

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, January 10, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, Peter Horne and Craig Kroger. Absent: None.

The meeting was called to order at 5:30 p.m. in the HMU boardroom by Chairman Pattison.

Moved by Kohorst, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Kohorst, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of December 13, 2001; B) Approve Abstract of Claims No. 731 in the amount of \$190,724.10 and payment of same; C) Approve Next Regular Board Meeting Date of January 24, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Burchett - Aye (Horne not yet present). Motion carried unanimously.

Moved by Pattison, seconded by Kroger, to appoint Kohorst as Chairman and Burchett as Vice Chair of the HMU Board of Trustees for the next year. Motion carried unanimously.

Moved by Burchett, seconded by Kohorst, to approve the IAMU Special Assessment to help fund the telephony deregulation case, in the amount of \$580. Motion carried unanimously.

Moved by Kohorst, seconded by Burchett, to approve funding for DevelopSource for the next fiscal year, 2002 - 2003. Motion carried unanimously.

Doug Hammer, Director of Marketing & Stakeholder Relations, gave a briefing on the Marketing Department. No Board Action was taken.

Moved by Kohorst, seconded by Kroger, to approve HMU General Policy #15, Installation of Utility Infrastructure for New, In-Fill, Affordable Housing, as amended. Motion carried unanimously.

Following the General Manager's report, moved by Kohorst, seconded by Burchett, to go into Closed Session, pursuant to Iowa Code 388.9, to discuss competitive issues. A roll call vote was taken on the motion, as follows: Pattison - Aye; Kroger - Aye; Kohorst - Aye; Burchett - Aye; Horne - Aye. Motion carried unanimously.

The Board entered closed session at 6:20 p.m.

Closed session was exited at 8:05 p.m.

Moved by Burchett, seconded by Kroger, for the Telecommunications Department to investigate all options on pricing incentives & bundling of Telecommunications services and report back to the Board. Motion carried unanimously.

Moved by Burchett, seconded by Kohorst, that the Chief Executive Officer and Chief Financial Officer research financial institutions to obtain a line of credit for the Telecommunications Department, Telephone Division, to cover bond payments as a result of delayed revenue. Motion carried unanimously.

There being no further business, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, W. A. "Pat" Pattison

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, Kathleen Kohorst

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, January 24, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, Peter Horne and Craig Kroger. Absent: None.

The meeting was called to order at 5:30 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Horne, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Pattison, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of January 10, 2002; B) Approve Abstract of Claims No. 732 in the amount of \$694,317.08 and payment of same; C) Approve Next Regular Board Meeting Date of February 14, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Burchett - Aye; Horne - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Horne, to approve publication of 2001 Gross Wages, as follows:

Susan Anderson, \$25,899.10; Sherry Behrendt, \$14,238.02; Evelyn Bergstrom, \$662.64; Richard Bielenberg, \$36,279.97; Kevin Bissen, \$35,828.91; Ron Block, \$36,078.34; Denise Buttry, \$27,794.57; Larry Buttry, \$42,442.96; Roger Christensen, \$4,618.71; David Clark, \$31,084.33; Lewis Clark, \$39,554.09; Charlie Conrad, \$35,675.97; Fran Cooper, \$248.00; Cole Custer, \$33,284.96; Terry Derby, \$46,246.33; John Doonan, \$30,890.36; Steven Dresen, \$39,859.98; Herbert T. Gaffigan, \$52,708.56; Darwin Gessert, \$24,803.57; Dean Gessert, \$37,984.38; Stephen Gessert, \$25,020.38; David Goede, \$37,486.35; Debra Goeser, \$9,457.74; Douglas Hammer, \$37,611.21; Tom Hansen, \$35,797.32; Tim Hodapp, \$34,183.42; Ken Holloway, \$37,199.63; Al Ickes, \$40,538.79; Scott Jensen, \$48,472.00; Larry Link, \$56,884.67; Kris Mickelson, \$10,032.21; Dan Murray, \$38,034.83; Randy Musich, \$45,566.25; Mark Nelsen, \$20,518.78; Jane Nielsen, \$29,513.66; Dan Olsen, \$78,769.31; Steve Patten, \$39,458.80; Pam Pedersen, \$29,935.23; Andrew Peterson, \$7,834.75; Jason Peterson, \$15,537.01; Gerald Quick, \$71,926.29; Joshua Underwood, \$8,178.58; Shane Walde, \$8,206.59; Paul Wingert, \$23,012.95; Christine Wiskus, \$18,483.15.

Motion carried unanimously.

Gary Haltaufderheide of Civic Systems was present to give a short presentation on the company and the Customer Information System/Financial Information System proposal. Moved by Burchett, seconded by Pattison, to accept the proposal. Motion carried unanimously.

Moved by Burchett, seconded by Horne, to approve the Fiscal Year 2002 - 2003 budgets, with an amendment to increase software conversion expenses by \$25,000 to cover the Civic Systems proposal and training. Motion carried unanimously.

Burce Burger was present to address the Board regarding the new General Policy #15, Installation of Utility Infrastructure for New, In-Fill, Affordable Housing. Chairman Kohorst recommended this item be put on the agenda for the next regular Board meeting.

Moved by Pattison, seconded by Burchett, to approve the Strategic Plan/Goals & Expectations of the Chief Executive Officer, as amended. Motion carried unanimously.

Moved by Horne, seconded by Kroger, to amend the Fiscal Year 2002 - 2003 budget to include \$7,500.00 per month for economic development. Motion carried (3-2).

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, February 14, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Peter Horne and Craig Kroger. Absent: Allen Burchett.

The meeting was called to order at 5:30 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Pattison, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of January 24, 2002; B) Approve Abstract of Claims No. 732 in the amount of \$694,317.08 and payment of same. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye. (Horne not yet present.) Motion carried unanimously.

Dave Dunfee of USDA was present to discuss the USDA Emergency Community Water Assistance Grant. Moved by Horne, seconded by Kroger, to sign the grant. Motion carried unanimously.

Tim Ernst, P & E Engineering, was present to discuss the findings of the Electric System Capacity Analysis. Moved by Pattison, seconded by Horne, to send a letter to MidAmerica Energy Company declining to join their partnership. Motion carried unanimously.

Pat Hall, Southwest Iowa Planning Council, was present to discuss HMU participating in a Local Housing Assistance Program, involving 16 units at an infrastructure cost of \$2000 per home. A subcommittee will meet to develop a recommendation to the Board.

Moved by Horne, seconded by Kroger, to approve amending the FY 2002 - 2003 budget by adding \$12,500 for rebuilding the bucket truck (Capital Item) and \$15,000 for maintenance of the two new generators (Expense Item). Motion carried unanimously.

Moved by Pattison, seconded by Kroger, to approve moving \$2,993.85 from Water contingency funds for Automatic Switchover Regulator and related equipment. Motion carried unanimously.

Chief Financial Officer Larry Link reported on bids he had received for a new office server. The bids were read, as follows:

Sorensen's Computer Connection	\$5,650.35
Farm Service Coop (Gateway)	\$5,865.00
Farm Service Coop (Dell)	\$5,620.00

Following discussion, moved by Horne, seconded by Kroger, to accept the bid from Sorensen's Computer Connection. Motion carried unanimously.

The Board discussed and decided to cancel the regular Board meeting of February 28. The next meeting will be held Thursday, March 14, 2002.

Following the General Manager's report, moved by Horne, seconded by Pattison, to enter closed session pursuant to Iowa Code 388.9, "to discuss marketing and pricing strategies, or proprietary information." A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Horne - Aye. Motion carried unanimously.

Closed session entered at 7:15 p.m.

Closed session exited at 7:45 p.m. No further Board action was taken upon return to open session.

There being no further business, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, March 14, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, Peter Horne and Craig Kroger. Absent: none.

The meeting was called to order at 5:30 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Horne, to approve the agenda. Motion carried unanimously.

Moved by Horne, seconded by Pattison, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of February 14, 2002; B) Approve Abstract of Claims No. 735 in the amount of \$499,721.47 and payment of same; C) Approve next board meeting date of March 28, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Burchett - Aye; Horne - Aye. Motion carried unanimously.

A representative from SWIPCO was present to discuss a proposal for the Local Housing Assistance Program Application for the City of Harlan for the North Park neighborhood. Moved by Horne, seconded by Burchett, to support the City of Harlan application to the FY 2002 LHAP Program. Motion carried unanimously.

Discussion was held on General Policy #15, Utility Infrastructure to Affordable New Housing. No board action was taken.

It was decided to move the start time of the March 28, 2002, Board of Trustees meeting to 4:00 p.m.

Chief Executive Officer Tom Gaffigan presented the three bids for Padmount Electric Switchgear, as follows:

Wesco	\$10,798	15 weeks lead time
Kriz Davis	\$11,336	15 weeks lead time
Burmeister Electric	\$ 8,145	10 weeks lead time

Moved by Burchett, seconded by Horne, to approve the low bid of Burmeister Electric, pending management review of the specs. Motion carried unanimously.

Moved by Kohorst, seconded by Pattison, to approve amending the minutes of the February 14, 2002, Board meeting to accurately reflect the bids for the office server as presented at that time. The two bids from Farm Service Coop did not include a \$50 shipping/handling charge, consideration of which resulted in the bid from Sorensen's Computer Connection being the low bid. Motion carried unanimously.

Following the General Manager's report, moved by Pattison, seconded by Horne, to enter closed session pursuant to Iowa Code 388.9, "to discuss marketing and pricing strategies, or proprietary information." A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Burchett - Aye; Horne - Aye. Motion carried unanimously.

Closed session entered at 6:05 p.m.

Closed session exited at 7:26 p.m.

Upon return to open session, moved by Horne, seconded by Pattison, to approve a short-term capital loan of \$400,000 total to the Telecommunications Department, with \$200,000 coming from the Gas Department and \$200,000 from the Electric Department, with an interest rate to be determined by HMU bonding counsel, due at the end of the second year. Motion carried unanimously.

There being no further business, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, March 28, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, and Craig Kroger. Absent: Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Pattison, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Pattison, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of March 14, 2002; B) Approve Abstract of Claims No. 736 in the amount of \$293,628.17 and payment of same; C) Approve next board meeting date of April 11, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Burchett - Aye. Motion carried unanimously.

Scott Jensen, Gas/Meter Superintendent, gave a report on projects and activities in the Gas/Meter Department. No Board action was taken.

Moved by Burchett, seconded by Pattison, to approve agreement for Telecommunications contracting services with Utili-Comm, of Omaha. Motion carried unanimously.

Bids for 7,500 feet of underground primary wire were received and read as follows:

WESCO	\$1.385 per foot	Total \$10,387.50 plus tax
Crescent Electric	\$1.31 per foot	Total \$9,825.00 plus tax

Moved by Pattison, seconded by Kroger, to approve the low bid from Crescent Electric. Motion carried unanimously.

Moved by Pattison, seconded by Burchett, to approve the "Resolution Authorizing Loan to Telephone Utility from Electric and Gas Utility. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye; Burchett - Aye. Motion carried unanimously.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Allen Burchett

TRUSTEE, Craig Kroger

TRUSTEE, Peter N. Horne

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, April 11, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, and Craig Kroger. Absent: Peter Horne.

The meeting was called to order at 5:30 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Pattison, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of March 28, 2002; B) Approve Abstract of Claims No. 737 in the amount of \$1,129,779.43 and payment of same; C) Approve next board meeting date of April 25, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Kohorst - Aye. Motion carried unanimously. (Burchett not yet present.)

Moved by Kroger, seconded by Pattison, to approve the agreement with WAPA for ancillary services. Motion carried unanimously.

Discussion was held regarding an offer from Northern Natural Gas/Dynegy to operate an odorant station for our natural gas supply. Item was tabled until the next meeting, as the offer was not received by meeting time.

Moved by Burchett, seconded by Kroger, to approve carryover of five (5) days vacation for Chief Executive Officer into the next contract year. Motion carried unanimously.

Discussion was held on the current situation in the Telecommunications Department, as a full-time employee is on long-term military leave. CEO Tom Gaffigan requested that this subject be discussed further at a future meeting, after he has had an opportunity to research various options. No Board action was taken.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Allen Burchett

TRUSTEE, Craig Kroger

TRUSTEE, Peter N. Horne

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, April 25, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, Peter Horne and Craig Kroger. Absent: none.

The meeting was called to order at 5:30 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Kroger, seconded by Pattison, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Horne, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of April 9, 2002; B) Approve Abstract of Claims No. 738 in the amount of \$602,092.59 and payment of same; C) Approve next board meeting date of May 9, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Burchett - Aye; Horne - Aye; Kohorst - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Horne, to approve amended General Policy #15, "Installation of Utility Infrastructure for In-fill Affordable Non-rental Housing." Motion carried unanimously.

Moved by Burchett, seconded by Pattison, to approve amended General Policy #22, "Installation of Utility Infrastructure for In-fill Affordable Residential Rental Housing." Motion carried unanimously.

Moved by Burchett, seconded by Pattison, to approve the amendment to the installment real estate contract between Harlan Community School District and HMU. Motion carried unanimously.

Larry Flanagan, Shelby County DevelopSource, was present to give a presentation on Shelby County Economic Development. No Board action was taken.

Discussion was held on Telecommunications manpower needs, due to one of the full-time employees being called to extended active military duty. No Board action was taken.

Moved by Pattison, seconded by Kroger, to approve Ziegler CAT maintenance contract for the diesel generators. Motion carried unanimously.

Moved by Pattison, seconded by Burchett, to approve changes to the cable advertising schedule, effective July 1, 2002. Motion carried unanimously.

Moved by Pattison, seconded by Kroger, to approve changes to the cable advertising commission schedule. Motion carried unanimously.

Discussion was held and it was decided to move the starting time of the regular Board meetings to 4:00 p.m., effective with the next meeting on May 9, 2002.

Chief Financial Officer Larry Link reviewed the March 31, 2002, financial statements. No Board action was taken.

The Board held the quarterly review of the 2002 Strategic Plan and Goals for the Chief Executive Officer. No Board action was taken.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, May 9, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, Allen Burchett, Peter Horne and Craig Kroger. Absent: W. A. Pat Pattison.

The meeting was called to order at 4:10 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Kroger, seconded by Horne, to approve the agenda. Motion carried unanimously.

Moved by Horne, seconded by Kroger, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of April 25, 2002; B) Approve Abstract of Claims No. 739 in the amount of \$199,821.86 and payment of same; C) Approve next board meeting date of May 23, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Horne - Aye; Kohorst - Aye. Motion carried unanimously. (Burchett not yet present.)

Randy Musich, Electric Superintendent gave a briefing on the electric utility. No board action was taken.

Moved by Horne, seconded by Kroger to update the Iowa Public Agency Investment Trust (IPAIT) with names and signatures. Motion carried unanimously.

Moved by Kroger, seconded by Horne to approve resolutions adopting amendment to HMU deferred compensation plan based on the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) and Job Creation and Worker Assistance Act of 2002 (Technical Correction). Motion carried unanimously.

Discussion on Habitat for Humanity property purchase. Moved by Horne, seconded by Burchett that HMU put infrastructure and assist in tree removal with a maximum cost exposure of \$4,000.00.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, May 23, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, Peter Horne and Craig Kroger. Absent: W. A. Pat Pattison and Allen Burchett

The meeting was called to order at 4:02 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Kroger, seconded by Horne, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Horne, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of May 9, 2002; B) Approve Abstract of Claims No. 740 in the amount of \$421,132.20 and payment of same; C) Approve next board meeting date of June 13, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Horne - Aye; Kohorst - Aye. Motion carried unanimously. (Burchett not present.) (Pattison not present).

Met with Mark Dubin of H. R. Green & Co. regarding the water study results. No action was taken.

Moved by Horne, seconded by Kroger that there should be an increase in water utility revenues of three percent. One percent to be derived from the service charge and the remaining from the commodity. Motion carried unanimously.

Moved by Horne, seconded by Kroger to contribute \$1,000.00 to Tennant for "warning alert radios". Motion carried unanimously.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, June 13, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Kathleen Kohorst, Craig Kroger, W. A. Pat Pattison and Allen Burchett. Absent: Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Kroger, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of May 23, 2002; B) Approve Abstract of Claims No. 741 in the amount of \$531,495.73 and payment of same; C) Approve next board meeting date of June 27, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Kohorst - Aye; Pattison - Aye; Burchett - Aye. Motion carried unanimously. (Horne not present.)

Water Utility Report by Terry Derby.

Received and opened sealed bids for the 1989 Ford F-250 basket truck. The bids are as follows: Lamar Rowe, \$1,000.00; Mark A. Schmitz, \$1,000.00; Darwin Larsen, \$3,110.00; Tom's Electric & Grain, \$3,500.00; Layne Houser, \$5,020.00; Quinton Christensen, \$4,500.00; Jim Clark, \$6,250.00; and Dewey Linden, \$6,556.00.

Moved by Pattison, seconded by Kroger, to accept the bid on the basket truck from Dewey Linden of Elk Horn, Iowa, in the amount of \$6,556.00. Motion carried unanimously.

Moved by Pattison, seconded by Burchett to accept bid of \$12,950.00 for the Snapper lawn mower from Sorensen Equipment Ford. Motion carried unanimously.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, June 27, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. Pat Pattison, Peter Horne and Allen Burchett. Absent: Kathleen Kohorst.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Trustee Burchett.

Moved by Kroger, seconded by Pat, to approve the agenda. Motion carried unanimously.

Moved by Pat, seconded by Kroger, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of June 13, 2002; B) Approve Abstract of Claims No. 742 in the amount of \$521,641.10 and payment of same; C) Approve next board meeting date of July 11, 2002. A roll call vote was taken on the motion as follows: Kroger - Aye; Pattison - Aye; Burchett - Aye and Horne - Aye. Motion carried unanimously. (Kohorst not present.)

Moved by Horne, seconded by Kroger to approve video equipment purchase exceeding \$15,000.00 by quote. Motion carried unanimously.

Moved by Horne to, seconded by Kroger to for the purchase of video equipment in the amount of \$17,945.50 and digital camera in the amount of \$600.00 plus sales tax on all of the above. Motion carried unanimously.

Moved by Kroger, seconded by Pattison to approve the amount of \$250.00 as payment to APPA Telecommunications Services Campaign. Motion carried unanimously.

Moved by Pattison, seconded by Horne to allow cost of living wage adjustment. The wage adjustment will be the same as the union adjustment. Motion carried unanimously.

Following the General Manager's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in special session Wednesday, July 3, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. Pat Pattison, Allen Burchett and Kathleen Kohorst. Absent: Peter Horne.

The meeting was called to order at 7:00 a.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Kroger, to approve the Intervention with the Iowa Telecom case. Motion carried unanimously.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, July 11, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. Pat Pattison, Allen Burchett and Kathleen Kohorst. Absent: Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Pattison, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of June 27, 2002; B) Approve Minutes of Special Board Meeting of July 3, 2002; C) Approve Abstract of Claims No. 743 in the amount of \$539,426.16 and payment of same; D) Approve next board meeting date of July 25, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison - Aye; Burchett - Aye and Kroger - Aye. Motion carried unanimously. (Horne not present.)

Moved by Burchett, seconded by Kroger to approve the purchase of Lime Slurry Pumps and Controller. Motion carried unanimously.

Moved by Burchett, seconded by Pattison to approve the resolution for the intervention in Iowa Telecom rate case. Motion carried unanimously.

Delayed the pole license conversation until next meeting due to not having the agreement finalized.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, July 25, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. Pat Pattison, Allen Burchett, Kathleen Kohorst and Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Pattison, seconded by Kroger, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of July 11, 2002; B) Approve Abstract of Claims No. 744 in the amount of \$456,757.69 and payment of same; D) Approve next board meeting date of August 8, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison - Aye; Burchett - Aye, Kroger - Aye and Horne - Aye. Motion carried unanimously.

Chief Executive Officer's annual performance was reviewed. Burchett and Horne will meet with the CEO in September to set goals for next year.

Moved by Burchett, seconded by Horne to approve the annual GIS payment in the amount of \$10,000.00. Motion carried unanimously.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, August 8, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. "Pat" Pattison, Kathleen Kohorst and Peter Horne. Absent: Al Burchett.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Horne, seconded by Pattison, to approve the agenda. Motion carried unanimously.

Moved by Horne, seconded by Kroger, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of July 25, 2002; B) Approve Abstract of Claims No. 745 in the amount of \$203,634.02 and payment of same; D) Approve next board meeting date of August 22, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison - Aye; Kroger - Aye and Horne - Aye. Motion carried unanimously.

Moved by Horne, seconded by Kroger to grant the Chief Executive Officer a 2.3% increase. Motion carried unanimously.

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, August 22, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. "Pat" Pattison, Kathleen Kohorst and Peter Horne. Absent: Al Burchett.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. A roll call vote was taken on the motion as follows: Kohorst – Aye; Kroger – Aye; and Pattison – Aye. Motion carried unanimously. (Horne not yet present)

Moved by Pattison, seconded by Kroger, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of August 8, 2002; B) Approve Abstract of Claims No. 746 in the amount of \$589,063.99 and payment of same; D) Approve next board meeting date of September 12, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison – Aye; and Kroger – Aye. Motion carried unanimously. (Horne not yet present)

Moved by Kroger, seconded by Pattison, to approve the Joint Lease Agreement. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison – Aye; and Kroger – Aye. Motion carried unanimously. (Horne not yet present)

Moved by Pattison, seconded by Kroger, to adopt the Resolutions Regarding Participation in the TRANSLink Settlement Agreement and Authorizing Representation for Participation. Kohorst - Aye; Pattison – Aye; and Kroger – Aye. Motion carried unanimously. (Horne not yet present)

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, September 12, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, Kathleen Kohorst, Peter Horne and Al Burchett. Absent: W. A. "Pat" Pattison.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Horne, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Horne, to approve the Consent Agenda which included: A) Approve Minutes of Regular Board Meeting of August 22, 2002; B) Approve Abstract of Claims No. 747 in the amount of \$488,687.55 and payment of same; D) Approve next board meeting date of September 26, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Horne - Aye; and Kroger - Aye. Motion carried unanimously.

Received quotes for the engineering work on the Interconnection between HMU and Regional Water. The quotes are as follows: Howard Green, \$36,000.00; Veenstra & Kim, \$10,200.00 plus an hourly fee for construction oversight; and McIntyre Consulting, \$9,600.00 plus an hourly fee for construction oversight.

Moved by Burchett, seconded by Horne, to accept the low quote from McIntyre Consulting in the amount of \$9,600.00 plus the hourly fee for construction oversight. Motion carried unanimously.

Telecommunications report by Dan Olson.

Moved by Burchett, seconded by Kroger to approve the wire transfer form from Shelby County State Bank. Motion carried unanimously.

Moved by Horne, seconded by Burchett to approve the additional \$500.00 billed from Muxfeldt Associates for our annual audit.

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in special session Thursday, September 19, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. "Pat" Pattison and Kathleen Kohorst. Absent: Peter Horne and Al Burchett.

The meeting was called to order at 12:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Pattison, seconded by Kroger, to approve the Resolution Approving Representation & participation in Iowa Utility Board Dockets Nos. DRU-02-4 and FCU-02-14 (RMU-02-8) relating to intrastate access service rates. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison - Aye; and Kroger - Aye. Motion carried unanimously.

The meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allan Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in special session Wednesday, October 2, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, W. A. "Pat" Pattison, Kathleen Kohorst and Allen Burchett. Absent: Peter Horne.

The meeting was called to order at 12:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Kroger, to approve the Resolution to Provide for a Notice of Public Hearing on Proposed Contract for Replacements of Substation Meters North, West, East, and Plant Substations for Harlan Municipal Utilities, Harlan, Iowa, and Acceptance of Bid. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison - Aye; Kroger - Aye; and Burchett - Aye. Motion carried unanimously.

The meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allen Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, October 10, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, Kathleen Kohorst, W. A. "Pat" Pattison and Allen Burchett. Absent: Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Kroger, seconded by Burchett, to approve the Consent Agenda which included: A) Approve minutes of regular board meeting of September 12, 2002; B) Approve minutes of special board meeting of September 19, 2002; C) Approve minutes of special board meeting of October 2, 2002; D) Approve Abstract of Claims No. 749 in the amount of \$1,149,028.25 and payment of same; D) Approve next board meeting date of October 24, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Pattison - Aye; and Kroger - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Pattison to approve the Resolution to Authorize Publication of Notice of Sixth Street Feeder Tie Construction Project. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Pattison - Aye; and Kroger - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Pattison to approve the purchase of a 750kv Transformer. Motion carried unanimously.

Moved by Burchett, seconded by Kroger to approve the goals of the Chief Executive Officer. Motion carried unanimously.

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allen Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

HARLAN MUNICIPAL UTILITIESOctober 24, 2002

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, October 24, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett and Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Kroger, to approve the Consent Agenda which included: A) Approve minutes of regular board meeting of October 10, 2002; B) Approve Abstract of Claims No. 749 in the amount of \$640,403.61 and payment of same; C) Approve next board meeting date of November 14, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Pattison - Aye; Kroger - Aye; and Horne - Aye. Motion carried unanimously.

Received and opened bids for the Installation of Substation Meters. The bids are as follows: Electrical Systems Testing, Inc, \$83,832.00; E.A. Pedersen Co., \$49,437.00; and Power Control Systems, Plus, \$37,874.00.

Moved by Pattison, seconded by Kroger to accept the low bid of \$37,874.00 from Power Control Systems, Plus. Motion carried unanimously.

Gas utility report by Scott Jensen.

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allen Burchett

TRUSTEE, Peter N. Horne

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

The Harlan Municipal Utilities' Board of Trustees met in special session Tuesday, November 25, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present: Trustees Craig Kroger, Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett and Peter Horne. Also present: City Council Members Rhonda Brown, Keith Kaufman, Mike Hansen, David Miller, Rand Petersen, Mayor Gary H. Christiansen, City Administrator Terry Cox, Chief Executive Officer Harlan Municipal Utilities, Herbert T. Gaffigan, Steve Mores C.J. Niles and Rose Wazny from Iowa Department of Economic Development.

The quarterly review session with the Mayor, Harlan City Council and the Harlan Municipal Utilities Board of Trustees was held Monday, November 25, 2002 at 5:00 P.M. in the Council Chambers at the Harlan City Hall.

Absent: Orv Roecker

Also Present:

Steve Mores, Al Mores, Larry Flanagan, Richard Kløver and Harlan Newspapers' Bob Bjoin

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Pattison, seconded by Kroger, to approve the agenda. Motion carried unanimously. (Burchett not yet present)

Moved by Kroger, seconded by Pattison, to approve the Consent Agenda which included: A) Approve minutes of regular board meeting of October 24, 2002; B) Approve Abstract of Claims No. 751 in the amount of \$227,278.87 and payment of same; C) Approve next board meeting date of December 12, 2002. A roll call vote was taken on the motion as follows: Kohorst - Aye; Pattison - Aye; and Kroger - Aye. Motion carried unanimously. (Burchett not yet present)

Muxfeldt & Associates presented annual audit.

CAES (Compressed Air Energy Storage) report.

Moved by Pattison, seconded by Kroger to provide \$20,000.00 towards the initial geological study of the CAES project and up to an additional \$30,000.00 to fund further geological modeling and due diligence studies. Motion passed unanimously.

Received and opened sealed bids for the Sixth Street Feeder Tie Project. The bids are as follows:

<u>Name</u>	<u>Overhead</u>	<u>Underground/Overhead</u>
J.P. Rowe Construction, Pierce, NE	123,500.00	186,000.00
E.A. Pederson Co., Omaha, NE	143,636.00	265,142.00
Aerial Contractors, West Fargo, ND	144,878.00	174,935.00
North Central Line Service, Alta, IA	157,500.00	None
Hooper Corporation, Madison, WI	222,426.00	None
The L.E. Meyers Co., Marshalltown, IA	297,635.00	None

Moved by Pattison to accept low overhead bid by J.P. Rowe. No second. Motion failed with no second.

Moved by Burchett, seconded by Kroger to accept the low underground/overhead bid by Aerial Contractors. Motion passed with a 3 to 1 vote.

Moved by Burchett, seconded by Pattison to pursue the refinancing option of current bonds with a lower interest rate. Motion carried unanimously.

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Allen Burchett

TRUSTEE, Craig Kroger

TRUSTEE, Peter N. Horne

The Harlan Municipal Utilities' Board of Trustees met in special session Tuesday, November 25, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present: Trustees Craig Kroger, Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett and Peter Horne. Also present: City Council Members Rhonda Brown, Keith Kaufman, Mike Hansen, David Miller, Rand Petersen, Mayor Gary H. Christiansen, City Administrator Terry Cox, Chief Executive Officer Harlan Municipal Utilities, Herbert T. Gaffigan, Jr., Steve Mores, Al Mores, Larry Flanagan, Richard Kliver, Bob Bjoin, C.J. Niles and Rose Wazny from the Iowa Department of Economic Development.

Absent: Orv Roecker

The meeting was called to order at 5:05 in the Council Chambers at the Harlan City Hall by Mayor Christiansen.

Moved by Hansen, seconded by Kohorst, to approve the agenda. Motion carried unanimously.

The purpose of the meeting was the Joint HMU/City Strategic Planning Session. Discussion was held on City and HMU issues and cooperative projects, including a review of the past, vision for the future, economic development and housing development programs. No Board or Council action was taken.

There being no further business, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Craig Kroger

TRUSTEE, Peter N. Horne

CHAIRMAN, Kathleen Kohorst

TRUSTEE, Allen Burchett

HARLAN MUNICIPAL UTILITIES

December 12, 2002

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, December 12, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, Kathleen Kohorst, W. A. "Pat" Pattison, Allen Burchett, and Peter Horne.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Kroger, seconded by Burchett, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Pattison, to approve the Consent Agenda which included: A) Approve minutes of regular board meeting of November 14, 2002; B) Approve minutes of special board meeting (Strategic Planning) of November 25, 2002; C) Approve Abstract of Claims No. 752 in the amount of \$524,086.02 and payment of same; D) Approve Abstract of Claims No. 753 in the amount of \$433,381.16 and payment of same. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Pattison - Aye; Kroger - Aye; and Horne - Aye. Motion carried unanimously.

The December 26, 2002, board meeting will be held as scheduled.

Moved by Burchett, seconded by Pattison, to prepare the documentation for a one time five percent (5%) electric rate increase. Motion carried unanimously.

Moved by Burchett, seconded by Kroger to open a public hearing for the December 26, 2002, meeting for the bonding proposal as presented at this meeting by management and Investment Advisors Public Financial Management. Motion carried unanimously.

Moved by Burchett, seconded by Pattison to increase funding from \$10,000.00 to \$15,000.00 over a three-year period [\$12,000.00 the first year, \$14,000.00 the second year and \$15,000.00 the third year] for the GIS Coordinator. Motion carried unanimously.

No action on Flag Pole Project proposed by the Harlan Community Schools.

Discussion of service beyond the meter. Tom informed the board of our current practices with the thought that we should have a board approved policy and will proceed along this line.

Moved by Pattison to renew contract with DevelopSource for the 2003-2004 fiscal year and to give eighteen-month notice that HMU would discontinue its participation. No second.

Moved by Pattison, seconded by Burchett to make Herbert T. Gaffigan, Jr. a voting member of DevelopSource. Motion carried.

Kohorst will appoint a second DevelopSource member.

Moved by Burchett, seconded by Kroger to approve proposed contract for DevelopSource. Motion carried.

Moved by Kroger, seconded by Pattison to approve the steps proposed for the Demand Side Management program. Motion carried unanimously.

Following the Chief Executive Officer's report, the meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Allen Burchett

TRUSTEE, Craig Kroger

TRUSTEE, Peter N. Horne

The Harlan Municipal Utilities' Board of Trustees met in regular session Thursday, December 26, 2002, pursuant to the rules and regulations as set forth in the office of the Secretary. Present were Trustees Craig Kroger, Kathleen Kohorst, Allen Burchett, and Peter Horne. Absent: W. A. "Pat" Pattison.

The meeting was called to order at 4:00 p.m. in the HMU boardroom by Chairman Kohorst.

Moved by Kroger, seconded by Burchett, to approve the agenda. Motion carried unanimously.

Moved by Burchett, seconded by Horne, to approve the Consent Agenda which included: A) Approve minutes of regular board meeting of December 12, 2002; B) Approve Abstract of Claims No. 754 in the amount of \$687,287.61 and payment of same. C) Approve next board meeting date of January 9, 2003. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Kroger - Aye; and Horne - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Kroger to approve the Resolution Instituting Proceedings to Take Additional Action for the Issuance of Not to Exceed \$1,600,000.00 Electric Revenue Bonds. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Kroger - Aye; and Horne - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Kroger to approve the Resolution to Approve Electric Rate Increase. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Kroger - Aye; and Horne - Aye. Motion carried unanimously.

Moved by Burchett, seconded by Horne to waive further readings of both the bond resolution and the rate increase resolution. Motion carried unanimously.

Moved by Burchett, seconded by Kroger to implement a 10% increase on the service charge and a 5.41% on the commodity with a service charge of \$50.00 per month to be charged to the Town of Tennant. A roll call vote was taken on the motion as follows: Kohorst - Aye; Burchett - Aye; Kroger - Aye; and Horne - Aye. Motion carried unanimously.

Letter from the Secretary of the Air Force was read regarding Mark Nelsen.

The meeting was adjourned.

These minutes are as recorded by the Secretary and are subject to approval at the next regular meeting of the Board of Trustees.

CHAIRMAN, Kathleen Kohorst

TRUSTEE, W. A. "Pat" Pattison

TRUSTEE, Allen Burchett

TRUSTEE, Craig Kroger

TRUSTEE, Peter N. Horne