

VILLAGE PRESIDENT
Ray Danford

VILLAGE CLERK
Jerry Menard

VILLAGE TRUSTEES
Rita Baker
Charlie Mattern
Kevin Groth
Corby Valentine
Steve Smith
Tony Miller

VILLAGE OF FREEBURG

FREEBURG MUNICIPAL CENTER
14 SOUTHGATE CENTER, FREEBURG, IL 62243
PHONE: (618) 539-5545 • FAX: (618) 539-5590
Web Site: www.freeburg.com

VILLAGE ADMINISTRATOR
Dennis Herzing

VILLAGE TREASURER
Bryan A. Vogel

PUBLIC WORKS DIRECTOR
Ronald Dintelmann

POLICE CHIEF
Melvin E. Woodruff, Jr.

VILLAGE ATTORNEY
Stephen R. Wigginton

January 7, 2008

NOTICE

MEETING OF THE ELECTRIC COMMITTEE (Valentine/Smith/Miller)

An Electric Committee Meeting of the Village of Freeburg will be held at the Municipal Center, Executive Board Room, **Wednesday, January 9, 2008, at 5:30 p.m.**

ELECTRIC COMMITTEE MEETING AGENDA

I. Items To Be Discussed

A. Old Business

1. Approval of December 12, 2007 minutes
2. South Circuit Contract update/Lugge easement
3. Power Plant update
4. Switchover of Ameren to Freeburg power
5. Generators
6. Village of Freeburg utility needs analysis

B. New Business

C. General Concerns

D. Public Participation

E. Adjourn

At said Electric Committee Meeting, the Village Trustees may vote on whether or not to hold an Executive Session to discuss the selection of a person to fill a public office [5 ILCS, 120/2 – (c) (3)], litigation [5 ILCS, 120/2 - (c)(11)] personnel [5 ILCS, 120/2 – (c) (1) a.]; or real estate transactions [5 ILCS, 120/2 - (c)(5)].

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ELECTRIC COMMITTEE MEETING Wednesday, January 9, 2008 at 5:30 p.m.

The meeting of the Electric Committee was called to order at 5:30 p.m. on Wednesday, December 12, 2007 by Chairman Corby Valentine. Committee members present were Chairman Corby Valentine, Trustee Steve Smith, Trustee Tony Miller, Trustee Charlie Mattern, Mayor Ray Danford, Village Clerk Jerry Menard, Administrator Dennis Herzing, Public Works Director Ron Dintelmann, Assistant Public Works Director John Tolan and Office Manager Julie Polson. Guest present: Dave Stephens of BHM&G.

A. OLD BUSINESS:

1. Approval of December 12, 2007 minutes: Trustee Tony Miller motioned to approve the minutes of December 12, 2007 and Trustee Corby Valentine seconded the motion. All voting aye, the motion carried.

2. South Circuit Contract/Lugge easement: Ron spoke to Jim Lugge who said all is settled with the estate and everyone agrees with the easement. However, he requested the easement be placed on the east side of the strip of land. Ron contacted Gale Hake today to get the legal description revised.

3. Power Plant: Ron invited Dave Stephens to the meeting to explain why Altorfer is billing the Village of Freeburg \$39,854.00 to fix the load sharing problem between the north and south power plants. Dave stated BHM&G anticipated the load share lines would work with ISO and that didn't happen. ISO came up with a proposal to fix the problem and BHM&G decided to go with Altorfer. Dennis questioned if everyone understood that this is how we wanted the system to work from the very beginning. Dave Stephens said their specs did not include the current operation system at the plant and that their intent was to address that when a vendor was chosen. Dave further stated they assumed Altorfer would know the plants would share the load. It was agreed that Altorfer should have known about this as they had worked at the old plant. The trustees agreed that of the \$39,854 billed by Altorfer, we would be responsible to pay the material costs anyway. Ron advised the committee it is going to take approximately eight weeks to get the new panel system from Altorfer. The committee decided to fix the problem and Ron will talk to Altorfer to see if they will do the work and address the payment issue later.

Trustee Tony Miller motioned to recommend to the full Board to accept Altorfer's bid to install the new panel and system testing to fix the switchgear problem at the power plants in the amount of \$39,854.00 to include a one-year satisfactory performance clause and Trustee Steve Smith seconded the motion. All voting aye, the motion carried.

4. Switchover of Ameren to Freeburg power: Ron talked to Ameren who has requested a list of the costs for customers who are ready to switch over to our power. They want us to share

Electric Committee Meeting Minutes
Wednesday, January 9, 2008
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in the cost of tearing down their facilities. Dennis asked how Ameren would feel if we do the demolition at our expense and then have Ameren can come in and take out what they want. Ron doesn't believe they would want to do this. After further committee discussion, it was decided to call Ameren one more time with regard to switching Dr. Vick over to Freeburg power.

5. Generators: Ron advised this is in process.

6. Village providing gas to residents: Dean Park has requested information and will have the results within 60 days of receipt of that information.

7. Tony asked about streetlights north of town on 13/15 around the Smith home. The committee decided to send Mel out and review the situation from a safety standpoint. Lights could be installed at intersections if a safety issue exists.

B. NEW BUSINESS: None.

C. GENERAL CONCERNS: None.

D. PUBLIC PARTICIPATION: None.

ADJOURN: *Trustee Tony Miller motioned to adjourn at 6:25 p.m. and Trustee Steve Smith seconded the motion. All voting aye, motion carried.*



Julie Polson
Office Manager

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ELECTRIC COMMITTEE MEETING
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A. OLD BUSINESS:

1. Approval of November 14, 2007 minutes: *Trustee Tony Miller motioned to approve the minutes of November 14, 2007 and Trustee Steve Smith seconded the motion. All voting aye, the motion carried.*
2. South Circuit Contract/Lugge easement: Nothing new on the easement from Lugge. Ron brought up the work done by J.F. Electric on the south loop. As J.F. Electric was pulled off at the end of this project, this portion of the bill is in dispute. The entire project cost approximately \$500,000 of which Ron said Job 4 should have been around \$130,000. He said he and Verbal Blakey of BHM&G have been negotiating the price on Job 4 and J.F. dropped their price to \$80,000. Ron feels the price should be closer to \$50,000. After committee discussion, it was agreed to advise Verbal that \$55,000 is all we are willing to look at right now.
3. Power Plant: Ron advised the north and south units are still not working with each other. A meeting has been scheduled for Monday, December 17, 2007 with BHM&G, Altorfer and ISO. Altorfer is bringing in an outside consultant independent of ISO to see if they can figure out a solution to the problem.
4. Switchover of Ameren to Freeburg power: Ron had a meeting scheduled with Ameren in Springfield which was postponed due to the Ameren representative being called out for ice storm duty. Meeting will be reset.
5. Generators: Ron advised the order for the permanent stationary generator at Woodsvew was canceled due to the permitting issues. He is looking into smaller portable generators.
6. Village providing gas to residents: The next step in this process will be to recommend the Memorandum of Agreement to the board for BHM&G to get started on Phase I of the feasibility study.

Trustee Tony Miller motioned to recommend entering into the Memorandum of Agreement with BHM&G to conduct the Phase I Valuation Study of Natural Gas Assets with the

addition that we find out how long it will take to complete Phase I and Trustee Steve Smith seconded the motion. All voting aye, the motion carried.

7. BHM&G invoices: The invoices were reviewed by Ron and Dennis after a detailed explanation was provided by Dean Park. They have been submitted for payment. Item can be taken off the agenda.

8. Payment of pool renovation: Item can be taken off the agenda.

9. Mark Eichenlaub utility account: Dennis advised that Mr. Eichenlaub did call in response to Dennis' letter dated November 15, 2007. Mr. Eichenlaub has reimbursed a portion of the amount in dispute and will pay the remainder of \$90 in three monthly payments of \$30.00. Item can be taken off the agenda.

B. NEW BUSINESS:

1. Street lights on IL Route 15 by Smith, Hamann: Dennis stated Wilbur Smith is concerned about street lights around the crossovers by Hamann's home and Jefferson Road. The committee agreed to light the crossover areas.

2. Street lights for Park District: Rick Barthel asked for any of the old aluminium street light poles for the tennis court. Dennis said he also said they might need help with the building the bases and setting the poles. Ron said we probably have 10 left.

Trustee Tony Miller motioned to recommend to the full Board 6 - 8 street light poles be given to the Freeburg Park District and Trustee Steve Smith seconded the motion. All voting aye, the motion carried.

3. IDOT Permit for Crossing at Meadow Ridge: This permit (Utility Permit No. 8-26663) is part of the underground feed that will serve Meadowbrook lift station. The permit for the railroad is in process and takes approximately 60 - 90 days to get that permit.

Trustee Tony Miller motioned to recommend to the full Board approving Permit Resolution from IDOT for the Crossing at Meadow Ridge and Trustee Steve Smith seconded the motion. All voting aye, the motion carried.

C. GENERAL CONCERNS: Mayor Danford asked with all the recent rain storms about the drainage around the ditch that was cleaned out on N. Main Street and Ron stated it seems to be draining much better. Ron said as he is getting an easement from Randy Kasper's mom for the underground feed to Meadowbrook lift station, it would be a good time then to clean out some of the tree stumps, etc., to open that drainage area even more.

Trustee Miller said the next time we have a meeting concerning providing gas to residents, he would like Tom Carpenter to be contacted and asked if he would not put anything in the paper. He wants to keep that relationship open.

D. PUBLIC PARTICIPATION: None.

ADJOURN: *Trustee Tony Miller motioned to adjourn at 6:12 p.m. and Trustee Steve Smith seconded the motion. All voting aye, motion carried.*



Julie Polson
Office Manager



CEDAR RAPIDS ✕ DAVENPORT ✕ E. PEORIA ✕ HANNIBAL ✕ MOBERLY ✕ ROCK FALLS ✕ SPRINGFIELD ✕ URBANA

January 4, 2008

Mr. Ron Dintelmann
14 Southgate Center
Freeburg, IL 62243

RE: South Power Plant Switchgear modifications

Ron,

Altorfer Power Systems is pleased to provide this proposal for modification of the South Plant switchgear to allow system load sharing as described in the following attachments.

The following price includes freight, field services to install the new panel and system testing by Enercon and Altorfer upon installation.

Total quotation price..... \$39,854.00

Thank you for the opportunity to assist. Please let me know if you have any questions or need additional information.

Altorfer stands at the ready to serve your needs.

Sincerely,

Jay Bradford
Altorfer Power Systems
217-622-1389



No. 1 Altorfer Lane • East Peoria, IL 61611
Phone: 309-694-1418 • Fax: 309-694-3703
Email: DFisher@Enercon-Eng.com

December 20, 2007

City of Freeburg - PLC Loadsharing Interface

The City of Freeburg would like to be able to operate generator 8 and 9 at the South Plant in a load share with generators 10, 11, and 12 at the North plant when the city is islanded from the utility grid. Refer to figure 1 for the City of Freeburg system layout.

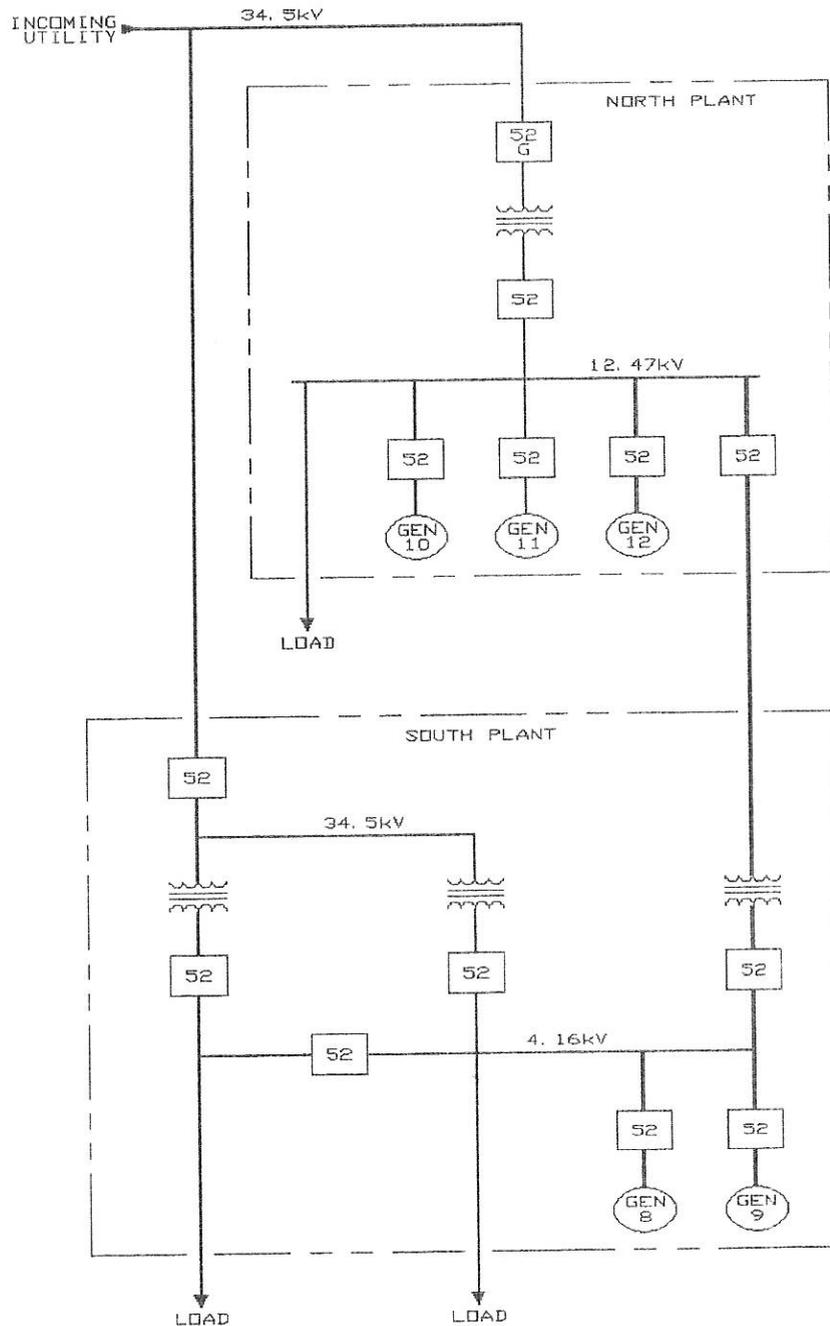


Figure 1

The existing generators at the north plant and the south plant presently do not have the load sharing lines connected together and due to the distance this doesn't seem to be a practical solution.

Enercon is proposing a PLC interface to be installed at the South plant. The PLC would communicate via Modbus to the city's existing SCADA PLC to provide breaker positions and kW level for all the generators. The PLC would determine when the South plant and North plant generators are paralleled and islanded from the utility by position of the circuit breakers in their system. The generators at the South plant would remain in base load mode and pf controller functions of the voltage regulators enabled. The PLC would generate a loading signal to generator load share modules at the South plant. This load level signal would be varied according to the kW out put of the generators at the North plant in order to keep the generator outputs the same which will cause the generators to load share.



Terms and Condition of Sale

1. **CONTRACT OF SALE:** Enercon Engineering, Inc. (hereinafter called "Seller") agrees to sell, and buyer agrees to purchase, the equipment described in this Proposal/ [Confirmation] [Invoice] pursuant to these terms and conditions, which shall constitute the entire contract of sale between buyer and seller. These terms and conditions supersede and take precedence over any and all terms, including, but not limited to, any contrary terms, in any documents (such as purchase orders) submitted by buyer to seller.
2. **ORDERS:** Orders are subject to acceptance at home office of Seller.
3. **PRICES:** Unless otherwise specified in writing, all prices are F.O.B. Seller's plant, and all quotations automatically expire sixty (60) calendar days from date of issue unless communicated differently by the Seller. The price of any equipment scheduled for shipment on a date beyond a period of six (6) months from date of Seller's order confirmation is subject to increase by Seller, unless otherwise agreed to in writing. All equipment will be suitably packed for domestic shipment, not suitable for long term storage, unless otherwise agreed to in writing.
4. **TERMS:** Payment in U.S. Dollars with normal payment terms are net cash thirty days from date of invoice. **Payment schedule:** 10% payment due with purchase order, 20% payment due after completion of approved drawings, 35% payment due on production release, 35% payment due upon completion of factory testing.
5. **SHIPPING DATE:** Seller shall not be responsible for any default or delay in shipping due to contingencies beyond its control, or the control of its suppliers, which prevents or interferes with Seller making delivery on the date specified, including but not limited to wars, or restraints affecting shipping, delivery of materials or credit as a result of strikes, lockouts, fires, floods, or any other contingency affecting the seller or its suppliers. The Seller shall have the right to cancel a contract of sale or to extend the shipping date in the event that any such contingencies prevent or delay shipments. Seller shall not be liable for any losses incurred by late delivery of equipment. Equipment held by Seller beyond scheduled delivery date for convenience of buyer will be invoiced on date of completion. Such equipment will be subject to charges for warehousing and other expenses incident to such delay.
6. **DELAYS:** In the event Buyer causes Seller to delay engineering, manufacturing, shipping, installation, or startup of equipment under this proposal, any additional costs incurred by the Seller shall be reimbursed by the Buyer. Seller shall not be responsible for delays in delivery caused by acts of God, government rulings, strikes, accidents, delays or default of Seller's suppliers, delays caused by acts of the Buyer, or other causes outside of Seller's reasonable control. Should the Buyer require the Seller to delay engineering, manufacturing, shipping, installation or startup by more than thirty (30) days, then Seller shall invoice the Buyer for a total of one hundred percent (100%) of the value of all work completed, and such invoice shall be due and payable net (15) fifteen days.
7. **ENERCON DESIGN:** The design information contained herein is propriety and the sole property of Enercon Engineering, Inc. The pricing and equipment selections in this proposal are based on the interpretation of the information supplied to Enercon Engineering, Inc. The proposal is complete as presented herein. Any changes deviations or additions to the bill of materials as listed will require an adjustment to the price, and may require additional engineering and may adversely affect the delivery date. All software programs for PLC or touch screen are the Seller's intellectual property. Should the project drawings or programs be amended by others without Enercon's consent during the warranty period, Enercon will not be responsible for any mis-operations or damage caused by unauthorized changes.
8. **CHANGES:** Should Seller make any changes at the request of the Buyer, or should changes in site conditions or installation requirements occur subsequent to this proposal, the parties shall re-negotiate the price and the time schedules quoted herein to reflect cost or schedule adjustments caused by said changes. Seller shall not be obligated to perform work on any changes without written agreement from the Buyer.
9. **CONFIDENTIALITY:** Buyer shall keep confidential all prices, drawings, and technical information disclosed by the Seller as part of, or in conjunction with, this proposal or any resulting contract, including, but not limited to, information relating to the design, installation, materials of construction, operation repair, maintenance, or otherwise of the equipment or component parts thereof or other related items. Buyer may disclose said drawings and documents only to its authorized employees or contractors who agree to the terms of this paragraph and who agree not to use said information except for the installation, operation, and maintenance of the equipment for the Buyer only. Buyer shall return to Enercon Engineering all drawings and information, including that given to others by Buyer when contract is completed. Buyer shall return to Enercon Engineering all drawings and information, including that given to others by Buyer, if the job is not awarded to Enercon Engineering. This paragraph does not limit Buyer's right to use this information if it is obtained from another source without restriction.
10. **INSTALLATION:** Enercon Engineering, Inc shall not be responsible for any field installation. If after commissioning field service is required, please use our quoted net per week rate. Pricing is based on complete electrical and mechanical integration performed by Enercon Engineering, Inc.
11. **CANCELLATION:** Orders are not subject to cancellations or change in specifications, shipping schedules or other conditions originally agreed upon without Seller's written consent, and then only upon agreement to compensate Seller for expenses incurred by such cancellation or changes. Cancellation schedule shall be as follows: 10% - Order received and entered on factory, work not started, material not ordered. 30% - Drawings for approval submitted. 60% - Approved drawings returned. Job released for manufacture. 80% - Material accumulated and production started. 100%- Manufacturing completed.
12. **TAXES:** Any excise tax, sales tax, other taxes, or duty of any nature arising out of or assessed against equipment or orders shall be the sole and exclusive responsibility of buyer and shall be added to the prices quoted or invoiced and shall in all circumstances be paid by the buyer.
13. **INSURANCE AND RISK OF LOSS:** The equipment manufactured by Enercon shall at all times after delivery to buyer, buyer's agent or transportation company, whichever occurs first, be the sole responsibility of the buyer, and all loss or damage to said equipment or any part thereof shall be borne by the buyer (even if Seller has arranged for transportation), unless otherwise agreed in writing. Any equipment not manufactured by Enercon which is delivered by buyer or buyer's agent to Enercon shall be the sole and exclusive responsibility of buyer. Buyer must maintain insurance on any such equipment delivered to Seller.
14. **LIMITED WARRANTY:** Equipment manufactured by Enercon is warranted to be free from defects in material and workmanship under normal use, service, and indoor storage, for twelve (12) months after date of startup or eighteen (18) months after date of shipment from Seller's plant, whichever occurs first, subject to the following provisions. This warranty is limited to repair, replacement or issuing of credit, as Seller may elect, and at Seller's manufacturing plant, of such parts as shall appear to Seller, upon inspection, to have been defective in material or workmanship, but does not include any installation, labor or transportation costs. All warranty parts requests will require a Purchase Order. After evaluation, if deemed to be covered under warranty, the PO will not be charged. This warranty does not apply to normal maintenance or normal replacement of serviceable items. No warranty is made with respect to items manufactured by others. **Seller shall in no event be liable for any**



special or consequential damages. Misapplication or revisions of equipment, without written approval by Enercon, will void the limited warranty. Replacement parts shall be warranted for six (6) months from date of shipment, subject to the terms and conditions as stated above for manufactured equipment. When the equipment reaches its final destination, the buyer must promptly notify the carrier of any damage, should the case arise. Otherwise, the buyer shall have no recourse against Enercon. Enercon inspects parts returned for warranty claim for misapplication. Misuse of equipment will void this warranty. Enercon shall in no event be liable for any special or consequential charges for replacing or installation of warranty parts.

15. **LIMITATION OF REMEDIES AND DAMAGES:** The Limited Warranty set forth in Section 13 above is in lieu of any and all other express and/or implied warranties. All other warranties, both express and/or implied, including but not limited to implied warranties of performance, merchantability or fitness for a particular purpose are expressly disclaimed and denied. Except for the remedy set forth in section 13 above, Seller shall not be liable to buyer or any third party under this contract, or for anything in any manner relating to or arising out of the subject matter of this contract, for any loss of business or profits or for any general, direct, indirect, special, consequential, exemplary, punitive, incidental or other damages, loss or expenses, even if Seller has been advised of the possibility of such damages, loss or expense. Seller is not responsible for any consequence of the use or application of the products by the buyer. Buyer shall indemnify and hold Seller, and its officers, directors, employees and agents harmless against any and all losses, claims, damages, judgments, liabilities, costs and expenses (including attorneys' fees and expenses) arising out of or in any way related to the use of Seller's products by buyer and/or any third party.
16. **VENUE:** Any and all disputes, claims, or causes of action arising out of or in any way relating to any equipment manufactured by Enercon must be brought in the Circuit Court for the Tenth Judicial Circuit, Tazewell County, Illinois.
17. **FUEL SURCHARGE:** Due to unexpected fluctuations of fuel prices tied to ever changing world events and subsequent market speculation, a fuel surcharge may be applied to any Engine Load Testing. The surcharge will be adjusted weekly based on the U.S. National Average Fuel Index of the current Monday publication minus on-road taxes. The fuel index, published by the Energy Information Administration of the U.S. Department of Energy, is available by telephone at 202-586-6966 or on the department's internet site: <http://tonto.eia.doe.gov/000/info/wohdp/diesel.asp>
18. **EXCEPTIONS:** Anything not specifically quoted above in lieu of any specification.