

Present: Mayor – Joyce Hudson  
Council members Jeff Kennedy  
Jim Aden  
Roger Dudley  
Jeff Whiting  
City Administrator Bruce Clymer  
City Clerk Connie L. Dalrymple  
City Attorney Mike Bacon

Press: Gothenburg Times - Beth Barrett

Also present: Ken Fairchild and Garrett Klein of Olsson Assoc.

Mayor Hudson opened the meeting at 1:00 p.m. Advance notice and a copy of the agenda were given to the Council and members of the press and was posted in three public places as required by law. City Council meetings are conducted in accordance with the Open Meetings Act, a copy of which is available for public inspection on the north wall of the Council Chambers.

Mr. Klein and Mr. Fairchild presented the design memorandum for the electrical distribution system to serve the ethanol plant. Design considers voltage, transformer size, reliability requirements, the impact of loss of services to RAE, and cost.

Costs will be bonded. RAE will fund 75% of the project cost at 5% interest over 10 years. The City will pay the remaining 25%.

Kennedy moved, Aden seconded, approving the design memorandum and summary of recommendations offered by Olsson Associates. Roll call vote: Yea - Whiting, Dudley, Aden, Kennedy. Nay – none.

According to RAE staff this morning, the facility recovery agreement has not been signed. The bid from Waukesha Electric for transformers expires today; therefore, our options are:

- Proceed with the design that will take eight weeks and withdraw the order at that time if there is no agreement or requirements change. If we do that, we're still responsible for the \$50,000 fee. Once construction of the transformer begins, we're obligated for the full cost.
- Release the manufacturing time slot, retain the pricing, and take a new delivery date of June or July 2008.
- Rebid the transformers at a later date.

Waukesha Electric will not hold the price for a 2008 sale due to cost changes within their operation in a different year. City finances cannot be put at risk for a transformer we aren't sure will be needed. If we rebid, we need to have it in place October 1, 2008 for RAE start-up.

Conversations with RAE staff indicate the ethanol project is still on line. The delay is in getting all stipulations met, on paper, and signed.

Dudley moved, Whiting seconded, to advise Waukesha Electric that we cannot accept the transformer bid because the stipulations established at the January 2 meeting have not been met. We will rebid at a later date. Roll call vote: Yea – Aden, Kennedy, Whiting, Dudley. Nay – none.

Aden moved, Dudley seconded, allowing the employee recognition dinner at the shop on February 9, 2007. Roll call vote: Yea – Whiting, Kennedy, Dudley, Aden. Nay- none. A resolution is not required because Resolution 2005 – 9 is not date specific. It allows alcohol consumption at employee dinners on dates approved by the Council.

Whiting moved, Dudley seconded, adjourning the meeting at 1:50 p.m. Roll call vote: Yea - Whiting, Kennedy, Dudley, Aden. Nay – none.