

ADJOURNED MEETING; COUNCIL CHAMBERS; WASHINGTON, KANSAS; DATE: MAY 2, 2006

The Governing Body of the City of Washington, Kansas, met in Adjourned Session in the usual meeting place in said City on Tuesday, the second day of May 2006, at 7 p.m. with the following members present: Mayor Travis Kier; Council Members Meyler Gibbs and Jon Snapp.

ABSENT: Tom Dragastin, Dawn Kramer and Roxanne Schottel.

ALSO PRESENT WERE: City Attorney Paul Monty, City Administrator Tim Schook and City Clerk Denise Powell; Power Plant Superintendent Terry Morse; Mike Schmaderer, president of Mid-States Energy, Inc.; and John Haas, president of Ranson Financial Consultants, L.L.C.

Mayor Travis Kier called the meeting to order at 7 p.m.

ELECTRIC UTILITY: John Hass, president of Ranson Financial Consultants, L.L.C., visited with the Council about providing financial consultation pertaining to electric utility upgrades. Hass stated his company does financial advisory services for the issuance of bonds; structuring and analyzing the economic impact of rate reviews strategic planning to determine short term and long term goals to help identify a plan and achieve those goals. Hass stated the company's fees would be \$80 per hour plus expenses for analytical services and could be capped not to exceed a desired dollar amount. City Administrator Tim Schook said the City needs to have numbers to offer the ethanol plant a rate. No action taken.

Mike Schmaderer, president of Mid-States Energy, Inc., stated his company has provided trouble-shooting, service, testing and maintenance at the power plant for many years. Schmaderer volunteered at the request of City Administrator Tim Schook to put together a quick estimate on what it would take to upgrade the city's electric distribution system and to bring the ethanol plant on line. Schmaderer said his company could provide the City with solutions to about any problem or opportunity involving their electric system. Shmaderer's estimate came in around four million dollars with a cushion of not more than 10 percent and one million specifically for the ethanol plant. No action taken.

INDIVIDUAL COUNCIL MEMBERS COMMENTS: None.

CITY ATTORNEY COMMENTS: None.

CITY ADMINISTRATOR COMMENTS: None.

ADJOURNMENT: Council Member Meyler Gibbs made a motion to adjourn. Council Member Jon Snapp seconded the motion. Motion carried.