	278,054.41	0.00	6,068.93	0.00	0.00	271,985.48	
840 Flex/STD	233,048.95	2,357.12	1,146.79	1,467.84	0.00	235,727.12	
850 Liability Insurance Reserve--City	2,047.19	2.47	0.00	0.00	0.00	2,049.66	
CITY UTILITY & IS SUB-TOTAL	2,862,164.60	918,886.38	448,994.84	210,301.17	296,258.13	3,246,099.18	
TOTAL CITY FUNDS	11,577,144.72	1,815,532.12	1,271,943.88	533,591.51	440,936.16	12,213,388.31	57%
TOTAL IMU FUNDS	9,980,638.10	1,369,193.06	1,857,325.36	276,668.01	369,323.36	9,399,850.45	43%
GRAND TOTAL CITY & IMU	21,557,782.82	3,184,725.18	3,129,269.24	810,259.52	810,259.52	21,613,238.76	
Cross Check Total						21,613,238.76	
Investments							
Bankers Trust	\$ 15,032,768.15	2.46%				Clerk's Balance	21,613,238.76
Bankers Trust - Electric Projects	\$ 386,447.66	2.78%					
Bankers Trust - Wellness Center Project	\$ 80,000.00	3.30%					
Iowa Public Agency Inv. Trust	\$ 111,099.18	0.010%				Plus Outstanding Checks	288,564.44
Payroll Account, Community State	\$ 0.42	Earnings Credit				Unreconcilable Item	
Checking Account, Community State	\$ 249,761.24	Earnings Credit				Less Outstanding Deposits	-13,287.44
Sweep Account, Community State	\$ 6,028,439.11	0.25%					
BANK BALANCE	21,888,515.76						21,888,515.76

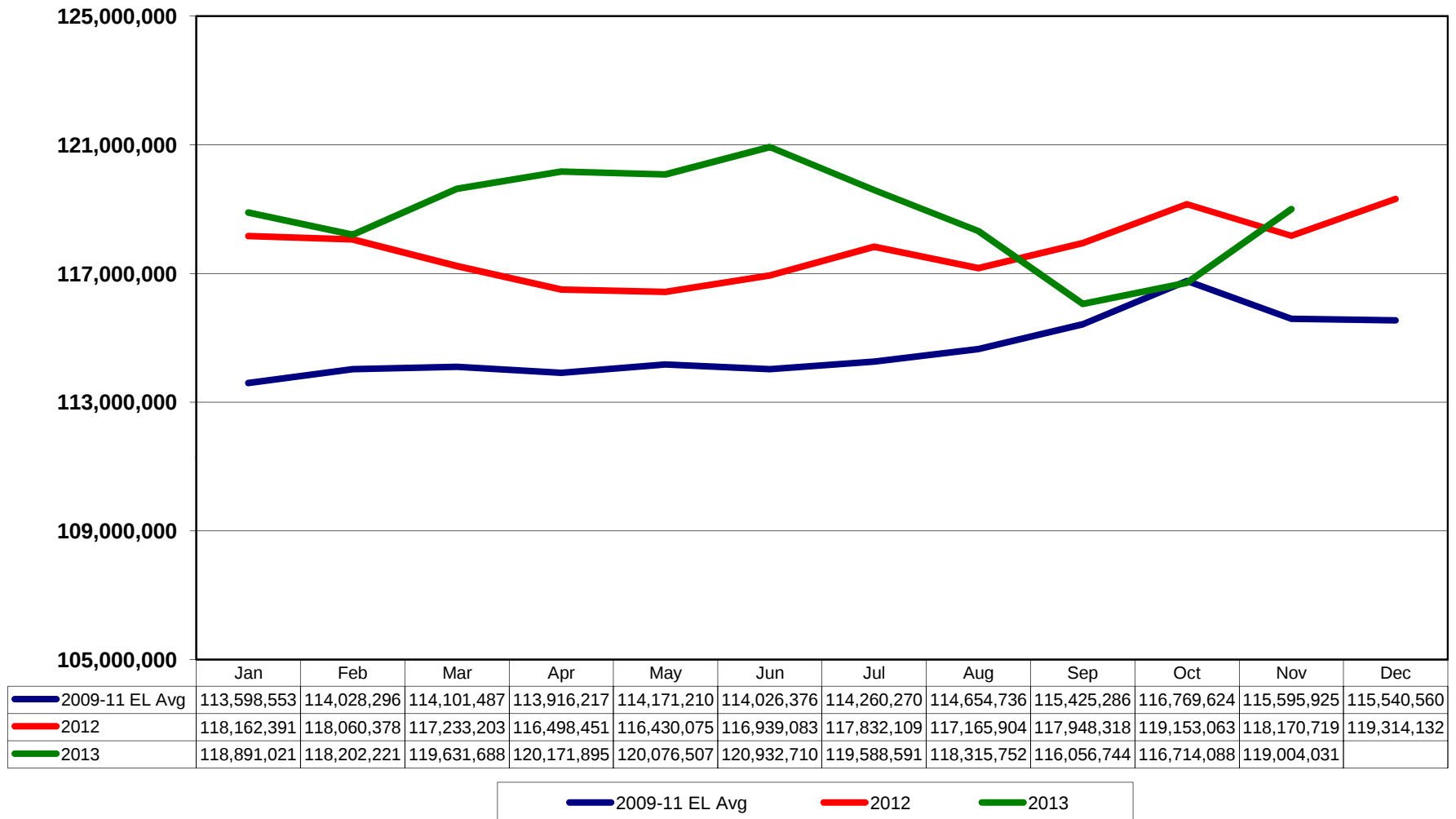
600 Water	306,547.45	231,372.52	74,532.55	0.00	114,494.03	348,893.39
620 IMU Administration	17,566.50	14.84	42,016.33	84,458.34	28,611.80	31,411.55
625 Revolving Economic Development	102,268.33	61.76	0.00	0.00	0.00	102,330.09
626 USDA RLF	150,000.00	0.00	0.00	0.00	0.00	150,000.00
630 Electric	2,039,545.24	921,127.57	1,123,156.86	22,568.00	218,725.86	1,641,358.09
640 Fiber/Communications	400,574.93	17,960.40	23,461.88	0.00	7,491.67	387,581.78
700 Water Capital Projects	1,306,622.66	0.00	7,987.50	34,000.00	0.00	1,332,635.16
730 Electric Capital Projects	3,358,123.12	198,642.39	308,265.97	0.00	0.00	3,248,499.54
740 Fiber/Comm Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00
770 Water Reserve	135,000.00	0.00	0.00	0.00	0.00	135,000.00
773 Electric Reserve	1,084,000.00	0.00	0.00	0.00	0.00	1,084,000.00
780 Water Capital Improvement	75,000.00	0.00	0.00	0.00	0.00	75,000.00
783 Electric Improvement	207,691.35	0.00	0.00	0.00	0.00	207,691.35
790 Water Revenue Bonds	255,122.18	0.00	275,682.50	23,325.00	0.00	2,764.68
793 Electric Revenue Bonds	519,716.68	0.00	0.00	112,316.67	0.00	632,033.35
855 Liability Insurance Reserve--IMU	22,859.66	13.58	2,221.77	0.00	0.00	20,651.47
IMU SUB-TOTAL	9,980,638.10	1,369,193.06	1,857,325.36	276,668.01	369,323.36	9,399,850.45

INTEREST DISTRIBUTION

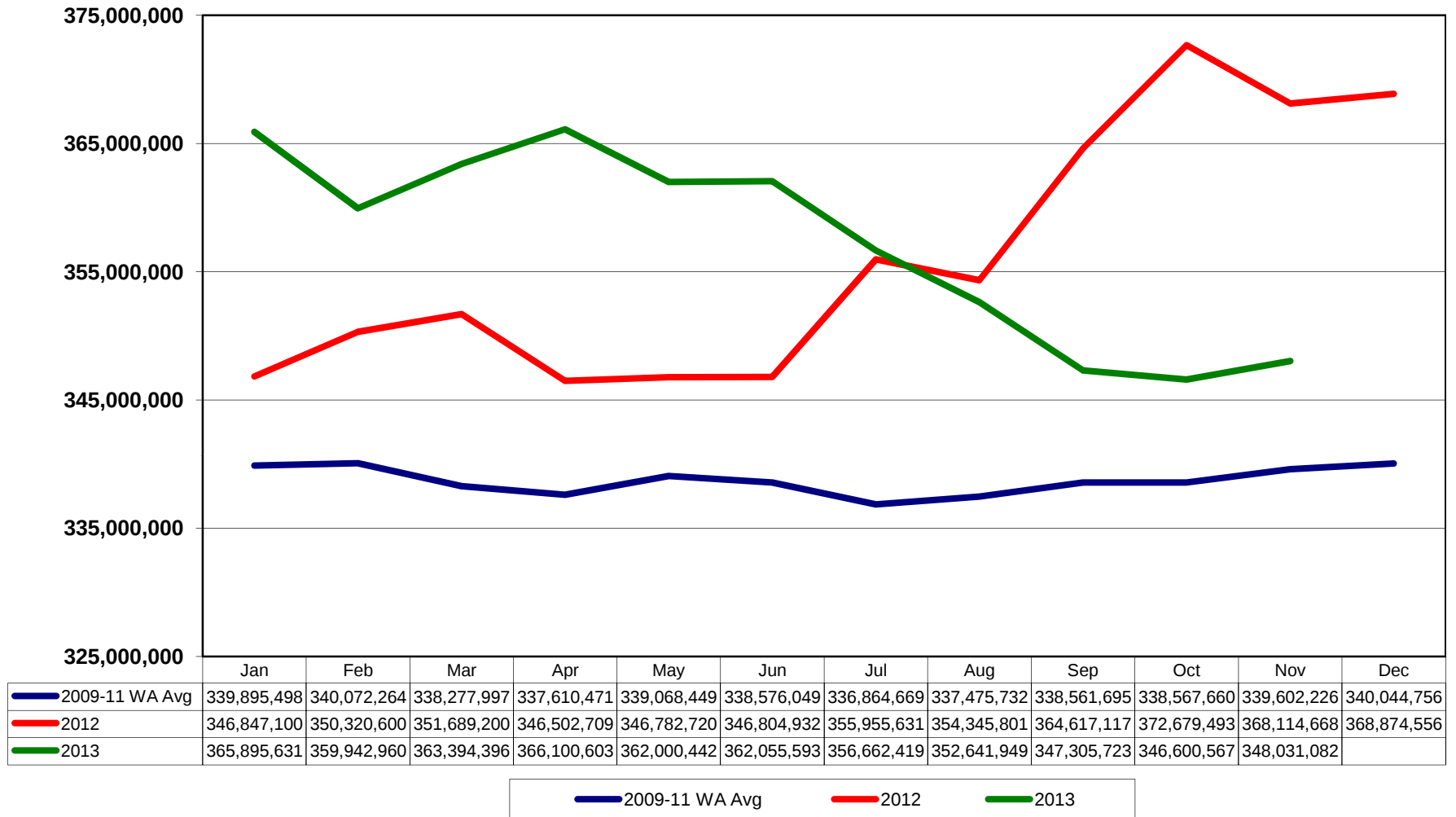
	INTEREST			
	INCOME	% OF TOTAL	CALYTD	FYTD
Electric Funds	\$ 4,954.68	40.11%	\$ 117,221.27	\$ 43,252.02
Water Funds	\$ 1,248.86	10.11%	\$ 30,186.01	\$ 10,734.52
Sewer Funds	\$ 476.82	3.86%	\$ 10,814.54	\$ 4,108.58
Police Retirement	\$ 72.88	0.59%	\$ 1,790.24	\$ 649.14
Community Redevelopment	\$ 82.76	0.67%	\$ 871.84	\$ 865.32
All other	\$ 5,516.71	44.66%	\$ 167,430.22	\$ 53,882.35
TOTAL	\$ 12,352.71	100.00%	\$ 328,314.12	\$ 113,491.93

KWH's Sold

(Kwh's sold based on a rolling 12 month total)

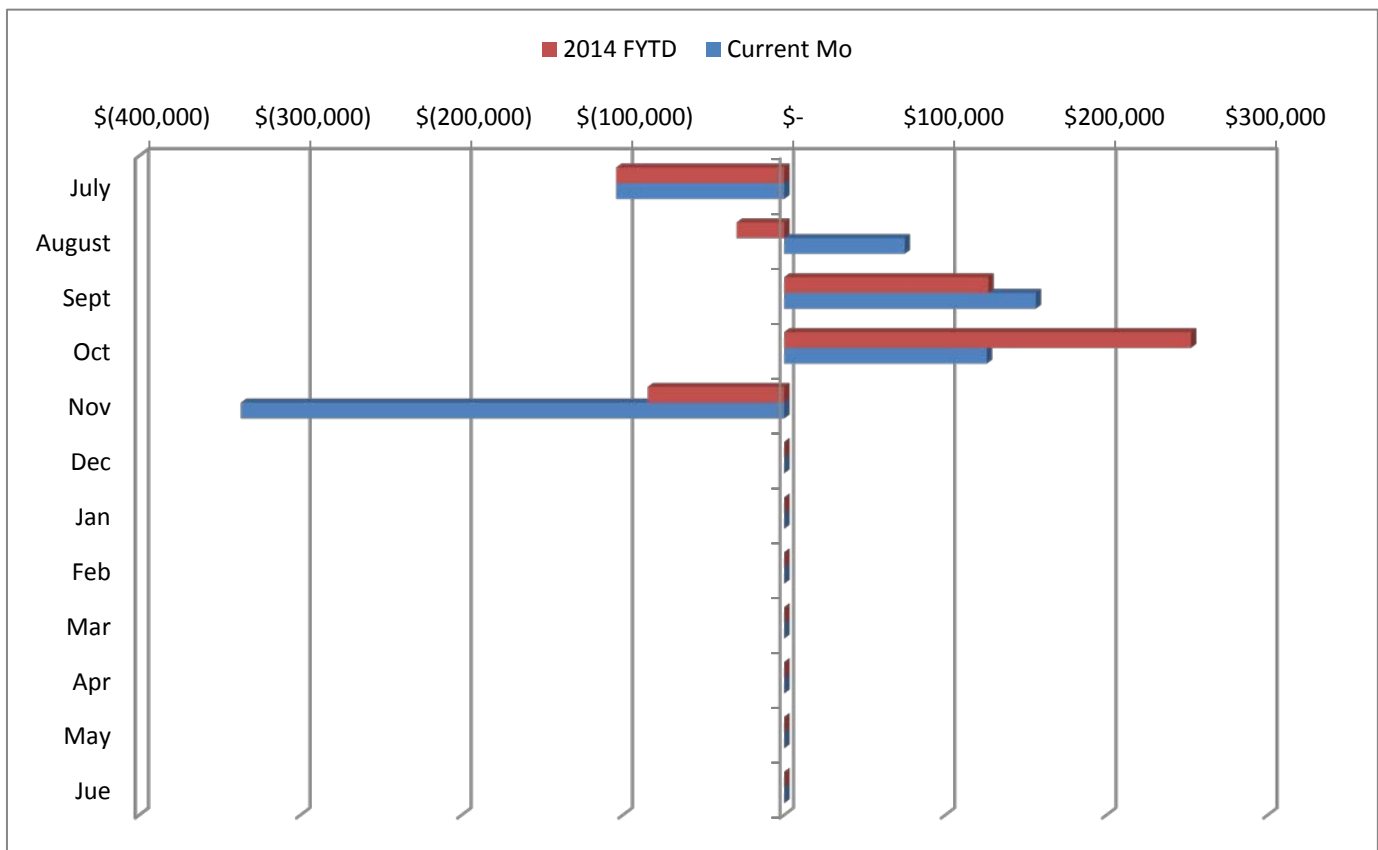


Gallons Sold
(Gallons sold based on a rolling 12 month total)



	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Electric Utility:			
Gross Margin	\$ 1,229,729	\$ 1,292,600	\$ (62,871)
Cash-based Net Income (incl. Depr.)	\$ (84,706)	\$ (77,000)	\$ (7,706)
Net O&M + Capital Funds Cash Flow	\$ (966,368)	\$ (488,200)	\$ (478,168)
Ending O&M and Capital Fund Balances	\$ 4,889,858	\$ 5,368,100	
Less-			
Designated for Future Projects	-	-	-
Reserve Targets	3,898,100	3,898,100	-
Over/(Under)	\$ 991,758	\$ 1,470,000	\$ (478,242)
Debt Service Coverage Ratio w/o PILOT	1.08	1.10	
Water Utility:			
Cash-based Net Income (incl. Depr.)	\$ 313,597	\$ 320,800	\$ (7,203)
Net O&M + Capital Funds Cash Flow	\$ 133,446	\$ 46,000	\$ 87,446
Ending O&M and Capital Fund Balances	\$ 1,681,529	\$ 1,574,100	\$ -
Less-			
Designated for Future Projects	390,000	390,000	-
Reserve Targets	666,400	666,400	-
Over/(Under)	\$ 625,129	\$ 517,700	\$ 107,429
Debt Service Coverage Ratio w/o PILOT	1.89	1.91	
Communications Utility:			
Net Cash Flow	\$ (41,387)	\$ (77,500)	\$ 36,113
Ending Fund Balances	\$ 387,582	\$ 351,500	\$ -
Less-			
Designated for Future Projects	-	-	-
Reserve Targets	285,600	285,600	-
Over/(Under)	\$ 101,982	\$ 65,900	\$ 36,082
Commercial Customers	107	110	-3
Residential Customers	134	150	-16
Administrative Fund:			
Net Cash Flow	\$ 31,412	\$ 55,600	\$ (24,203)

EL - Combined		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
Sales of Electricity & Peaking	\$ 5,632,591.84	\$ 5,930,200	\$ (297,608)	
Sales Taxes	106,463.63	159,600	(53,136)	
Other	541,287.58	510,400	30,888	
Total O&M Revenue	\$ 6,280,343.05	6,600,200	(319,857)	
Expenditures:				
Purchased Energy & Fuel	\$ 4,178,404.16	\$ 4,413,100	\$ (234,696)	
Salaries	324,283.19	317,300	6,983	
Benefits	164,358.76	178,500	(14,141)	
Materials, Suppl. & Contracts	219,179.22	216,000	3,179	
Sales Taxes & Use Taxes	110,929.65	162,100	(51,170)	
PILOT	224,458.35	224,500	(42)	
Debt Service - Interest Only	128,283.35	128,300	(17)	
Overhead, Admin & EE	523,194.77	540,300	(17,105)	
Depreciation (Est)	564,300.00	564,300	-	
Total O&M Expenses	\$ 6,437,391.45	6,744,400	(307,009)	
Net Income (Operating & Other)	\$ (157,048.40)	(144,200)	(12,848)	
Capital Activities:				
Major Maintenance via Capital Fund	\$ (27,500.00)	\$ -	\$ (27,500)	
Capital Contributions (Fiber)	77,426.93	49,800	27,627	
Capital Contributions (Electric)	22,415.25	17,400	5,015	
Net Income	\$ (84,706.22)	(77,000)	(7,706)	
Cash Flow:				
Net Income + Depreciation	\$ 479,593.78	\$ 487,300	\$ (7,706)	
Water Loan Principal	89,500.00	89,500	-	
Debt Service Principal	(433,300.00)	(433,300)	-	
Debt Service Reserve Change	-	-	-	
Capital Contributions (Developers)	160,530.70	52,100	108,431	
Proceeds from Debt Issues	-	-	-	
Capital Projects	(1,262,692.45)	(683,800)	(578,892)	
Designated for Future Projects	-	-	-	
Net Cash Flow	\$ (966,367.97)	\$ (488,200)	\$ (478,168)	



	2014 FYTD		Current Mo		2012 FYTD*		Current Mo*	
July	\$	(104,177)	\$	(104,177)	\$	45,358	\$	45,358
August	\$	(29,431)	\$	74,745	\$	(9,709)	\$	(55,067)
Sept	\$	126,633	\$	156,064	\$	(25,852)	\$	(16,143)
Oct	\$	252,324	\$	125,691	\$	225,794	\$	251,646
Nov	\$	(84,706)	\$	(337,030)	\$	70,948	\$	(154,846)
Dec	\$	-	\$	-	\$	215,574	\$	144,626
Jan	\$	-	\$	-	\$	420,953	\$	205,379
Feb	\$	-	\$	-	\$	608,217	\$	187,264
Mar	\$	-	\$	-	\$	734,330	\$	126,113
Apr	\$	-	\$	-	\$	810,152	\$	75,822
May	\$	-	\$	-	\$	810,203	\$	51
Jun	\$	-	\$	-	\$	1,108,104	\$	297,901

*Modified from Variance Report for tracking purposes only

630 - EL O&M Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Electricity & Peaking	\$ 5,632,591.84	\$ 5,930,200	\$ (297,608)
Sales Taxes	106,463.63	159,600	(53,136)
Other	222,222.91	215,800	6,423
Fund Revenue	\$ 5,961,278.38	\$ 6,305,600	\$ (344,322)
Expenditures:			
Purchased Energy & Fuel	\$ 4,178,404.16	\$ 4,413,100	\$ (234,696)
Salaries	324,283.19	317,300	6,983
Benefits	164,358.76	178,500	(14,141)
Materials, Suppl. & Contracts	219,179.22	216,000	3,179
Sales Taxes & Use Taxes	110,929.65	162,100	(51,170)
PILOT	224,458.35	224,500	(42)
Debt Service	561,583.35	561,600	(17)
Overhead, Admin & EE	523,194.77	540,300	(17,105)
Fund Expenditures	\$ 6,306,391.45	\$ 6,613,400	\$ (307,009)
O&M Activities Cash Flow:	\$ (345,113.07)	\$ (307,800)	\$ (37,313)
Capital Fund Transfer (Out) In	\$ 89,500.00	\$ -	\$ 89,500
O&M Fund Cash Flow:	\$ (255,613.07)	\$ (307,800)	\$ 52,187
Ending Fund Balances:	\$ 1,641,358.09	\$ 1,589,200	
17% Reserve Target	\$ 1,860,300.00	\$ 1,860,300	
Over/Under Reserve Target	\$ (218,941.91)	\$ (271,100)	\$ 52,158

730 - EL CAP Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Capital Contributions (Fiber)	\$ 77,426.93	\$ 49,800	\$ 27,627
Capital Contributions (Electric)	89,660.98	69,500	20,161
Capital Contributions (Reimb)	93,284.97	-	93,285
Water Loan Principal	89,500.00	89,500	-
Proceeds from Debt	-	-	-
Other	319,064.67	294,600	24,465
Fund Revenue	\$ 668,937.55	\$ 503,400	\$ 165,538
Expenditures:			
Major Maintenance (Est.)	\$ 27,500.00	\$ -	\$ 27,500
Vehicles	99,479.95	75,000	24,480
Relocations & Conversions	762,997.62	274,800	488,198
New Developments & Line Repl	86,988.67	57,600	29,389
Network Services	103,382.80	196,000	(92,617)
Other/Stock (Out) In	209,843.41	80,400	129,443
Fund Expenditures	\$ 1,290,192.45	\$ 683,800	\$ 606,392
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	\$ (89,500.00)	\$ -	\$ (89,500)
Designated for Future Projects	-	-	-
Capital Fund Cash Flow:	\$ (710,754.90)	\$ (180,400)	\$ (530,355)
Ending Fund Balances:	\$ 3,248,499.54	\$ 3,778,900	
Reserve Target	\$ 2,037,800	\$ 2,037,800	
Designated for Future Projects			
Over/Under Reserve Target	\$ 1,210,700	\$ 1,741,100	\$ (530,400)

WA - Combined		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
Sales of Water	\$	1,056,640.46	\$ 1,070,000	\$ (13,360)
Sales Taxes		54,121.48	64,200	(10,079)
Other		80,406.44	50,500	29,906
Total O&M Revenue	\$	1,191,168.38	\$ 1,184,700	\$ 6,468
Expenditures:				
Salaries	\$	159,542.35	\$ 153,800	\$ 5,742
Benefits		72,487.31	77,900	(5,413)
Materials, Suppl. & Contracts		157,970.99	147,300	10,671
Sales Taxes & Use Taxes		55,000.41	64,200	(9,200)
PILOT		29,500.00	29,500	-
Debt Service - Interest Only		35,456.65	35,500	(43)
Overhead, Admin & EE		99,205.94	100,300	(1,094)
Depreciation (Est)		220,000.00	220,000	-
Total O&M Expenses	\$	829,163.65	\$ 828,500	\$ 664
Net Income (Operating & Other)	\$	362,004.73	\$ 356,200	\$ 5,805
Capital Activities:				
Major Maintenance via Capital Fund	\$	(48,408.06)	\$ (35,400)	\$ (13,008)
Net Income	\$	313,596.67	\$ 320,800	\$ (7,203)
Cash Flow:				
Net Income + Depreciation	\$	533,596.67	\$ 540,800	\$ (7,203)
Debt Service Principal		(266,300.00)	(266,300)	-
Debt Service Reserve Change		-	-	-
Capital Projects		(133,850.66)	(228,500)	94,649
Designated for Future Projects		-	-	-
Net Cash Flow	\$	133,446.01	\$ 46,000	\$ 87,446

600 - WA O&M Fund		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE			
Revenue:							
Sales of Water	\$	1,056,640.46	\$	1,070,000	\$	(13,360)	
Sales Taxes		54,121.48		64,200		(10,079)	
Other		80,406.44		50,500		29,906	
Fund Revenue	\$	1,191,168.38	\$	1,184,700	\$	6,468	
Expenditures:							
Salaries	\$	159,542.35	\$	153,800	\$	5,742	
Benefits		72,487.31		77,900		(5,413)	
Materials, Suppl. & Contracts		157,970.99		147,300		10,671	
Sales Taxes & Use Taxes		55,000.41		64,200		(9,200)	
PILOT		29,500.00		29,500		-	
Debt Service		301,756.65		301,800		(43)	
Overhead & Admin		99,205.94		100,300		(1,094)	
Fund Expenditures	\$	875,463.65	\$	874,800	\$	664	
O&M Activities Cash Flow:		\$	315,704.73	\$	309,900	\$	5,805
Capital Fund Transfer (Out) In	\$	(170,000.00)	\$	(238,000)	\$	68,000	
Debt Service Reserve Change		-		-		-	
O&M Fund Cash Flow:		\$	145,704.73	\$	71,900	\$	73,805
Ending Fund Balances:		\$	348,893.39	\$	275,100		
17% Reserve Target	\$	195,700.00	\$	195,700			
Over/Under Reserve Target	\$	153,193.39	\$	79,400	\$	73,793	

700 - WA CAP Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Proceeds from Debt	\$ -	\$ -	\$ -
Other (Sale of Land)	20,000.00	-	20,000
Fund Revenue	\$ 20,000.00	\$ -	\$ 20,000
Expenditures:			
Major Maintenance (Est.)	\$ 48,408.06	\$ 35,400	\$ 13,008
Vehicles	-	12,500	(12,500)
Water Towers	-	-	-
Plant	621.00	-	621
Water Mains	133,229.66	216,000	(82,770)
Other	-	-	-
Fund Expenditures	\$ 182,258.72	\$ 263,900	\$ (81,641)
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	\$ 170,000.00	\$ 238,000	\$ (68,000)
Designated for Future Projects	-	-	-
Capital Fund Cash Flow:	\$ 7,741.28	\$ (25,900)	\$ 33,641
Ending Fund Balances:	\$ 1,332,635.16	\$ 1,299,000	\$ 33,635
Reserve Target	\$ 470,700.00	\$ 470,700	\$ -
Designated for Future Projects	390,000.00	390,000	-
Over/Under Reserve Target	\$ 471,935.16	\$ 438,300	\$ 33,635

640 - NS O&M Fund		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
Fiber License Payments	\$	95,082.77	\$ 97,500	\$ (2,417)
Other		3,013.27	3,100	(87)
Fund Revenue	\$	98,096.04	\$ 100,600	\$ (2,504)
Expenditures:				
Salaries	\$	4,159.98	\$ 8,500	\$ (4,340)
Benefits		684.14	1,600	(916)
Materials, Suppl. & Contracts		84,561.59	118,300	(33,738)
Overhead, Admin & EE		50,077.15	49,700	377
Fund Expenditures	\$	139,482.86	\$ 178,100	\$ (38,617)
O&M Activities Cash Flow:	\$	(41,386.82)	\$ (77,500)	\$ 36,113
Electric CIAC (Out) In	\$	-	\$ -	\$ -
O&M Fund Cash Flow:	\$	(41,386.82)	\$ (77,500)	\$ 36,113
Ending Fund Balances:		\$ 387,581.78	\$ 351,500	
FY Ending Balance Target	\$	285,600.00	\$ 285,600	
Designated for Future Projects		-	-	
Over/Under Reserve Target	\$	101,981.78	\$ 65,900	\$ 36,082

620 - ADM O&M Fund		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
IMU Transfers In	\$	434,791.70	\$ 495,800	\$ (61,008)
City Transfers In		7,500.00	7,500	-
Refund/Reimbursement		14.84		
Fund Revenue	\$	442,306.54	\$ 503,300	\$ (61,008)
Expenditures:				
Salaries	\$	128,023.06	\$ 127,300	\$ 723
Benefits		61,948.01	75,400	(13,452)
Materials, Suppl. & Contracts		81,201.77	100,300	(19,098)
Overhead, Admin, Shared Staff		139,722.15	144,700	(4,978)
Fund Expenditures	\$	410,894.99	\$ 447,700	\$ (36,805)
O&M Fund Cash Flow:	\$	31,411.55	\$ 55,600	\$ (24,203)

IMU Monthly Financial Reports

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Notes & Comments

1. Total Cash Flow from all activities the on Treasurer's Report was +\$263,297.
2. Water consumption (page 6) is returning closer to a range of between 2012 (hot/dry year) and the prior 3-year average. This trend will likely to continue.
3. The Electric Gross Margin (page 7) remains slightly less than the seasonally-adjusted budget. The spread between \$/kWh of sales and cost will be less than in the previous year by design, as the April 2013 wholesale rate increase is paid, along with the Purchased Energy Adjustment imposed in November. IMU's retail rates have not increased in the same manner. Reserves remain above policy levels & targets, however the vast majority of that is committed to current year projects (W. Hwy 92, I-35, and Network Services signups).
4. Using the cash-based + depreciation model, Electric Utility Net Income (page 8) improved slightly to -\$44,691 vs. a seasonally-adjusted budget of -\$18,700. Electric O&M Activities Cash Flow (Page 10) remained as expected as a FYTD negative. Again, this was expected due to the timing of seasonal wholesale power bills vs. sales collected.
5. The Water Utility (pages 7 & 12) generally met seasonal expectations in terms of Net Income and Cash Flow. Reserves are well above targets due to the timing of capital projects.

Staff continues to allocate \$340,000 (\$390,000 was budgeted) of current balances for a future debt service use (listed as "Designated for Future Projects). There will still be funds for additional projects if needed (page 14).

6. The Communications Utility (page 15) remains under budget until cash is transferred for Partner programming & services. The Admin. Fund (page 16) cash flow is under budget primarily due to the timing of contracted services payments.

FINANCIAL REPORT
MONTH OF DECEMBER, 2013

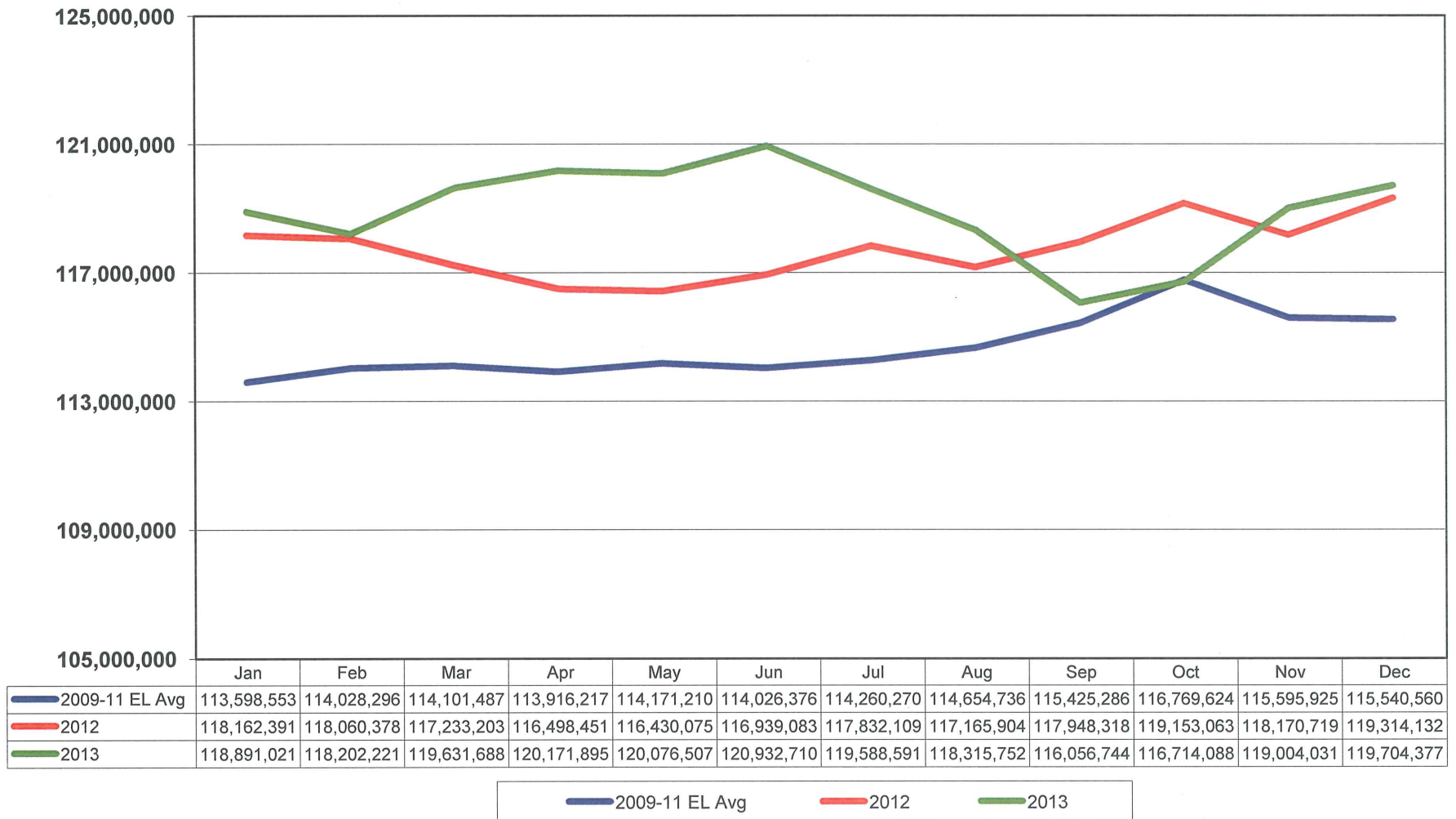
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FUND	Beginning Balance	Monies Received	Monies Disbursed	Transfer In	Transfer Out	Clerk's Balance	% of Total
001 General Government	1,332,836.34	63,051.99	158,083.59	105,849.98	55,685.39	1,287,969.33	
011 Police	414,965.63	39,965.60	197,202.52	32,041.78	324.54	289,445.95	
015 Fire	203,315.36	8,090.31	39,542.82	2,126.98	27.81	173,962.02	
016 Ambulance	215,651.90	63,186.36	66,355.25	1,062.50	2,985.02	210,560.49	
041 Library	55,560.98	13,228.17	45,143.85	2,053.91	77.25	25,621.96	
042 Park & Recreation	303,564.39	32,840.20	79,348.98	6,005.62	1,821.17	261,240.06	
045 Memorial Pool	-122,307.58	1,815.59	632.62	0.00	833.33	-121,957.94	
071 General Fund Deb Service	59,221.77	2,504.42	5,185.00	0.00	0.00	56,541.19	
099 Franchise Fees-MEC	95,766.28	0.00	0.00	0.00	0.00	95,766.28	
GENERAL FUND SUB-TOTAL	2,558,575.07	224,682.64	591,494.63	149,140.77	61,754.51	2,279,149.34	
110 Road Use Tax (Streets)	744,685.33	116,520.04	103,702.22	0.00	14,733.14	742,770.01	
112 Trust & Agency	0.00	19,749.12	0.00	0.00	19,749.12	0.00	
115 YMCA Maintenance Obligations	0.00	0.00	840.00	53,333.32	0.00	52,493.32	
125 TIF--Downtown	187,277.12	4,849.11	0.00	0.00	5,448.67	186,677.56	
126 TIF--East Hwy 92	0.00	0.00	0.00	0.00	0.00	0.00	
127 TIF--Hillcrest/Industrial Park	291,917.60	1,488.49	0.00	0.00	118,855.00	174,551.09	
141 Library Special Revenue	31,601.71	3,580.27	179.28	0.00	0.00	35,002.70	
142 Park & Rec Special Revenue	116,610.54	3,991.88	535.99	0.00	0.00	120,066.43	
160 Downtown Revolving Loan	52,290.00	0.00	0.00	0.00	0.00	52,290.00	
161 Downtown Business Inc Program	2,513.17	0.00	-2,796.15	0.00	0.00	5,309.32	
177 Police Forfeiture	18,420.31	0.00	0.00	0.00	0.00	18,420.31	
190 Vehicle Reserve	107,402.46	0.00	0.00	1,666.67	0.00	109,069.13	
199 Police Retirement	118,076.61	208.27	0.00	0.00	1,041.67	117,243.21	
SPECIAL REVENUES SUB-TOTAL	1,670,794.85	150,387.18	102,461.34	54,999.99	159,827.60	1,613,893.08	
200 DEBT SERVICE (SUB-TOTAL)	2,767,595.47	31,226.84	249,738.11	194,386.99	0.00	2,743,471.19	
301 Capital Projects (General)	499,189.58	51,750.00	2,585.00	-1,300.00	0.00	547,054.58	
321 Capital Projects (Streets)	1,334,483.15	911.50	143,193.69	0.00	0.00	1,192,200.96	
344 Community Athletic Facility	-131.98	0.00	1,451.40	2,966.67	0.00	1,383.29	
353 Community ReDevelopment (D&D)	135,763.68	238.55	2,048.05	0.00	0.00	133,954.18	
CAPITAL PROJECTS SUB-TOTAL	1,969,304.43	52,900.05	149,278.14	1,666.67	0.00	1,874,593.01	
610 Sewer	38,996.58	0.00	79,011.61	139,250.00	33,283.14	65,951.83	
650 Stormwater Utility	206,105.52	16,547.52	0.00	0.00	5,208.33	217,444.71	
670 Recycling	52,574.44	18,098.88	14,917.38	0.00	1,375.00	54,380.94	
710 Sewer Capital Projects	473,730.11	283,398.76	268,045.08	0.00	256,391.66	232,692.13	
771 Sewer Reserve	114,238.70	0.00	0.00	0.00	0.00	114,238.70	
781 Sewer Plant Improvement	302,989.24	0.00	0.00	2,083.33	0.00	305,072.57	
791 Sewer Revenue Bonds	433,002.51	0.00	163,828.62	67,500.00	0.00	336,673.89	
820 Health Insurance	1,115,719.13	104,436.90	104,057.55	0.00	0.00	1,116,098.48	
830 Health Reimbursement Account	271,985.48	0.00	6,686.43	0.00	0.00	265,299.05	
840 Flex/STD	235,727.12	2,357.12	1,464.50	1,467.84	0.00	238,087.58	
850 Liability Insurance Reserve--City	2,049.66	3.79	0.00	0.00	0.00	2,053.45	
CITY UTILITY & IS SUB-TOTAL	3,247,118.49	424,842.97	638,011.17	210,301.17	296,258.13	2,947,993.33	
TOTAL CITY FUNDS	12,213,388.31	884,039.68	1,730,983.39	610,495.59	517,840.24	11,459,099.95	54%
TOTAL IMU FUNDS	9,399,850.45	1,283,007.18	927,055.21	276,668.01	369,323.36	9,663,147.07	46%
GRAND TOTAL CITY & IMU	21,613,238.76	2,167,046.86	2,658,038.60	887,163.60	887,163.60	21,122,247.02	
Cross Check Total						21,122,247.02	
Investments							
Bankers Trust	\$ 18,456,273.47	1.75%				Clerk's Balance	21,122,247.02
Bankers Trust - Wellness Center Project	\$ 80,001.28	0.01%					
Iowa Public Agency Inv. Trust	\$ 111,100.09	0.010%				Plus Outstanding Checks	156,794.77
Payroll Account, Community State	\$ 0.16	Earnings Credit				Unreconcilable Item	
Checking Account, Community State	\$ 249,759.86	Earnings Credit				Less Outstanding Deposits	-14,615.37
Sweep Account, Community State	\$ 2,367,291.56	0.25%					
BANK BALANCE	21,264,426.42						21,264,426.42

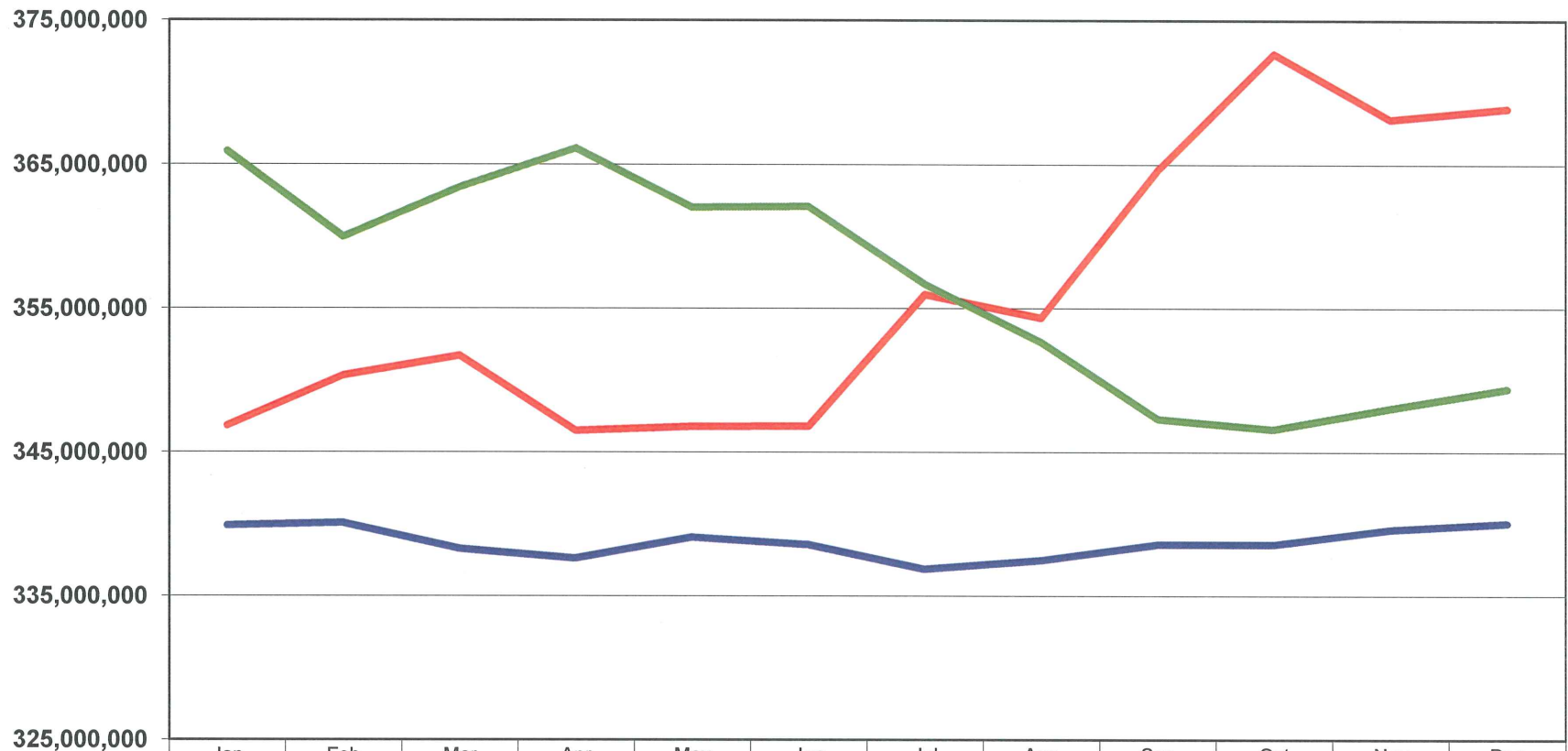
600 Water	348,893.39	220,083.96	83,688.44	0.00	114,494.03	370,794.88
620 IMU Administration	31,411.55	0.00	46,938.78	84,458.34	28,611.80	40,319.31
625 Revolving Economic Development	102,330.09	177.95	0.00	0.00	0.00	102,508.04
626 USDA RLF	150,000.00	0.00	0.00	0.00	0.00	150,000.00
630 Electric	1,641,358.09	956,306.17	762,077.68	22,568.00	218,725.86	1,639,428.72
640 Fiber/Communications	387,581.78	20,352.91	17,057.91	0.00	7,491.67	383,385.11
700 Water Capital Projects	1,332,635.16	0.00	2,053.81	34,000.00	0.00	1,364,581.35
730 Electric Capital Projects	3,248,499.54	86,044.54	15,238.59	0.00	0.00	3,319,305.49
740 Fiber/Comm Capital Projects	0.00	0.00	0.00	0.00	0.00	0.00
770 Water Reserve	135,000.00	0.00	0.00	0.00	0.00	135,000.00
773 Electric Reserve	1,084,000.00	0.00	0.00	0.00	0.00	1,084,000.00
780 Water Capital Improvement	75,000.00	0.00	0.00	0.00	0.00	75,000.00
783 Electric Improvement	207,691.35	0.00	0.00	0.00	0.00	207,691.35
790 Water Revenue Bonds	2,764.68	0.00	0.00	23,325.00	0.00	26,089.68
793 Electric Revenue Bonds	632,033.35	0.00	0.00	112,316.67	0.00	744,350.02
855 Liability Insurance Reserve--IMU	20,651.47	41.65	0.00	0.00	0.00	20,693.12
IMU SUB-TOTAL	9,399,850.45	1,283,007.18	927,055.21	276,668.01	369,323.36	9,663,147.07

INTEREST DISTRIBUTION	INTEREST		CALYTD	FYTD
	INCOME	% OF TOTAL		
Electric Funds	\$ 14,324.39	37.83%	\$ 131,545.66	\$ 57,576.41
Water Funds	\$ 3,650.18	9.64%	\$ 33,836.19	\$ 14,384.70
Sewer Funds	\$ 1,253.33	3.31%	\$ 12,067.87	\$ 5,361.91
Police Retirement	\$ 208.27	0.55%	\$ 1,998.51	\$ 857.41
Community Redevelopment	\$ 238.55	0.63%	\$ 1,110.39	\$ 1,103.87
All other	\$ 18,190.32	48.04%	\$ 185,620.54	\$ 72,072.67
TOTAL	\$ 37,865.04	100.00%	\$ 366,179.16	\$ 151,356.97

KWH's Sold
(Kwh's sold based on a rolling 12 month total)



Gallons Sold
(Gallons sold based on a rolling 12 month total)

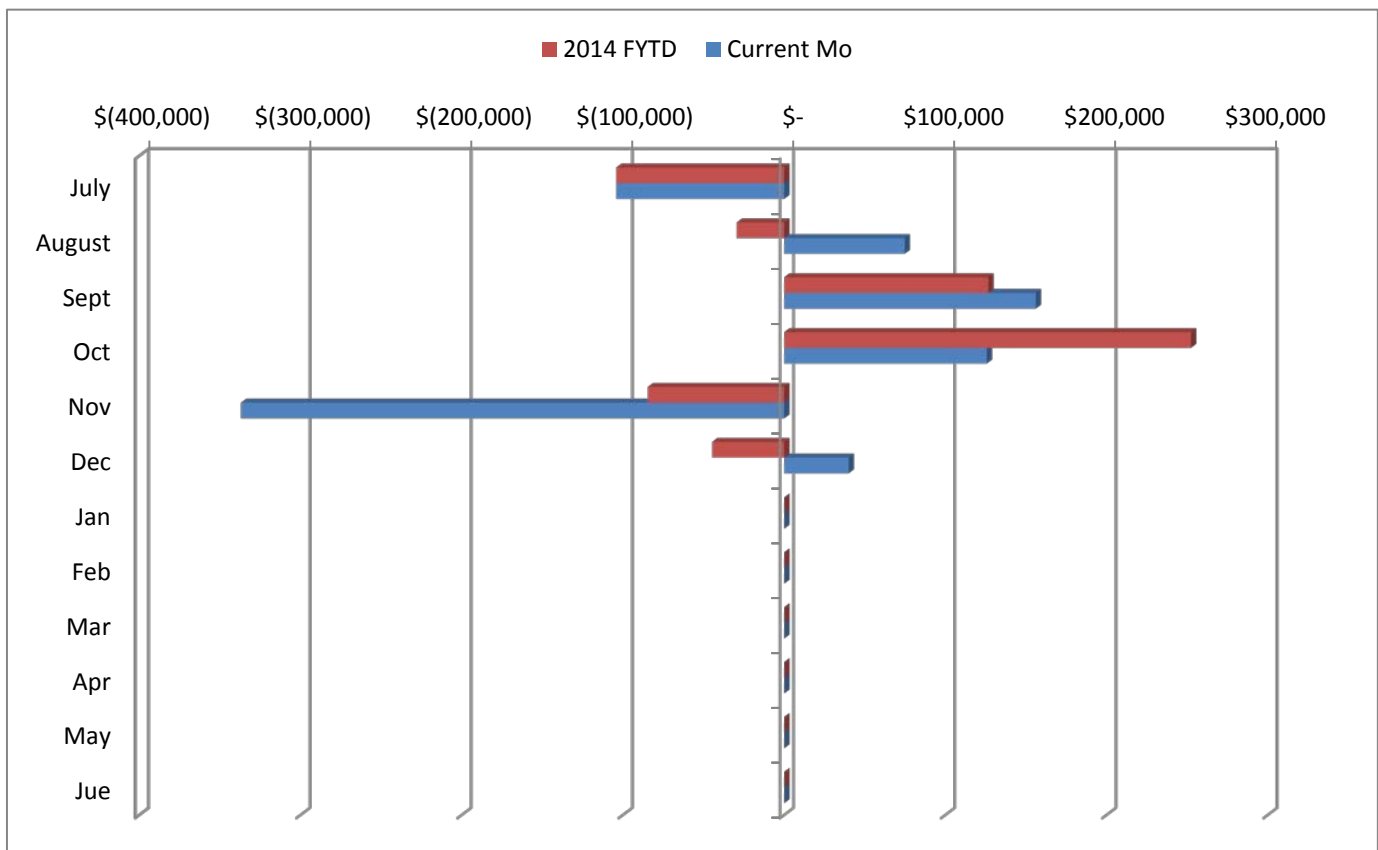


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2009-11 WA Avg	339,895,498	340,072,264	338,277,997	337,610,471	339,068,449	338,576,049	336,864,669	337,475,732	338,561,695	338,567,660	339,602,226	340,044,756
2012	346,847,100	350,320,600	351,689,200	346,502,709	346,782,720	346,804,932	355,955,631	354,345,801	364,617,117	372,679,493	368,114,668	368,874,556
2013	365,895,631	359,942,960	363,394,396	366,100,603	362,000,442	362,055,593	356,662,419	352,641,949	347,305,723	346,600,567	348,031,082	349,385,924



	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Electric Utility:			
Gross Margin	\$ 1,483,951	\$ 1,572,700	\$ (88,749)
Cash-based Net Income (incl. Depr.)	\$ (44,691)	\$ (18,700)	\$ (25,991)
Net O&M + Capital Funds Cash Flow	\$ (897,491)	\$ (458,000)	\$ (439,491)
Ending O&M and Capital Fund Balances	\$ 4,958,734	\$ 5,398,300	
Less-			
Designated for Future Projects	-	-	-
Reserve Targets	3,898,100	3,898,100	-
Over/(Under)	\$ 1,060,634	\$ 1,500,200	\$ (439,566)
Debt Service Coverage Ratio w/o PILOT	1.17	1.21	
Water Utility:			
Cash-based Net Income (incl. Depr.)	\$ 396,744	\$ 328,900	\$ 67,844
Net O&M + Capital Funds Cash Flow	\$ 207,294	\$ 44,800	\$ 162,494
Ending O&M and Capital Fund Balances	\$ 1,735,376	\$ 1,572,900	\$ -
Less-			
Designated for Future Projects	390,000	390,000	-
Reserve Targets	666,400	666,400	-
Over/(Under)	\$ 678,976	\$ 516,500	\$ 162,476
Debt Service Coverage Ratio w/o PILOT	1.94	1.75	
Communications Utility:			
Net Cash Flow	\$ (45,583)	\$ (89,300)	\$ 43,717
Ending Fund Balances	\$ 383,385	\$ 339,700	\$ -
Less-			
Designated for Future Projects	-	-	-
Reserve Targets	285,600	285,600	-
Over/(Under)	\$ 97,785	\$ 54,100	\$ 43,685
Commercial Customers	108	113	-5
Residential Customers	139	160	-21
Administrative Fund:			
Net Cash Flow	\$ 40,319	\$ 59,400	\$ (19,096)

EL - Combined		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
Sales of Electricity & Peaking	\$	6,529,040.45	\$ 6,730,800	\$ (201,760)
Sales Taxes		124,070.62	181,200	(57,129)
Other		658,403.54	612,500	45,904
Total O&M Revenue	\$	7,311,514.61	7,524,500	(212,985)
Expenditures:				
Purchased Energy & Fuel	\$	4,775,739.57	\$ 4,888,700	\$ (112,960)
Salaries		383,018.27	375,100	7,918
Benefits		194,829.13	205,900	(11,071)
Materials, Suppl. & Contracts		273,710.68	259,200	14,511
Sales Taxes & Use Taxes		128,079.13	184,000	(55,921)
PILOT		269,350.02	269,400	(50)
Debt Service - Interest Only		153,900.02	153,900	0
Overhead, Admin & EE		588,568.17	610,500	(21,932)
Depreciation (Est)		677,200.00	677,200	-
Total O&M Expenses	\$	7,444,394.99	7,623,900	(179,505)
Net Income (Operating & Other)	\$	(132,880.38)	(99,400)	(33,480)
Capital Activities:				
Major Maintenance via Capital Fund	\$	(27,500.00)	\$ -	\$ (27,500)
Capital Contributions (Fiber)		93,274.08	59,800	33,474
Capital Contributions (Electric)		22,415.25	20,900	1,515
Net Income	\$	(44,691.05)	(18,700)	(25,991)
Cash Flow:				
Net Income + Depreciation	\$	632,508.95	\$ 658,500	\$ (25,991)
Water Loan Principal		107,400.00	107,400	-
Debt Service Principal		(520,000.00)	(520,000)	-
Debt Service Reserve Change		-	-	-
Capital Contributions (Developers)		160,530.70	62,500	98,031
Proceeds from Debt Issues		-	-	-
Capital Projects		(1,277,931.04)	(766,400)	(511,531)
Designated for Future Projects		-	-	-
Net Cash Flow	\$	(897,491.39)	\$ (458,000)	\$ (439,491)



	2014 FYTD		Current Mo		2012 FYTD*		Current Mo*	
July	\$	(104,177)	\$	(104,177)	\$	45,358	\$	45,358
August	\$	(29,431)	\$	74,745	\$	(9,709)	\$	(55,067)
Sept	\$	126,633	\$	156,064	\$	(25,852)	\$	(16,143)
Oct	\$	252,324	\$	125,691	\$	225,794	\$	251,646
Nov	\$	(84,706)	\$	(337,030)	\$	70,948	\$	(154,846)
Dec	\$	(44,691)	\$	40,015	\$	215,574	\$	144,626
Jan	\$	-	\$	-	\$	420,953	\$	205,379
Feb	\$	-	\$	-	\$	608,217	\$	187,264
Mar	\$	-	\$	-	\$	734,330	\$	126,113
Apr	\$	-	\$	-	\$	810,152	\$	75,822
May	\$	-	\$	-	\$	810,203	\$	51
Jun	\$	-	\$	-	\$	1,108,104	\$	297,901

*Modified from Variance Report for tracking purposes only

630 - EL O&M Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Electricity & Peaking	\$ 6,529,040.45	\$ 6,730,800	\$ (201,760)
Sales Taxes	124,070.62	181,200	(57,129)
Other	269,141.48	259,000	10,141
Fund Revenue	\$ 6,922,252.55	\$ 7,171,000	\$ (248,747)
Expenditures:			
Purchased Energy & Fuel	\$ 4,775,739.57	\$ 4,888,700	\$ (112,960)
Salaries	383,018.27	375,100	7,918
Benefits	194,829.13	205,900	(11,071)
Materials, Suppl. & Contracts	273,710.68	259,200	14,511
Sales Taxes & Use Taxes	128,079.13	184,000	(55,921)
PILOT	269,350.02	269,400	(50)
Debt Service	673,900.02	673,900	0
Overhead, Admin & EE	588,568.17	610,500	(21,932)
Fund Expenditures	\$ 7,287,194.99	\$ 7,466,700	\$ (179,505)
O&M Activities Cash Flow:	\$ (364,942.44)	\$ (295,700)	\$ (69,242)
Capital Fund Transfer (Out) In	\$ 107,400.00	\$ -	\$ 107,400
O&M Fund Cash Flow:	\$ (257,542.44)	\$ (295,700)	\$ 38,158
Ending Fund Balances:	\$ 1,639,428.72	\$ 1,601,300	
17% Reserve Target	\$ 1,860,300.00	\$ 1,860,300	
Over/Under Reserve Target	\$ (220,871.28)	\$ (259,000)	\$ 38,129

730 - EL CAP Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Capital Contributions (Fiber)	\$ 93,274.08	\$ 59,800	\$ 33,474
Capital Contributions (Electric)	89,660.98	83,400	6,261
Capital Contributions (Reimb)	93,284.97	-	93,285
Water Loan Principal	107,400.00	107,400	-
Proceeds from Debt	-	-	-
Other	389,262.06	353,500	35,762
Fund Revenue	\$ 772,882.09	\$ 604,100	\$ 168,782
Expenditures:			
Major Maintenance (Est.)	\$ 27,500.00	\$ -	\$ 27,500
Vehicles	99,479.95	75,000	24,480
Relocations & Conversions	792,525.47	307,500	485,025
New Developments & Line Repl	109,721.37	69,000	40,721
Network Services	110,962.56	232,400	(121,437)
Other/Stock (Out) In	165,241.69	82,500	82,742
Fund Expenditures	\$ 1,305,431.04	\$ 766,400	\$ 539,031
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	\$ (107,400.00)	\$ -	\$ (107,400)
Designated for Future Projects	-	-	-
Capital Fund Cash Flow:	\$ (639,948.95)	\$ (162,300)	\$ (477,649)
Ending Fund Balances:	\$ 3,319,305.49	\$ 3,797,000	
Reserve Target	\$ 2,037,800	\$ 2,037,800	
Designated for Future Projects			
Over/Under Reserve Target	\$ 1,281,505	\$ 1,759,200	\$ (477,695)

WA - Combined		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
Sales of Water	\$	1,252,977.87	\$ 1,214,300	\$ 38,678
Sales Taxes		63,969.29	72,900	(8,931)
Other		114,305.18	60,700	53,605
Total O&M Revenue	\$	1,431,252.34	\$ 1,347,900	\$ 83,352
Expenditures:				
Salaries	\$	194,363.87	\$ 181,800	\$ 12,564
Benefits		86,250.17	89,800	(3,550)
Materials, Suppl. & Contracts		183,275.28	176,800	6,475
Sales Taxes & Use Taxes		64,807.88	72,900	(8,092)
PILOT		35,400.00	35,400	-
Debt Service - Interest Only		42,507.98	42,500	8
Overhead, Admin & EE		113,440.94	113,300	141
Depreciation (Est)		264,000.00	264,000	-
Total O&M Expenses	\$	984,046.12	\$ 976,500	\$ 7,546
Net Income (Operating & Other)	\$	447,206.22	\$ 371,400	\$ 75,806
Capital Activities:				
Major Maintenance via Capital Fund	\$	(50,461.87)	\$ (42,500)	\$ (7,962)
Net Income	\$	396,744.35	\$ 328,900	\$ 67,844
Cash Flow:				
Net Income + Depreciation	\$	660,744.35	\$ 592,900	\$ 67,844
Debt Service Principal		(319,600.00)	(319,600)	-
Debt Service Reserve Change		-	-	-
Capital Projects		(133,850.66)	(228,500)	94,649
Designated for Future Projects		-	-	-
Net Cash Flow	\$	207,293.69	\$ 44,800	\$ 162,494

600 - WA O&M Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Sales of Water	\$ 1,252,977.87	\$ 1,214,300	\$ 38,678
Sales Taxes	63,969.29	72,900	(8,931)
Other	94,305.18	60,700	33,605
Fund Revenue	\$ 1,411,252.34	\$ 1,347,900	\$ 63,352
Expenditures:			
Salaries	\$ 194,363.87	\$ 181,800	\$ 12,564
Benefits	86,250.17	89,800	(3,550)
Materials, Suppl. & Contracts	183,275.28	176,800	6,475
Sales Taxes & Use Taxes	64,807.88	72,900	(8,092)
PILOT	35,400.00	35,400	-
Debt Service	362,107.98	362,100	8
Overhead & Admin	113,440.94	113,300	141
Fund Expenditures	\$ 1,039,646.12	\$ 1,032,100	\$ 7,546
O&M Activities Cash Flow:	\$ 371,606.22	\$ 315,800	\$ 55,806
Capital Fund Transfer (Out) In	\$ (204,000.00)	\$ (285,600)	\$ 81,600
Debt Service Reserve Change	-	-	-
O&M Fund Cash Flow:	\$ 167,606.22	\$ 30,200	\$ 137,406
Ending Fund Balances:	\$ 370,794.88	\$ 233,400	
17% Reserve Target	\$ 195,700.00	\$ 195,700	
Over/Under Reserve Target	\$ 175,094.88	\$ 37,700	\$ 137,395

700 - WA CAP Fund

	FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:			
Proceeds from Debt	\$ -	\$ -	\$ -
Other (Sale of Land)	20,000.00	-	20,000
Fund Revenue	\$ 20,000.00	\$ -	\$ 20,000
Expenditures:			
Major Maintenance (Est.)	\$ 50,461.87	\$ 42,500	\$ 7,962
Vehicles	-	12,500	(12,500)
Water Towers	-	-	-
Plant	621.00	-	621
Water Mains	133,229.66	216,000	(82,770)
Other	-	-	-
Fund Expenditures	\$ 184,312.53	\$ 271,000	\$ (86,687)
Capital Activities Cash Flow:			
Capital Fund Transfer (Out) In	\$ 204,000.00	\$ 285,600	\$ (81,600)
Designated for Future Projects	-	-	-
Capital Fund Cash Flow:	\$ 39,687.47	\$ 14,600	\$ 25,087
Ending Fund Balances:	\$ 1,364,581.35	\$ 1,339,500	\$ 25,081
Reserve Target	\$ 470,700.00	\$ 470,700	\$ -
Designated for Future Projects	390,000.00	390,000	-
Over/Under Reserve Target	\$ 503,881.35	\$ 478,800	\$ 25,081

640 - NS O&M Fund		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
Fiber License Payments	\$	114,731.38	\$ 117,000	\$ (2,269)
Other		3,717.57	3,800	(82)
Fund Revenue	\$	118,448.95	\$ 120,800	\$ (2,351)
Expenditures:				
Salaries	\$	4,914.78	\$ 10,000	\$ (5,085)
Benefits		817.49	1,800	(983)
Materials, Suppl. & Contracts		100,655.45	142,000	(41,345)
Overhead, Admin & EE		57,644.72	56,300	1,345
Fund Expenditures	\$	164,032.44	\$ 210,100	\$ (46,068)
O&M Activities Cash Flow:	\$	(45,583.49)	\$ (89,300)	\$ 43,717
Electric CIAC (Out) In	\$	-	\$ -	\$ -
O&M Fund Cash Flow:	\$	(45,583.49)	\$ (89,300)	\$ 43,717
Ending Fund Balances:		\$ 383,385.11	\$ 339,700	
FY Ending Balance Target	\$	285,600.00	\$ 285,600	
Designated for Future Projects		-	-	
Over/Under Reserve Target	\$	97,785.11	\$ 54,100	\$ 43,685

620 - ADM O&M Fund		FYTD ACTUAL	FYTD BUD/RE-EST	VARIANCE
Revenue:				
IMU Transfers In	\$	517,750.04	\$ 578,400	\$ (60,650)
City Transfers In		9,000.00	9,000	-
Refund/Reimbursement		14.84		
Fund Revenue	\$	526,764.88	\$ 587,400	\$ (60,650)
Expenditures:				
Salaries	\$	152,430.16	\$ 150,500	\$ 1,930
Benefits		72,833.55	86,900	(14,066)
Materials, Suppl. & Contracts		92,909.71	117,000	(24,090)
Overhead, Admin, Shared Staff		168,272.15	173,600	(5,328)
Fund Expenditures	\$	486,445.57	\$ 528,000	\$ (41,554)
O&M Fund Cash Flow:	\$	40,319.31	\$ 59,400	\$ (19,096)

Meeting Date: 01/13/2014

Information

Subject

IDOT Reimbursement Agreement

Information

This reimbursement agreement, which generally mirrors the standard IDOT agreement for the W. Hwy 92 project, was previously distributed via e-mail and approved by staff due to unexpected time constraints imposed by IDOT.

The cost-share formula used is also the same, which is based on the number of poles needing to be relocated that are currently within IDOT ROW (IMU's share) compared to IMU's poles located in private easements (their share).

As an FYI, an agreement with MEC for the distribution work covered under the IMU contract has been drafted and is being finalized. No issues are anticipated, as it also follows the same form as the W. Hwy 92 project.

Financial Impact

N/A

Staff Recommendation

Simple motion is in order.

Attachments

IDOT Agreement



**Iowa Department of Transportation
Utility Reimbursement Agreement**

Approved as to Form: January 2013

Agreement No.: U-2013-15828
County: Warren
ROW Project No.: IMN-035-2(286)-0E-91
Construction Project No.: IM-035-2(353)54-13-91
Staff Action No.: 14-0442

IT IS AGREED, by and between the State of Iowa, Iowa Department of Transportation, Highway Division (hereafter Department), and Indianola Municipal Utilities, a corporation, with offices in Indianola, Iowa, (hereafter Company) as follows:

1. Project Information

- 1.1. The Department shall proceed with the proposed Grade and Pave I-35 from Clanton Creek 2 miles South of IA 92 through IA 92 interchange in accord with its plans and specifications as designated by the project numbers listed above. The plans and specifications are made a part of this agreement.
- 1.2. Electric transmission line owned and operated by the Company located on its own easements upon privately owned land affected by the project shall be adjusted in accordance with Exhibit "A". Work and operations to be done by the Company consist of the following:
 - a. Engineering for the work proposed at the preliminary and construction stages.
 - b. Relocate transmission line on IA 92 through I-35 Interchange.

2. Project Costs and Method of Payment

- 2.1. The total estimated cost (\$757,020.00) required by the project for adjustment of Company facilities and estimated Department share of such costs (25%) \$189,255.00 are shown on the itemized cost estimate included in Exhibit "B". The Department's share of costs will be limited to only those costs that are eligible for Federal-aid reimbursement as per Title 23, Code of Federal Regulations (CFR), Part 645.
- 2.2. If actual costs will exceed 125% of the estimate, the Company shall promptly request written approval from the Department to exceed the estimated cost unless the additional cost is \$10,000 or less. Such requests shall include an updated itemized cost estimate and an explanation for the increased costs. The Department will not reimburse the Company for costs exceeding 125% of the estimate unless the Department approves such a request in writing.
- 2.3. For full and complete compensation for all work, materials, and services furnished under the terms of this agreement, the Company shall be paid actual costs as estimated on Exhibit "B", subject to the provisions of Section 4 of this agreement.

3. Construction

- 3.1. The Company agrees to perform the work specified to adjust its facilities, and further certifies:
 - a. It is financially capable of performing the work prior to being reimbursed.
 - b. The work shall be done by qualified, properly trained, and experienced personnel.
 - c. The work shall be done no later than fifteen (15) days prior to the letting date.
 - d. It is aware of all applicable work requirements and administrative rules imposed by the Federal Highway Administration and the Department.
- 3.2. Upon receipt of written notice to proceed from the Department, the Company shall adjust its facilities in a satisfactory manner as outlined in paragraph 1.2 that will not interfere with the highway project. The Company shall notify the appropriate Resident Construction Engineer of the date on which Company work begins in the project area and of the anticipated completion date. The Company will also inform the Department when each phase of the work is completed. If a change in schedule is warranted, it shall be approved by the Department Resident Construction Engineer.

4. Billing and Final Payment

- 4.1. The Company may elect to provide the Department with an invoice at various stages of the utility adjustment effort. However, the invoice shall only be for expenses incurred prior to the date of the invoice. The Company shall provide the Department with an invoice that includes the following:
 - a. Company name
 - b. Date of invoice
 - c. Invoice number
 - d. Agreement number as shown on page 1 of this agreement
 - e. ROW project number as shown on page 1 of this agreement
 - f. Beginning and ending dates of work
 - g. An itemized statement of actual costs incurred, including a specific description of each item, product, or service provided. Labor, indirect costs, and direct costs shall be identified separately.

Utility Reimbursement Agreement

- h. Total amount claimed to date
 - i. Previous payments to date, if any
 - j. Company project or activity numbers
 - k. If the invoice is final, it shall conspicuously show the word "FINAL" near the top of the invoice. Otherwise, the invoice shall conspicuously show the word "PROGRESS" near the top of the invoice.
 - l. If more than one progress payment is requested, the total of all progress payments will not exceed 90% of the Department's share of the cost as specified in Exhibit "B"
- 4.2. Upon receiving a final invoice from the Company, the Department will pay the Company an amount not to exceed 90% of either the Department's share of the estimated cost as specified in Exhibit "B" or the claimed amount, whichever is less.
- 4.3. Upon receiving a final invoice, the Department will send the Company a Certificate of Completion. The company shall complete the certificate and return it to the Department. The Department will either acknowledge and accept the work as complete or explain why it cannot do so. After the work is accepted as complete, the Department may perform a final audit of the Company's claimed cost.
- 4.4. Without further compensation, other than performance by the Department of its obligations as stated in this agreement, the Company shall execute and deliver to the Department, on forms supplied by the Department, a Disclaimer of Interest in Realty in and to all rights-of-way acquired by the Department for this project.
- 4.5. Upon satisfactory completion of the work, completion of a final audit by the Department, and receipt of a properly executed Disclaimer of Interest in Realty from the Company, the Department shall make a final payment to the Company. Final payment (which includes the final progress payment and the retainage release) will be equal to the difference between the total eligible costs and the amount previously reimbursed, if any. In the event justifiable audit exceptions exist, or for other reasons the Company has been overpaid, the Company will promptly refund to the Department any overpayment previously made.

5. General Provisions

- 5.1. The Company hereby acknowledges receipt of notice and waives further notice required by law.
- 5.2. In accordance with the Department's Utility Accommodation Policy, this agreement by itself does not constitute a permit nor does it grant permission to occupy the primary highway rights-of-way. Where facilities are to be located on or across the rights-of-way, the Company is responsible for obtaining a permit from the District Engineering Operations Technician prior to commencing work within the rights-of-way.
- 5.3. This agreement is subject to the following provisions of 23 CFR Part 645 and the Department's Utility Accommodation Policy, as set forth in Administrative rules 761 Iowa Administrative Code (IAC) Chapter 115, which are incorporated by reference.
- 5.4. All work performed pursuant to this agreement shall comply with 49 CFR Part 21-Nondiscrimination in Federally Assisted Programs of the Department of Transportation and all other applicable State or Federal laws, regulations, or directives, as of the date of execution of this agreement.
- 5.5. The Company shall perform future construction, repair, replacement, or maintenance of the Company's facilities within Department's highway rights-of-way in accordance with the Department's Utility Accommodation Policy.
- 5.6. The Company and its contractors, or subcontractors where applicable, shall maintain all books, documents, accounting records, supporting cost proposals, and other evidence pertaining to costs incurred and make such material available at their respective offices at all reasonable times during the period of this agreement. These records shall be available for 3 years from the date of final payment under this agreement for inspection by the Department, Federal Highway Administration, or any authorized representative of the Federal government. The Company shall furnish copies of these records, if requested.
- 5.7. If difficulties or delays arise which, in the opinion of the Department, make it impractical to proceed with the proposed improvement, the Department may cancel this agreement by written notification to the Company and this agreement shall become null and void, provided such notification is given prior to the notice by the Department to the Company to proceed.
- 5.8. This agreement and the referenced exhibits constitute the entire agreement between the Company and the Department concerning this project. Any change or alteration to the terms of this agreement must be made in the form of an addendum to this agreement. Any addendums shall become effective only upon written approval of the Company and the Department. If any clause in this agreement is declared invalid, it shall not void the entire agreement.
- 5.9. This agreement shall be executed and delivered in two or more copies, each of which shall be deemed to be an original and shall constitute but one and the same agreement.
- 5.10. The attention of the Company is directed to the provisions of an act of Congress known as Title 23, United States Code, Section 1 and any other acts of Congress providing for road improvements. When the Federal Government is to pay all or any portion of the cost of an improvement or project, the

Utility Reimbursement Agreement

construction work, although it is under the supervision of the Department and subject to laws of the State of Iowa, is also subject to the above mentioned acts of Congress and to all authorities. This construction work shall be subject to inspection by duly authorized agents of the Federal Government, but this inspection will not make the Federal Government a party to the contract

- 5.11. On all contracts involving Federal-aid, all products of iron, steel, or a coating of steel which are incorporated into the work shall be of domestic origin and shall be melted and manufactured in the United States. The Engineer may allow minimal amounts of these materials from foreign sources, provided the cost does not exceed 0.1% of the contract sum or \$2,500, whichever is greater. The Contractor shall certify that these materials are of domestic origin. This amount shall include transportation, assembly, and testing as delivered cost of foreign products to the project.

6. Signatures

IN WITNESS WHEREOF the Parties hereto have caused this agreement to be executed by their duly authorized officers on the dates below indicated.

Executed by the Company this 23rd day of December, 2013

INDIANOLA MUNICIPAL UTILITIES

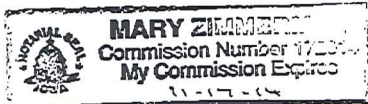
By Bob Miller Electric Superintendent
(Print Name/Title)

State of Iowa
County of Warren SS

This instrument was acknowledged before me on this 23 day of December, 2013,

by [Signature] as Electric Superintendent of Indianola Municipal Utilities
(Name) (Title) (Company)

TRK
12-23-13



Mary Zimmerman
Notary Public in and for said State

Executed by the Department this 30th day of December, 2013
STATE OF IOWA
IOWA DEPARTMENT OF TRANSPORTATION

By [Signature]
Steve Gent, Director
Office of Traffic and Safety
State of Iowa

State of Iowa
County of Story SS

This instrument was acknowledged before me on this 30th day of December, 2013, by Steve Gent, as Director, Office of Traffic and Safety of the Iowa Department of Transportation.



Laura B. Brown
Notary Public in and for said State

Meeting Date: 01/13/2014

Information

Subject

Public Hearing on the Plans, Specifications, Form of Contract, and Estimate of Cost for Construction

Information

The Board Chairperson needs to call a public hearing to order, receive comments from the public & Trustees, and then close the public hearing.

The resolutions to receive the bids and award the contract are also attached to this agenda item.

Financial Impact

N/A

Staff Recommendation

Attachments

Resolution

INDIANOLA MUNICIPAL UTILITIES

PUBLIC IMPROVEMENT CONSTRUCTION
DOCUMENTS FOR:

**2014 HWY. 92 & I-35 TRANSMISSION RELOCATION
PROJECT FOR INDIANOLA MUNICIPAL UTILITIES,
INDIANOLA, IOWA.**

The Meeting was called to order by the Chair, Eric Vander Linden, and on roll call the following Board Members were-

Present:_____

Absent:_____

This being the time and place fixed for a public hearing on the matter of the adoption of plans, specifications, form of contract and estimate of cost relative to the 2014 Hwy. 92 Transmission Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, the Chair called for any oral objections to the adoption of the plans, specifications, form of contract and estimate of cost. No oral objections were offered and the Trustee Clerk reported that no written objections had been filed.

Board Member _____ introduced the following Resolution entitled "RESOLUTION ADOPTING PLANS, SPECIFICATIONS, FORM OF CONTRACT AND ESTIMATE OF COST", and moved that it be adopted. Board Member _____ seconded the motion to adopt. The roll was called and the vote was,

AYES:_____

NAYS:_____

Whereupon, the Chair declared the following resolution duly adopted:

RESOLUTION ADOPTING PLANS, SPECIFICATIONS,
FORM OF CONTRACT AND ESTIMATE OF COST

WHEREAS, on the _____ day of _____, 2014, plans, specifications, form of contract and estimate of cost were filed with the City Clerk for the Indianola Municipal Utilities, for certain public improvements described in general as the 2014 Hwy. 92 Transmission Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, and

WHEREAS, notice of hearing on plans, specifications, form of contract and estimate of costs of the public improvements was published as required by law.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES:

Section 1. The plans, specifications, form of contract and estimate of cost are approved as the plans, specifications, form of contract and estimate of cost for the public improvements described in the preamble of this Resolution.

PASSED AND APPROVED this _____ day of _____, 2014.

ERIC VANDER LINDEN, Chair

ATTEST:

DIANA BOWLIN, City Clerk

The Chair then announced that the City Clerk and the IMU General Manager had opened and tabulated the bids for the public improvements described in general as the 2014 Hwy. 92 Transmission Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, in accordance with the plans and specifications previously adopted.

The following bids were presented by the City Clerk and the IMU General Manager.

Name and Address of Bidder

Amount of Bid

The City Clerk and the IMU General Manager then recommended that the bid of _____ in the amount of \$_____ be accepted.

Board Member _____ introduced the following resolution entitled "RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT", and moved its adoption. Board Member _____ seconded the motion to adopt. The roll was called and the vote was:

AYES: _____

NAYS: _____

Whereupon, the Chair declared the following Resolution duly adopted:

RESOLUTION MAKING AWARD OF CONSTRUCTION CONTRACT

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE INDIANOLA MUNICIPAL UTILITIES:

Section 1. The bid of _____ in the amount of \$ _____ for the 2014 Hwy. 92 Transmission Relocation Project for Indianola Municipal Utilities, Indianola, Iowa, described in the plans and specifications previously adopted by this Board on the _____ day of _____, 2014, is accepted, it being the lowest responsible bid for the work and materials.

Section 2. The IMU General Manager and the City Clerk are directed to execute a contract with the contractor for the construction of the public improvement. The contract not to be binding on the Board of Trustees until approved by the Board.

PASSED AND APPROVED this _____ day of _____, 2014.

ERIC VANDER LINDEN, Chair

ATTEST:

DIANA BOWLIN, City Clerk

Meeting Date: 01/13/2014

Information

Subject

Receive Bids

Information

The tabulation of bids is attached to this agenda item.

Michels Power is the low bidder at \$423,624.16 for the base bid, divided between IMU's Transmission at \$300,822.69 and MEC's Distribution at \$122,801.47.

This compares to the engineer's estimate at \$482,190, divided between IMU's Transmission at \$296,800 and MEC's Distribution at \$185,390.

Financial Impact

N/A

Staff Recommendation

Attachments

Bids

Jan. 9, 2014

Mr. Todd Keilkopf
Indianola Municipal Utilities
PO Box 356
Indianola, Iowa 50125

Dear Todd,

Sealed bids for the construction work on the 2014 Hwy 92 & I-35 Transmission Relocation Project were received and opened at 2:00 PM on Jan. 6, 2014. This work is required to vacate the I-35 and Hwy 92 intersection to accommodate the DOT project to upgrade I-35 in the area, including the replacement of the Hwy 92 bridge over I-35.

The construction contract includes the IMU transmission and the MEC underbuild required for the Transmission Relocation Contract, including materials except for the major material items that were purchased directly by IMU.

Bids were received from four vendors. A summary of the bids is included on the attached page. The estimated cost of the work and the low bid submitted by Michels Powers are shown in the following table.

Estimate	\$ 296,800.00	\$ 185,390.00	\$ 482,190.00
Low Bid	\$ 300,822.69	\$ 122,801.47	\$ 423,624.16
Percent of Estimate	101.4%	66.2%	87.9%

I recommend that the proposal from Michels Power be accepted for this construction.

Sincerely,



Allan Powers, P.E.

cc: Chris Longer
Bob Miller

IMU 2014 Hwy 92 & I-35 Transmission Relcoation Project
Construction Contract
Bid Tabulation

				Cost Allocation				Percentage of Estimate		
Bidder	Confirm Bid Bond	Confirm receipt of Addendum 1	Base Bid	Transmission	Distribution Underbuild	Distribution Underbuild I-35 Crossing	Total Distribution	Transmission	Distribution Underbuild	Total
Engineer's Estimate of Cost			\$ 482,190.00	\$ 296,800.00			\$ 185,390.00			
Michels Power	yes	yes	\$ 423,624.16	\$ 300,822.69	\$ 110,301.47	\$ 12,500.00	\$ 122,801.47	101.4%	66.2%	87.9%
Par	yes	yes	\$ 618,495.00	\$ 351,295.00	\$ 201,578.00	\$ 65,622.00	\$ 267,200.00	118.4%	144.1%	128.3%
Hooper Corp.	yes	no	\$ 779,628.62	\$ 526,466.96	\$ 228,986.56	\$ 24,175.10	\$ 253,161.66	177.4%	136.6%	161.7%
LE Myers Co.	yes	yes	\$ 793,653.36	\$ 547,778.63	\$ 59,425.42	\$ 186,449.31	\$ 245,874.73	184.6%	132.6%	164.6%
Bids received 2:00 PM on Jan. 6, 2014										



DRIVING INNOVATION.
TRANSFORMING CONSTRUCTION.

January 6, 2014

OFFICE OF CITY CLERK

JAN 06 2014

INDIANOLA, IOWA

Diana Bowlin
Indianola Municipal Utilities
Indianola Municipal Building
110 N. First Street
Indianola, IA 50125

Re: 2014 Hwy 92 & I-35 Transmission Relocation Project
Michels Bid No. 14-005

Dear Ms. Bowlin:

Michels Power is pleased to offer a proposal based on provided plans and specifications and we offer the following clarifications:

- Michels Power can meet the schedule put forth in the contract for "2014 Hwy 92 & I-35 Transmission Relocation Project".
- Material quantities provided in the contract in section titled, "Indianola Municipal Utilities - 2014 Hwy 92 I-35 Transmission Relocation Project – Bill of Materials " are assumed to be correct. Any additional costs for materials that the contractor is to provide due to inaccuracies in quantities provided in the bidding documents will be passed onto owner at cost plus 10%.
- Proposal assumes that the "2013 W HWY 92 Transmission Relocation Project" and the "2014 HWY 92 & I-35 Transmission Relocation Project" can be constructed consecutively.
- Materials provided by Owner and others shall be available at the time of construction or per the agreed upon Schedule. Any delays in the receipt of material and equipment not provided by Michels will have a direct impact on the schedule and price.
- All necessary environmental plans will be furnished by the Owner.
- All permits, including environmental permits, shall be provided by the Owner unless otherwise indicated in Michels' proposal. Once specific environmental permits are available, Michels has the right to review/analyze such permits and negotiate any conditions that were not addressed in bid documents. Bid assumes that environmental permits will not have limitations to the time of year clearing or construction can be conducted.
- Owner will provide Michels with copies all applicable federal, state, and local environmental permits and plans. If requested, Owner will also provide copies of the permit applications.
- No hazardous or contaminated materials will be encountered during construction
- Spoils will remain on site in areas that are not a maintained lawn.



DRIVING INNOVATION.
TRANSFORMING CONSTRUCTION.

- Michels is not responsible for crop damage or compaction within the right-of-way
- Construction survey staking and project survey layout shall be completed by others and is not part of Michels' scope of work.
- Michels is not responsible for unmarked drain tile.
- If required due to unstable ground conditions, culvert will be installed using the unit rate at additional cost of \$50.00 per foot. Material to be billed at cost + 10%
- If required, all rock drilling will be completed using a unit rate at additional cost.
 - Rock Drilling – \$1300.00 per cubic yard
- Hand dig locate to avoid underground utility conflicts, unit cost: \$250.00 per location
- All Right of Way that needs matting for environmental permitting requirements will be done using a unit rate at additional cost.
 - Mats – \$75.00 per pick and \$75.00 per place
 - Mat Rental \$5.00 per day per mat
 - Mobilization and Demobilization of mats will be a pass-through cost to Owner.
- Michels reserves the right to review any documents not currently provided or updated and make adjustments in the scope of work, pricing and schedule in accordance with any changes or updated documents.
- The cost of Michels' Performance/Payment Bond, which has been included in the bid price, is based on a one year warranty of project.
- This Proposal dated January 6, 2014 shall be fully incorporated hereby this reference into any final agreement between Customer and Michels.

Michels Power has the experience and resources to complete your project and we look forward to working with Indianola Municipal Utilities. Please feel free to call Tyler Radl at 920-539-9342 if you have any questions regarding this Proposal and clarifications. This Proposal is valid for 60 days.

Sincerely,

MICHELS POWER

Mark Harasha
Vice President

INDIANOLA MUNICIPAL UTILITIES
2014 Hwy 92 & I-35 Transmission Relocation Project
Section 00300 – BID FORM

OFFICE OF CITY CLERK
JAN 06 2014
INDIANOLA, IOWA

PROJECT IDENTIFICATION

2014 Hwy 92 & I-35 Transmission Relocation Project

Contract includes construction of approximately 1.75 miles of new 69 kV overhead transmission line with related 13 kV underbuild; and removal of existing overhead lines to clear the area for an Iowa DOT project. The work is in the vicinity of Iowa Hwy 92 and Interstate Hwy 35 in Warren and Madison Counties in Iowa.

THIS BID IS SUBMITTED TO (Owner):

Indianola Municipal Utilities
111 South Buxton St.
Indianola, Iowa 50125

THIS BID IS SUBMITTED BY (Bidder):

Michels Power, a division of Michels Corporation

1.01 The undersigned Bidder proposes and agrees, if this Bid is accepted, to enter into an Agreement with Owner in the form included with the Bidding Documents to perform all Work as specified or indicated in the Bidding Documents for the prices and within the times indicated in this Bid and in accordance with the other terms and conditions in the Bidding Documents

2.01 Bidder accepts all terms and conditions of the Agreement, the Notice of Letting and Public Hearing, and Instructions to Bidders, including without limitation those dealing with the disposition of Bid Security. The Bid will remain subject to acceptance for 30 days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of Owner.

3.01 In submitting this Bid, Bidder represents, as set forth in the Agreement, that:

- A. Bidder has examined and carefully studied the Bidding Documents, the other related data identified in the Bidding Documents, and the following Addenda, receipt of all which is hereby acknowledged.

Addendum No.	Addendum Date
<u>1</u>	<u>12-17-13</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

INDIANOLA MUNICIPAL UTILITIES
2014 Hwy 92 & I-35 Transmission Relocation Project
Section 00300 – BID FORM

- B. Bidder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 - C. Bidder is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress and performance of the Work.
 - D. Bidder declares that he has examined to his own satisfaction the Drawings, Specifications, and other Bidding Documents, the character and location of the work, the conformation of the ground, the character, quality and quantity of materials to be supplied, the character of equipment and facilities needed preliminary to and during the prosecution of the work, the general and local conditions, and other matters which can affect the work under this contract; and that this proposal is made with full knowledge of the intent and purpose of the same. He further declares that in respect to these matters he is not relying upon any representation made to him by any officer, agent, or employee of the Owner, or by any other person on behalf of Owner, but that he relies solely upon his own investigation.
 - E. Bidder does not consider that any further examinations, investigations, explorations, tests, studies, or data are necessary for the determination of this Bid for performance of the Work at the price(s) bid and within the times and in accordance with the other terms and conditions of the Bidding Documents.
 - F. Bidder has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Bidder has discovered in the Bidding Documents, and the written resolution thereof by Engineer is acceptable to Bidder.
 - G. The Bidding Documents are generally sufficient to indicate and convey all terms and conditions of the performance of the Work for which this Bid is submitted.
 - H. The undersigned certifies that the bid prices contained herein have been carefully checked and are submitted as correct and final. It is proposed to do the work at the prices set out for each item.
- 4.01 Bidder further represents that:
- A. This Bid is genuine and not made in the interest of or on behalf of any undisclosed individual or entity and is not submitted in conformity with any agreement or rules of any group, association, organization, or corporation;
 - B. Bidder has not directly or indirectly induced or solicited any other Bidder to submit a false or sham Bid;
 - C. Bidder has not solicited or induced any individual or entity to refrain from bidding; and
 - D. Bidder has not sought by collusion to obtain for itself any advantage over any other bidder or over Owner.

INDIANOLA MUNICIPAL UTILITIES
2014 Hwy 92 & I-35 Transmission Relocation Project
Section 00300 – BID FORM

5.01 Bidder (Michels Power, a division of Michels Corporation) will complete the Work in accordance with the Contract Documents for the following price.

LUMP SUM BASE BID

Four Hundred Twenty-three Thousand Six Hundred Twenty-four and 16/100 Dollars (\$ 423,624.16)
(use words) (figures)

5.02 The contract, if awarded, will be awarded on the basis of the Lump Sum Base Bid Price given in paragraph 5.01. The following prices will be used by Owner for accounting purposes only and will not be used in the evaluation of bids. The sum of these prices must be equal to the Lump Sum Bid Price given above. The Bidder certifies that the prices shown represent a reasonable and fair allocation of the Bid Price to the indicated work.

Cost attributable to installation and removal of the transmission (69 kV) poles and conductor. This includes the total cost to set, remove, or top all poles that have 69 kV conductor attached thereto, including poles that also have attached under build, but does not include the cost of installing and removing the under build framing, conductors, and equipment.

Three Hundred Thousand Eight Hundred Twenty-two and 69/100 Dollars (\$ 300,822.69)
(use words) (figures)

Cost attributable to the installation and removal of the distribution (13 kV and secondary) poles, conductor, anchors, guys, and related equipment, including all distribution attachments located on transmission poles; but excluding the distribution crossing span over I-35 and the distribution circuit framing on crossing poles 14 and 15.

One Hundred Ten Thousand Three Hundred and One and 47/100 Dollars (\$ 110,301.47)
(use words) (figures)

Cost attributable to the installation of the distribution crossing span over I-35, including all distribution level framing, guys, and anchors on crossing poles 14 and 15.

Twelve Thousand Five Hundred and 00/100 Dollars (\$ 12,500.00)
(use words) (figures)

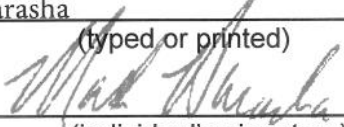
INDIANOLA MUNICIPAL UTILITIES
2014 Hwy 92 & I-35 Transmission Relocation Project
Section 00300 – BID FORM

8.01 The terms used in this Bid with initial capital letters have the meanings indicated in the Instructions to Bidders, the General Conditions, and the Supplementary Conditions.

Submitted on January 6, 2013.

Firm Name Michels Power, a division of Michels Corporation

By Mark Harasha
(typed or printed)


(individual's signature)

Title Vice President

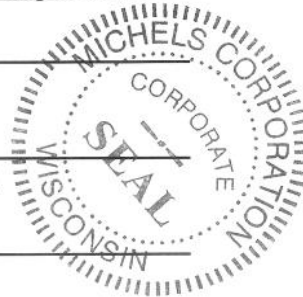
Business address 1775 E. Shady Lane

Neenah, WI 54956

Phone No. 920-720-5200

FAX No. 920-720-5214

Email powerbids@michels.us





Subcontractors/Suppliers

Traffic Control Subcontractor:

Iowa Plains Signing, INC
1110 W. 6th Avenue
Slater, IA 50244

Material Suppliers:

Stuart Irby Company
1234 1st Avenue South
Fort Dodge, IA 50501



MICHELS POWER

1775 East Shady Lane • Neenah, WI 54956 • Phone 920.720.5200 • Fax 920.720.5214
9433 Dowcor Lane SW • Tumwater, WA 98512 • Ph 360.236.0472 • Fax 360.236.0478
7435 Allentown Blvd • Harrisburg, PA 17112 • Phone 717.652.7179 • Fax 717.652.7458
208 Longbranch Rd, Suite 300 • Syracuse, NY 13209 • Phone 315.451.1916 • Fax 315.451.1916

January 3, 2014 Labor Rates

Indianola Municipal Utilities
110 N. First Street
Indianola, IA 50125

Attn: Diana Bowlin
Re: 2014 Hwy 92 & I-35 Transmission Relocation Project

January 1, 2014 to June 30, 2014

These rates include payroll, taxes, and insurances, including workmen's compensation, bodily injury, property damage, and Federal and State Unemployment. They also include Social Security, Medicare, and all Union benefits, including Lineco, National Electrical Benefit Fund, and National Electrical Annuity Plan, or similar benefit plans.

Classification	Straight Time Per Hour	Time & One Half Per Hour	Double Time Per Hour
SUPERINTENDENT	126.72	180.36	234.01
MECHANIC	88.28	124.65	161.01
STORM COORDINATOR	88.28	124.65	161.01
SAFETY COORDINATOR	73.07	102.59	132.12
GENERAL FOREMAN	101.50	143.80	186.11
CREW FOREMAN	95.49	135.10	174.70
JOURNEYMAN	87.48	123.49	159.49
WORKING FOREMAN	95.49	135.10	174.70
APPRENTICE 1ST	63.46	88.67	113.87
APPRENTICE 2ND	63.46	88.67	113.87
APPRENTICE 3RD	63.46	88.67	113.87
APPRENTICE 4TH	67.47	94.47	121.47
APPRENTICE 5TH	71.47	100.27	129.08
APPRENTICE 6TH	75.47	106.08	136.68
APPRENTICE 7TH	79.48	111.88	144.28
GROUNDMAN-TRUCK DRIVER	60.26	84.02	107.78
BLASTER	71.47	100.27	129.08
GROUNDMAN EXP (NOT LESS THAN 6 MONTHS)	59.46	82.87	106.28
GROUNDMAN - FIRST 6 MONTHS	51.45	71.25	91.05
SPECIAL EQUIP OPERATORS	73.87	103.75	133.64
OPERATOR TRAINEES - 1ST STEP	63.46	88.67	113.87
OPERATOR TRAINEES - 2ND STEP	67.47	94.47	121.47
CERTIFIED LINE WELDER	87.48	123.49	159.49

We appreciate the opportunity to submit our rates and look forward to working with you.

Respectfully submitted,

Mark Harasha
Vice President
Michels Power
A Division of Michels Corporation



MICHELS POWER

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Equipment Rates

With Fuel

January 1, 2014 to June 30, 2014

Customer Name: Indianola Municipal Utilities
 Address: 110 N. First Street
 City, State, Zip: Indianola, IA 50125
 Contact Person: Diana Bowlin
 Project Name: 2014 Hwy 92 & I-35 Transmission Relocation Project

<u>Description</u>	<u>Hourly Rate</u>
UTILITY/FLATBED/DUMP TRUCK	25.46
TANDEM/DUMP TRUCK	35.70
SMALL PICKUP (0.5 TON)	15.08
MEDIUM PICKUP (0.75 TON)	19.28
LARGE PICKUP (1 TON)	20.81
VAN	12.11
BUCKET TRUCK < 48	26.81
BUCKET TRUCK - 48-60ft	35.13
BUCKET TRUCK 6X6-70FT+	38.62
BUCKET TRUCK 6X6-93FT+	68.33
BUCKET TRUCK BAREHAND	95.90
DIGGER DERRICK	38.24
DIGGER DERRICK 6x6	46.36
DIGGER DERRICK - BACKYARD	24.83
DRUM PULLER - SINGLE	23.03
DRUM PULLER - 4 - <4000	29.32
DRUM PULLER - 4 - <4000 (5/8 X 15000)	45.53
V GROOVE PULLER	25.52
WIRE RACK ONE POSITION	1.85
WIRE RACK TWO POSITION	1.93
WIRE RACK THREE POSITION	3.68
WIRE RACK THREE POSITION W/HYD TAKE UP	6.76
HARDLINE PULLER-10000#	51.60
HARDLINE PULLER-15000#	52.57
HARDLINE SINGLE DRUM PULLER -30000#	143.43
TENSIONER <44" BULLWHEEL	6.01
TENSIONER 52" - 72" BULLWHEEL	11.37
HARDLINE THREE DRUM PULLER - 6000#	47.71
TENSIONER 3 BUNDLE - 72" BULLWHEEL	82.97
CHALLENGER (SAG CAT)	25.00
TRACK DUMP TRUCK - 600 TO 800	20.54
TRACK DUMP TRUCK - 1500	37.58
TRACK DUMP TRUCK - 2200	49.84
TRACK DUMP TRUCK - 3300	63.82
TRACK DIGGER DERRICK W/BUCKET 1500	57.74

<u>Description</u>	<u>Hourly Rate</u>
TRACK DIGGER DERRICK W/BUCKET 3300	71.37
TRACK BUCKET 100'	109.43
TRACK SWAMP MASTER	48.50
CRANE - TRK MOUNTED 10 - 20 TON	31.46
CRANE-TRK MOUNTED 21 - 38 TON	66.46
CRANE-TRK MOUNTED W/ ENERGIZED ARM	69.98
RT CRANE - 10 - 35 TON	43.35
RT CRANE - 36 - 45 TON	48.43
RT CRANE - 46 - 65 TON	63.46
RT CRANE - 66 - 90 TON	78.62
RT CRANE - 130 TON	134.66
CRAWLER CRANE-40/50TON	43.57
MINI BACKHOE/EXCAVATOR	14.27
12/18MT EXCAVATOR	38.00
20/24MT EXCAVATOR	55.15
40/49MT EXCAVATOR	84.29
RUBBER TIRED EXCAVATOR	57.82
SKID LOADER	22.99
BACKHOE	23.18
BACKHOE WITH HAMMER	33.85
SMALL UTILITY TRACTOR	8.50
DIESEL TRACTOR	45.01
DIESEL TRACTOR W/CRANE OR POLE LOADER	45.02
TRAILER (POLE DISTRIBUTION, FRAMING, COMBO)	1.70
TRAILER (WELLS FARGO STYLE SMALL JOB TRAILER)	1.96
TRAILER (2 OR 3 AXEL BACK HOE STYLE)	3.05
TRAILER (POLE TRANSMISSION)	3.68
TRAILER (SEMI - VAN AND STEP DECK)	3.52
TRAILER (LOWBOYS)	12.71
TRAILER (HOT STICK DISTRIBUTION)	3.91
TRAILER (HOT STICK TRANSMISSION)	4.60
TRAILER (URD SPLICE / TERM)	3.91
JD 450	22.89
CAT D5 DOZER	35.48
CAT D6 DOZER	47.74
CAT D7 DOZER	56.20
CAT D8 DOZER	89.84
MEDIUM KNUCKLEBOOM FLATBED-BRIDGETRUCK	16.37
LARGE KNUCKLEBOOM FLATBED	26.48
SCISSORS/MAN LIFT	3.07
TELESCOPIC FORKLIFT	20.42
TELESCOPIC MANLIFT - 40-70 FT	28.80
TELESCOPIC MANLIFT - Over 70FT	45.30
FUEL TRUCK - SMALL	25.69
FUEL TRUCK - LARGE	60.36
WOOD MATS	0.50
COMPOSITE MATS	0.70
WALK BEHIND TRENCHER	6.67
SMALL RT TRENCHER PLOW	14.29
MEDIUM RT TRENCHER	21.89
LARGE RT TRENCHER	34.95

Description**Hourly Rate**

VIBRATORY CABLE PLOW 0-130 HP	31.69
VIBRATORY CABLE PLOW 131-200 HP	48.83
VIBRATORY CABLE PLOW 200-300HP	87.68
D7 CABLE PLOW	58.88
DELTA CLIPPER	55.75
CLIPPER - TRAC SKID LDR	26.36
MEDIUM LOADER	64.26
LARGE RT LOADER CAT 980 or Equal	90.85
XL LARGE RT LOADER CAT 988 or equal	126.57
COMPRESSOR 0-250 CFM	19.78
COMPRESSOR 251-800 CFM	28.50
COMPRESSOR 801-1600 CFM	36.21
PRESSURER DIGGER - TEXOMA	53.93
WATSON 1100 DRILL	62.65
WATSON 3100 DRILL	117.96
TEXOMA 700	62.65
FRAC TANK	4.16
CAMEL VAC/POT HOLER	17.78
HYDRO VAC	38.57
GENERATOR 0-10KW	6.39
GENERATOR 11-50KW	22.95
GENERATOR 51-125KW	38.29
GENERATOR 126-400KW	46.48
GENERATOR 401-1000KW	48.41
GROUND POUNDER	3.87
JUMPING JACK	2.53
PLATE COMPACTER	1.29
HYD. COMPACTOR	3.01
CLAY PLATE COMPACTOR	3.42
COMPACTOR	4.30
ATV	11.10
ATV - WITH TRACKS	11.82
ATV- 6X6 18" TRACKS	15.04
LIGHT PLANT	10.72

The above equipment rates include gas, oil, insurance and maintenance on equipment. These rates are subject to applicable State Sales Tax. All equipment is charged portal to portal plus transportation cost, if any.

We appreciate the opportunity to submit our rates and look forward to working with you.

Respectfully submitted,



Mark Harasha
Vice President
Michels Power
A Division of Michels Corporation

Information

Subject

Award Contract for Constrction

Information

Roll call vote awarding the 2014 Hwy 92 & I-35 Transmission Relocation Project Construction Contract to Michels Power in the amount of \$423,624.16 is in order.

Financial Impact

N/A

Staff Recommendation

Meeting Date: 01/13/2014

Information

Subject

FY 2015 Draft Budget

Information

IMU staff has prepared the attached draft of the FY 2015 budget. As a draft, it is a summarized version to help set direction so that there is consensus on spending & projects by the January 27 meeting, when Trustees will formally consider adopting the budget.

It also contains FY 2014 re-estimated amounts and FY 2016 projections. Combined, they form a 2 1/2-year financial road map for IMU over this planning cycle. It is a financial plan that needs to balance how to implement & attain the strategic goals and objectives of the organization.

The budget presentation is re-formatted from prior years to match that of the monthly financial statements. Comments are welcome on the format and what level of detail Trustees prefer. Recent presentations have focused on the broader picture of the utility, not on line item details.

It is staff's intention to produce a more comprehensive document (with both operating strategies & line item detail) for the January 27, 2014 meeting.

No action is needed on this agenda item, however discussion is encouraged.

Financial Impact

N/A

Staff Recommendation

Attachments

Budget draft

INDIANOLA MUNICIPAL UTILITIES



Electric • Network Services • Water

FY 2014 – 2016

ELECTRIC, WATER, COMMUNICATIONS &
ADMINISTRATION BUDGET

JANUARY 13, 2014

IMU Electric Utility

EL Combined and O&M Summaries:

Revenue-

- Slightly FY 2014 higher kWh sales at lower-than-budget rate per kWh due to keeping rates stable this calendar year.
- Rate increases of 5.9% effective January 1, 2015 & 2016
- One-time \$340,000 refunding (income) of loan from Water Utility to fund increased reserve targets
- Return on CAPX investment starting in FY 2015 at \$40,000 per year
- Relatively stable other revenue

Expenditures-

- FY 2014 Re-Estimated Purchased Energy higher than expected due to \$325,000 in Pooled Energy Adjustment imposed by MEAN for its FY 2014
 - Higher amount of on-peak market purchases
 - Higher rate per MWh paid
- FY 2015 Purchased Energy significantly higher than expected at 12.8% plus the local cost of increased MEC transmission rates and landfill gas project; projected 5% increases for FY 2016 may end up low
 - FY 2014 operating results will end below targets
 - Termination of Basin (non-member) contract in April means those kWhs will be sold at market rates, which are lower than were under contract
 - Member kWh sales also down leaving more market sales at lower prices
 - Needs revenues & cash to maintain ratios for continued financial stability
 - Debt service coverage ratio falling to 1.16x with rate increases
 - Target of 71 days cash on hand
 - Fixed cost coverage at 1.03; below minimum “A” target of 1.10
 - A&G increases due to increased complexity of operating in 3 regions
- Salaries & Benefits assume hiring of 2 additional lineman

- Reduction of targeted Energy Efficiency dollars to .75% of rate revenue from 1% to reflect higher retail rates without corresponding cost increase of rebates & projects
- Reduction of Community Projects from \$30,000 to \$20,000 in future years to reflect anticipated requests
- Increased Payment in Lieu of Taxes
- Higher Worker's Comp (FY 2015) and Health Insurance (FY 2016) premiums

Net Income, Reserves & Ratios-

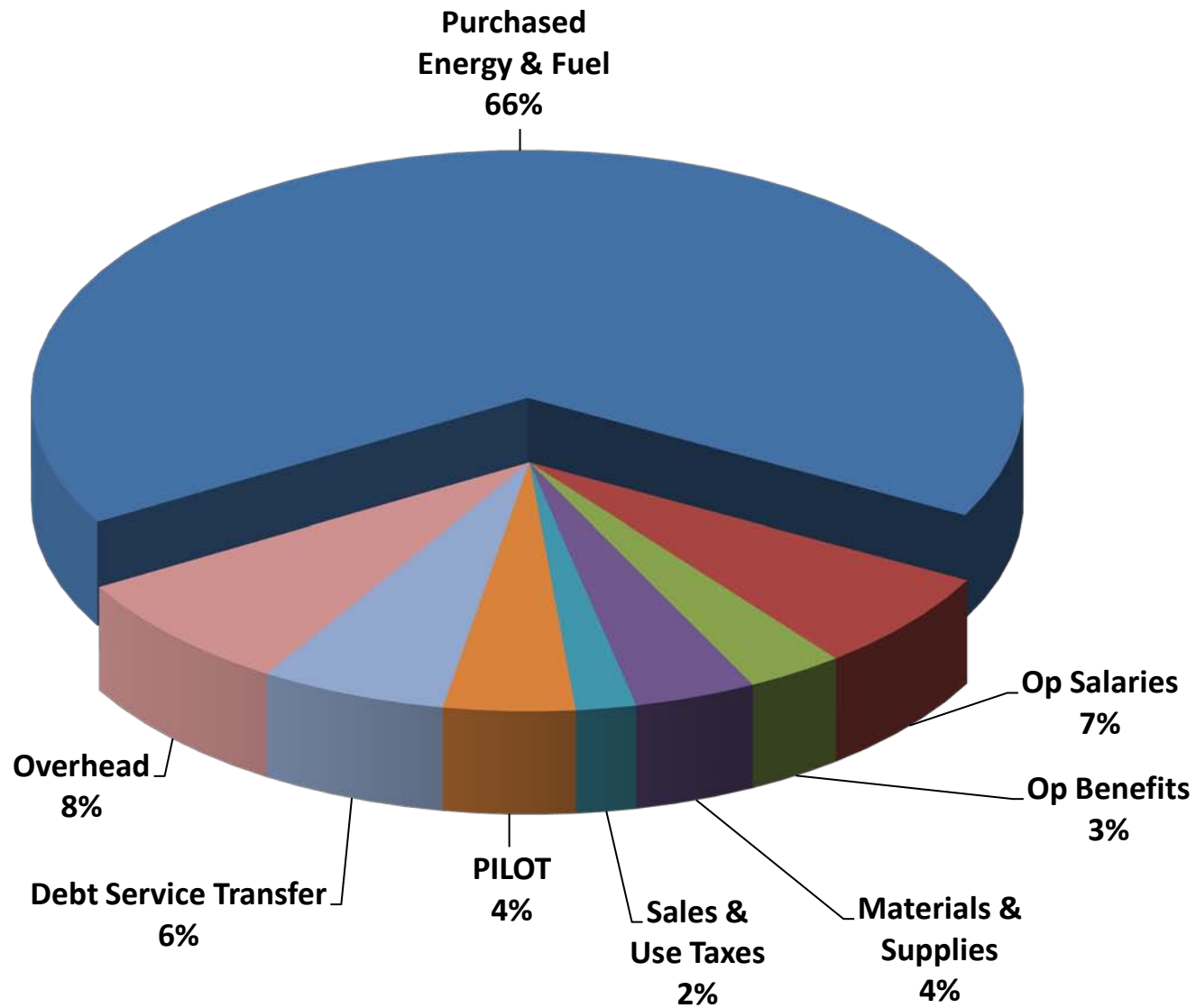
- Essentially breaking even in FY 2014; significant losses projected in FY 2015 & FY 2016 even with the recommended rate increases
- Lowering the Capital Fund Reserve Target from 4% to 3.5% of deployed assets slows the rate of growth in total reserves; appropriate with lack of new debt
- Days cash on hand for O&M activities falls until it stabilizes; targeting within the range to hold an “A” rating
- Debt service coverage meets minimum standards in FY 2015 to preserve access to credit markets/bond rating in the future; lower debt service

EL - Combined	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Sales of Electricity & Peaking	\$ 11,939,000	\$ 11,620,400	\$ 11,952,000	\$ 331,600	\$ 12,743,000
Sales Taxes	321,200	250,000	260,000	10,000	275,000
Other	1,225,000	1,376,400	1,408,700	32,300	1,403,100
Total O&M Revenue	\$ 13,485,200	\$ 13,246,800	13,620,700	373,900	\$ 14,421,100
Expenditures:					
Purchased Energy & Fuel	\$ 7,797,000	\$ 8,092,000	\$ 8,923,000	\$ 831,000	\$ 9,416,100
Operational Salaries	750,100	804,900	887,700	82,800	914,400
Operational Benefits	377,800	370,400	425,400	55,000	461,300
Materials, Suppl. & Contracts	518,300	532,100	535,700	3,600	536,800
Sales Taxes & Use Taxes	326,200	255,000	265,000	10,000	280,000
PILOT	538,700	538,700	577,100	38,400	587,400
Debt Service - Interest Only	792,800	307,800	278,300	(29,500)	263,800
Overhead, Admin & EE	1,080,500	948,300	1,052,200	103,900	1,082,900
Depreciation (Est)	1,328,500	1,328,500	1,368,400	39,900	1,409,500
Total O&M Expenses	\$ 13,509,900	\$ 13,177,700	14,312,800	1,135,100	\$ 14,952,200
Net Income (Operating & Other)	\$ (24,700)	\$ 69,100	(692,100)	(761,200)	\$ (531,100)
Capital Activities:					
Major Maintenance via Capital Fund	\$ (195,000)	\$ (167,500)	\$ (135,000)	\$ 32,500	\$ (65,000)
Capital Contributions (Fiber)	119,500	182,500	199,000	16,500	217,000
Capital Contributions (Electric)	41,700	47,900	41,700	(6,200)	41,700
Net Income	\$ (58,500)	\$ 132,000	(586,400)	(718,400)	\$ (337,400)

EL - Combined	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Cash Flow:					
Net Income + Depreciation	\$ 1,270,000	\$ 1,460,500	\$ 782,000	\$ (678,500)	\$ 1,072,100
Water Loan Principal	214,800	554,800	220,200	(334,600)	225,800
Debt Service Principal	(555,000)	(1,040,000)	(540,000)	500,000	(555,000)
Debt Service Reserve Change	-	-	-	-	-
Capital Contributions (Developers)	925,000	1,885,100	125,000	(1,760,100)	125,000
Proceeds from Debt Issues	5,000,000	-	-	-	-
Capital Projects	(1,160,600)	(4,192,400)	(790,000)	3,402,400	(968,000)
Designated for Future Projects	-	-	-	-	-
Net Cash Flow	\$ 5,694,200	\$ (1,332,000)	\$ (202,800)	\$ 1,129,200	\$ (100,100)
Ending O&M and Capital Fund Balances:	\$ 11,550,500	\$ 4,524,300	\$ 4,321,500		\$ 4,221,400
Designated for Future Projects	5,000,000	-	-		-
Reserve Targets	3,785,900	3,696,900	3,959,500		4,168,000
Over/(Under)	\$ 2,764,600	\$ 827,400	\$ 362,000	\$ (465,400)	\$ 53,400
Days Cash on Hand of O&M Activities	187.72	128.12	116.98		109.30
Debt Service Coverage Ratio w/o PILOT	1.53	1.31	1.30		1.63
Debt Service Coverage Ratio w/ PILOT	1.93	1.71	2.00		2.35

630 - EL O&M Fund

	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Sales of Electricity & Peaking	\$ 11,939,000	\$ 11,620,400	\$ 11,952,000	\$ 331,600	\$ 12,743,000
Sales Taxes	321,200	250,000	260,000	10,000	275,000
Other	700,000	558,000	529,600	(28,400)	524,000
Fund Revenue	\$ 12,960,200	\$ 12,428,400	12,741,600	313,200	\$ 13,542,000
Expenditures:					
Purchased Energy & Fuel	\$ 7,797,000	\$ 8,092,000	\$ 8,923,000	\$ 831,000	\$ 9,416,100
Operational Salaries	750,100	804,900	887,700	82,800	914,400
Operational Benefits	377,800	370,400	425,400	55,000	461,300
Materials, Suppl. & Contracts	518,300	532,100	535,700	3,600	536,800
Sales Taxes & Use Taxes	326,200	255,000	265,000	10,000	280,000
PILOT	538,700	538,700	577,100	38,400	587,400
Debt Service	1,347,800	1,347,800	818,300	(529,500)	818,800
Overhead, Admin & EE	1,080,500	948,300	1,052,200	103,900	1,082,900
Fund Expenditures	\$ 12,736,400	\$ 12,889,200	13,484,400	595,200	\$ 14,097,700
O&M Activities Cash Flow:	\$ 223,800	\$ (460,800)	(742,800)	(282,000)	\$ (555,700)
Capital Fund Transfer (Out) In	\$ (770,000)	\$ -	\$ 650,000	\$ 650,000	\$ 400,000
Water Loan Principal In	214,800	554,800	220,200	(334,600)	225,800
O&M Fund Cash Flow:	\$ (331,400)	\$ 94,000	\$ 127,400	\$ 33,400	\$ 70,100
Ending Fund Balances:	\$ 1,565,600	\$ 1,991,000	\$ 2,118,400	\$ 127,400	\$ 2,188,500
17% Reserve Target	1,881,400	1,919,600	2,109,100	189,500	2,210,600
Over/Under Reserve Target	\$ (315,800)	\$ 71,400	\$ 9,300	\$ (62,100)	\$ (22,100)



■ Purchased Energy & Fuel ■ Op Salaries ■ Op Benefits ■ Materials & Supplies ■ Sales & Use Taxes ■ PILOT ■ Debt Service Transfer ■ Overhead

**Average Revenue Collected
per kWh 2012**

per kWh 2012	Res	Comm	Ind	WAPA	Notes
Comparable size:					
Spencer City of	6.8	6.9	6.5	Y	
Denison City of	7.0	5.7	5.2	Y	
Atlantic Municipal Utilities	7.5	6.7	4.8	Y	
Sioux Center City of	8.7	8.3	7.2	Y	
Algona City of	9.5	8.3	5.2	N	
Indianola Municipal Utilities	10.0	9.1	6.8	N	IMU ranks last in Ind kWh sold (demand charge impact)
Webster City City of	11.1	9.9	7.5	N	
Pella City of	11.1	11.5	7.9	N	
Waverly Municipal Elec Utility	12.4	10.6	7.8	N	
Independence City of	17.1	11.3	8.7	N	
<u>Investor owned:</u>					
Interstate Power and Light Co	13.0	9.0	5.8	N	
MidAmerican Energy Co	8.8	6.8	4.3	N	
<u>Largest municipals:</u>					
Ames City of	11.4	8.5	7.6	N	
Cedar Falls Utilities	9.1	6.6	6.3	N	
Muscatine Board of Water Elec &	8.6	6.4	4.7	N	

Electric Capital Fund Summary:

- Transitioned to declaring revenue from capital-based sources, then transferring funds to the O&M fund when subsidizing O&M revenues & rates
 - MISO, CAPX2020, Capacity Payments, etc.
 - Water loan principal payment is built into today's retail rate base; will end in 2021
 - Average of about \$500,000 transferred to O&M over the 3-year period
 - Cash flow in FY 2016 after normal/minimal capital projects is slightly negative; does not bode well for FY 2017+
- F& 2014 re-estimate reflects IDOT & MEC reimbursements for West Hwy 92 projects
- Minimal new construction as presented in the 5-year CIP
 - Complete Summercrest Hills loop
 - N. Howard fiber/cabinet installation
 - Customer-paid
 - Streetlights

730 - EL CAP Fund

	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Capital Contributions (Fiber)	\$ 119,500	\$ 182,500	\$ 199,000	\$ 16,500	\$ 217,000
Capital Contributions (Electric)	166,700	191,700	166,700	(25,000)	166,700
Capital Contributions (Reimb)	800,000	1,741,300	-	(1,741,300)	-
Water Loan Principal	214,800	554,800	220,200	(334,600)	225,800
Proceeds from Debt	5,000,000	-	-	-	-
Other	525,000	818,400	879,100	60,700	879,100
Fund Revenue	\$ 6,826,000	\$ 3,488,700	\$ 1,465,000	\$ (2,023,700)	\$ 1,488,600
Expenditures:					
Major Maintenance (Est.)	\$ 195,000	\$ 167,500	\$ 135,000	\$ (32,500)	\$ 65,000
Vehicles	150,000	189,300	200,000	10,700	325,000
Relocations & Conversions	235,000	4,018,100	182,000	(3,836,100)	60,000
New Developments & Line Repl	141,000	138,000	138,000	-	138,000
Network Services	414,600	327,100	225,000	(102,100)	225,000
Other/Stock (Out) In	220,000	(480,100)	45,000	525,100	220,000
Fund Expenditures	\$ 1,355,600	\$ 4,359,900	\$ 925,000	\$ (3,434,900)	\$ 1,033,000
Capital Activities Cash Flow:					
Capital Fund Transfer (Out) In	\$ 555,200	\$ (554,800)	\$ (870,200)	\$ (315,400)	\$ (625,800)
Designated for Future Projects	-	-	-	-	-
Capital Fund Cash Flow:	\$ 6,025,600	\$ (1,426,000)	\$ (330,200)	\$ 1,095,800	\$ (170,200)
Ending Fund Balances:	\$ 9,984,900	\$ 2,533,300	\$ 2,203,100		\$ 2,032,900
4.0% & 3.5 %Reserve Target	\$ 1,904,500	\$ 1,777,300	\$ 1,850,400		\$ 1,957,400
Designated for Future Projects	5,000,000	-	-		-
Over/Under Reserve Target	\$ 3,080,400	\$ 756,000	\$ 352,700	\$ (403,300)	\$ 75,500

Pros/Cons:

- Definable reasons for increased retail rates
- Maintain a recoverable pace of short-term losses; will eventually need to stabilize better in the future
- Maintain creditworthy targets for reserves & ratios
- Make some progress on the outside plant & maintain equipment; lack of spending won't impact the FY 2015 coverage ratio constraint
- Tighter cost estimates leave downside risk to weather patterns and another wholesale Purchased Energy Adjustment
- Manage the linemen retirement transition over the next 3-5 years
- Use existing \$75,000 Revolving Loan Fund balance as local match for \$300,000 USDA-RD grant to establish a 2nd larger loan fund

IMU Water Utility

- Reserves maintain policy of 2% of deployed assets + 17% of O&M Expenses
- No rate increases projected or anticipated
- Stable operating costs
- Negative cash flow due to proactive capital projects; those can be adjusted once reserves return to targets
- Debt retirement pending in FY 2017 will free up cash flow for projects as needed

WA - Combined	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Sales of Water	\$ 2,153,000	\$ 2,252,200	\$ 2,154,100	\$ (98,100)	\$ 2,154,100
Sales Taxes	129,200	135,100	129,200	(5,900)	129,200
Other	121,300	156,200	141,100	(15,100)	136,100
Total O&M Revenue	\$ 2,403,500	\$ 2,543,500	2,424,400	(119,100)	\$ 2,419,400
Expenditures:					
Operational Salaries	363,500	378,200	405,800	27,600	417,900
Operational Benefits	164,800	159,500	178,300	18,800	192,500
Materials, Suppl. & Contracts	353,500	356,200	358,500	2,300	372,200
Sales Taxes & Use Taxes	129,200	135,100	129,200	(5,900)	129,200
PILOT	70,800	70,800	68,300	(2,500)	69,800
Debt Service - Interest Only	88,100	85,000	75,900	(9,100)	65,000
Overhead, Admin & EE	200,500	189,200	199,800	10,600	205,400
Depreciation (Est)	575,000	575,000	585,000	10,000	595,000
Total O&M Expenses	\$ 1,945,400	\$ 1,949,000	2,000,800	51,800	\$ 2,047,000
Net Income (Operating & Other)	\$ 458,100	\$ 594,500	423,600	(170,900)	\$ 372,400
Capital Activities:					
Major Maintenance via Capital Fund	\$ (85,000)	\$ (85,000)	\$ (85,000)	\$ -	\$ (25,000)
Net Income	\$ 373,100	\$ 509,500	338,600	(170,900)	\$ 347,400

Cash Flow:

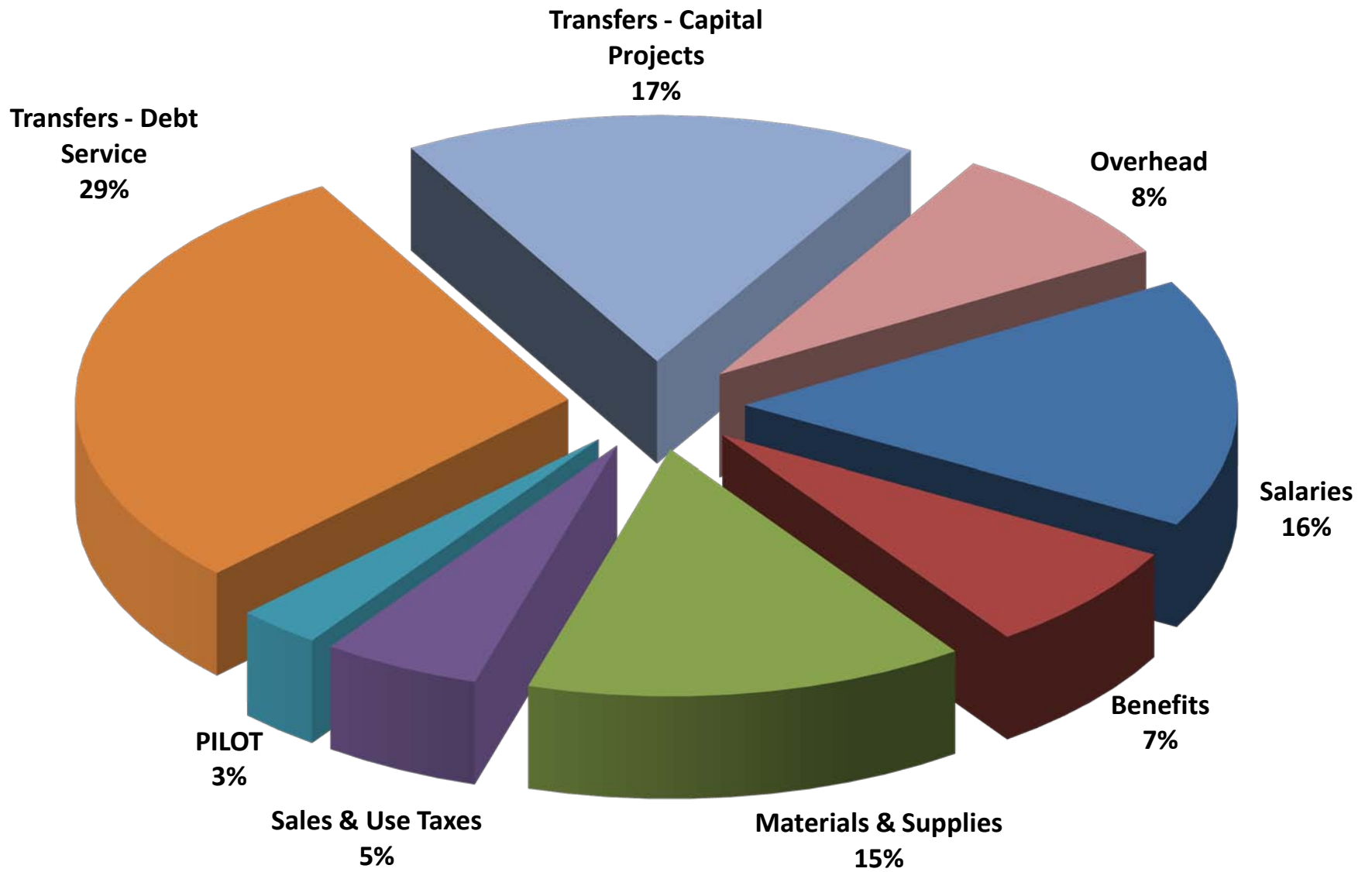
Net Income + Depreciation	\$ 948,100	\$ 1,084,500	\$ 923,600	\$ (160,900)	\$ 942,400
Sale of Land	-	20,000	20,000	-	20,000
Debt Service Principal	(1,056,700)	(979,200)	(645,200)	334,000	(650,800)
Debt Service Reserve Change	-	-	-	-	-
Capital Contributions (Developers)	-	-	-	-	-
Proceeds from Debt Issues	-	-	-	-	-
Capital Projects	(635,000)	(540,000)	(495,000)	45,000	(515,000)
Designated for Future Projects	-	-	-	-	-
Net Cash Flow	\$ (743,600)	\$ (414,700)	\$ (196,600)	\$ 218,100	\$ (203,400)

Ending O&M and Capital Fund Balances:	\$ 784,500	\$ 1,113,400	\$ 916,800	\$ 713,400
Designated for Future Projects	-	-	-	-
Reserve Targets	631,300	666,600	686,500	703,900
Over/(Under)	\$ 153,200	\$ 446,800	\$ 230,300	\$ (216,500)

Days Cash on Hand of O&M Activities	22.48	31.53	24.82	18.47
Debt Service Coverage Ratio w/o PILOT	0.91	1.10	1.39	1.41
Debt Service Coverage Ratio w/ PILOT	0.97	1.17	1.48	1.50

600 - WA O&M Fund

	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Sales of Water	\$ 2,153,000	\$ 2,252,200	\$ 2,154,100	\$ (98,100)	\$ 2,154,100
Sales Taxes	129,200	135,100	129,200	(5,900)	129,200
Other	121,300	156,200	141,100	(15,100)	136,100
Fund Revenue	\$ 2,403,500	\$ 2,543,500	2,424,400	(119,100)	\$ 2,419,400
Expenditures:					
Operational Salaries	363,500	378,200	405,800	27,600	417,900
Operational Benefits	164,800	159,500	178,300	18,800	192,500
Materials, Suppl. & Contracts	353,500	356,200	358,500	2,300	372,200
Sales Taxes & Use Taxes	129,200	135,100	129,200	(5,900)	129,200
PILOT	70,800	70,800	68,300	(2,500)	69,800
Debt Service	1,144,800	1,064,200	721,100	(343,100)	715,800
Overhead & Admin	200,500	189,200	199,800	10,600	205,400
Fund Expenditures	\$ 2,427,100	\$ 2,353,200	2,061,000	(292,200)	\$ 2,102,800
O&M Activities Cash Flow:	\$ (23,600)	\$ 190,300	363,400	173,100	\$ 316,600
Capital Fund Transfer (Out) In	\$ (150,600)	\$ (18,000)	\$ (420,300)	\$ (402,300)	\$ (420,300)
Debt Service Reserve Change	-	-	-	-	-
O&M Fund Cash Flow:	\$ (174,200)	\$ 172,300	\$ (56,900)	\$ (229,200)	\$ (103,700)
Ending Fund Balances:	\$ 29,000	\$ 375,500	\$ 318,600	\$ (56,900)	\$ 214,900
17% Reserve Target	196,000	196,100	205,700	9,600	213,800
Over/Under Reserve Target	\$ (167,000)	\$ 179,400	\$ 112,900	\$ (66,500)	\$ 1,100



■ Salaries ■ Benefits ■ Materials & Supplies ■ Sales & Use Taxes ■ PILOT ■ Transfers - Debt Service ■ Transfers - Capital Projects ■ Overhead

700 - WA CAP Fund

	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Other (Sale of Land)	-	20,000	20,000	-	20,000
Fund Revenue	\$ -	\$ 20,000	\$ 20,000	\$ -	\$ 20,000
Expenditures:					
Vehicles	25,000	25,000	40,000	15,000	-
Water Towers	-	-	-	-	-
Plant	250,000	180,000	200,000	20,000	240,000
Wells	50,000	80,000	80,000	-	-
Water Mains	360,000	305,000	225,000	(80,000)	265,000
Other	35,000	35,000	35,000	-	35,000
Fund Expenditures	\$ 720,000	\$ 625,000	\$ 580,000	\$ (45,000)	\$ 540,000
Capital Activities Cash Flow:					
Capital Fund Transfer (Out) In	\$ 150,600	\$ 18,000	\$ 420,300	\$ 402,300	\$ 420,300
Designated for Future Projects	-	-	-	-	-
Capital Fund Cash Flow:	\$ (569,400)	\$ (587,000)	\$ (139,700)	\$ 447,300	\$ (99,700)
Ending Fund Balances:	\$ 755,500	\$ 737,900	\$ 598,200		\$ 498,500
Reserve Target	\$ 435,300	\$ 470,500	\$ 480,800		\$ 490,100
Designated for Future Projects	-	-	-		-
Over/Under Reserve Target	\$ 320,200	\$ 267,400	\$ 117,400	\$ (150,000)	\$ 8,400

Communications Utility Capital Funds

- Lease payments received from public entities and MCG
- Moderate & rising take rate
- Potential need for splicing trailer; may split with MCG
- EMERGE Hub contribution at \$100,000 for videoconferencing room if the Temple building project moves forward in FY 2015

640 - NS O&M Fund	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
Fiber License Payments	\$ 234,000	\$ 228,200	\$ 306,400	\$ 78,200	\$ 362,200
Other	13,500	5,000	5,000	-	5,000
Fund Revenue	\$ 247,500	\$ 233,200	311,400	78,200	\$ 367,200
Expenditures:					
Salaries	\$ 20,000	\$ 10,000	\$ 10,600	\$ 600	\$ 11,000
Benefits	3,300	1,700	1,700	-	1,900
Materials, Suppl. & Contracts	284,000	231,000	365,500	134,500	243,500
Overhead, Admin & EE	99,900	96,400	99,500	3,100	102,600
Fund Expenditures	\$ 407,200	\$ 339,100	477,300	138,200	\$ 359,000
O&M Activities Cash Flow:	\$ (159,700)	\$ (105,900)	(165,900)	(60,000)	\$ 8,200
Electric CIAC (Out) In					
O&M Fund Cash Flow:	\$ (159,700)	\$ (105,900)	(165,900)	(60,000)	\$ 8,200
Ending Fund Balances:	\$ 269,300	\$ 323,100	\$ 157,200		\$ 165,400
17% Reserve Target	69,200	57,600	81,100		61,000
Designated for Future Projects	-	-	-		-
Over/Under Reserve Target	\$ 200,100	\$ 265,500	\$ 76,100	\$ (189,400)	\$ 104,400
Customers:					
Commercial		125	140		155
Residential		220	370		430

620 - ADM O&M Fund	FY 2014 BUDGET	FY 2014 RE-EST	FY 2015 BUDGET	CHANGE	FY 2016 PROJECTIONS
Revenue:					
IMU Transfers In	\$ 995,500	\$ 937,700	\$ 994,500	\$ 56,800	\$ 1,027,900
City Transfers In	18,000	18,000	18,000	-	18,500
Fund Revenue	\$ 1,013,500	\$ 955,700	1,012,500	56,800	\$ 1,046,400
Expenditures:					
Salaries	\$ 300,900	\$ 305,700	\$ 317,400	\$ 11,700	\$ 326,300
Benefits	159,500	143,600	150,200	6,600	160,700
Materials, Suppl. & Contracts	202,400	166,800	180,500	13,700	179,400
Overhead, Admin, Shared Staff	346,200	339,600	364,400	24,800	380,000
Fund Expenditures	\$ 1,009,000	\$ 955,700	1,012,500	56,800	\$ 1,046,400
O&M Fund Cash Flow:	\$ 4,500	\$ -	-	-	\$ -

Information

Subject

Timetable for Hiring Open Positions

Information

The promotion of the Lead Operator and Inventory Specialist/Storekeeper to Apprentice Lineman has led to two new openings. Staff posted these positions internally to determine interest.

We have 3 internal candidates for the two positions, two of which are lineman. Staff is planning to interview the candidates this coming week, following discussion at this meeting. Staff is highly comfortable that these positions can be filled internally. There is potential for a promotion of a Lineman to Lead Lineman in this process, also.

The end result of this rotation is that there will be up to two open lineman positions, which is the point at which this process began. If hiring proceeds next week, it may be the end of February before the eventually-open lineman positions are filled, so there will have been 2 months of cost savings compared to the original timetable.

From an ongoing expense standpoint, the result of the internal rotation of positions and new hires will be roughly the same over the next 4 years as the original staffing plan in November, presuming that we will be able to use internal labor for resident review of construction projects vs. contracted labor. Also, the two lineman that applied for other positions are able to cover on-call shifts.

When finally hired, 4 of the 8 lineman will be in the apprenticeship program over the next 4-5 years. We will have up to 3 other positions (when including the Superintendent) trained as lineman but not actively working on the system on a daily basis. They will be a valuable resource available to the department, however, during at least some of the that time frame (until they too retire or take on other duties).

To recap, the reason this is a strategic priority is that 4 lineman & the superintendent are eligible for retirement over this same 5-year period. It will take at least 2 years before the apprentices can cover on-call shifts.

Financial Impact

N/A

Staff Recommendation

IMU Regular Upstairs

7. C.

Meeting Date: 01/13/2014

Information

Subject

Format of Meetings

Information

Please note the News Item pertaining to the availability of Council Chambers and discuss the topic if it is of interest to Trustees to change the format or location of regular meetings.

Financial Impact

N/A

Staff Recommendation
