



Board Meeting Notes

The BTU Board of Directors met on Monday, December 12, 2012 and discussed the following topics:

Financial

Joe Hegwood, Chief Financial Officer of City of Bryan/BTU, presented the financial report to the Board that stated retail sales were 8% below budget in the City, which was attributed to the milder than average weather. Capital spending was approximately \$2 million below budget due to the timing of transmission construction. Rural revenue was higher than the budget due to the timing of Operations & Maintenance spending. Rural construction was also below budget due to the timing of rural projects.

Several items that cost over \$100,000 were brought to the Board's attention for review. The Board also awarded a contract to Synergy Cables to provide underground cable for several projects.

Operations

Randy Trimble, Group Manager of Transmission and Distribution, presented the SAIDI and SAIFI reports for November. Mr. Trimble explained that animal contact and a public accident caused the more significant outages in the City and Rural systems.

Mr. Trimble next presented a resolution authorizing the Board to approve releasing a blanket easement on property located in the southwest corner of the intersection of TX-Hwy 6 and William D. Fitch Parkway in College Station. The Board approved the release.

The Board then reviewed a Change Order with North Houston Pole Line. Mr. Trimble explained that Thomas and Betts revised the delivery schedule for the steel poles needed for the South Loop Project. As a result, the delays in the delivery will cause North Houston Pole Line to incur additional expenses for remobilization, equipment storage and insurance. The Board approved the Change Order.

Mr. Trimble presented a quote for replacing two bucket trucks. He explained that both trucks are past mileage expectation, have steadily incurred increasing maintenance costs and were in the 2013 vehicle replacement plan. The Board approved replacing the trucks.

Lastly, Mr. Hegwood presented a resolution to approve issuing bond refunds and commercial paper by the Texas Municipal Power Agency (TMPA). This resolution will allow TMPA to lock in interest rates for generation-related debt and provide cost stability through the 2018 payoff. The resolution will also allow TMPA to finance needed transmission projects. The Board approved the resolution after discussing it with the City Attorney and the TMPA Bond Council.

Bryan Texas Utilities

205 East 28th Street • Bryan, TX 77803

UCISMan@btutilities.com

Hours of Operation

Monday - Friday, 8 am - 5 pm

Board of Directors

- Mr. Carl L. Benner, Chairman
- Mr. Chris Peterson, Vice Chairman
- Mr. Paul Turney, Secretary/Treasurer
- Mr. Art Hughes, Ex-Officio
- Mr. Flynn Adcock
- Mr. David Bairrington
- Mr. Bill Ballard
- Mr. Ben Hardeman

City of Bryan

- Kean Register, City Manager
- Joe Hegwood, CFO

Interim General Manager

- Gary Miller

Group Managers

- Randy Trimble
- David Werley

Division Managers

- James Bodine
- Bill Bullock
- Shawndra Green
- Michael Hering
- Ken Lindberg
- Doug Lyles
- Vicki Reim
- Scott Smith
- James Tanneberger

Lee R. Starr, Chief Risk Officer

IMPORTANT NUMBERS

- Billing/Collections/Connects (979) 821-5700
- Electrical Outage/Lines Down (979) 822-3777
- Distribution/Line Design (979) 821-5770



Meet Your BTU Board

Story by Louellen S. Coker.

Ben Hardeman, one of Bryan Texas Utilities' (BTU) newest board members, is a Bryan native who is no stranger to making a positive difference in Bryan. He has stood out among those around him because of his dedication to his city, family, business and antique Model T and Model A Fords.

Mr. Hardeman, a 1964 graduate of A&M Consolidated High School, went on to attend Texas A&M University (TAMU) where he received a degree in Industrial Distribution in 1968. He set himself apart in high school by being the only person in his class to drive a Model T.

"I visited my cousin in Missouri just as I was getting my driver's license," he reminisced, "and fell in love with the 4-door sedan he owned. Shortly after that visit, I purchased and restored the Model T I drove through all of high school and college. From that first one, I've been hooked on Model T and Model A vehicles."

Mr. Hardeman continues to be an enthusiast—though that is possibly an understatement—and founded his business, Texas T Parts, in 2001. Over these last twelve years, the business has established a place in its niche market and grown. Originally, he and three employees manufactured and distributed parts and accessories for Model T and Model A Fords in addition to providing

restoration and engine repair services. Today, Mr. Hardeman stated, "We have reduced emphasis on Model A parts and focused on Model T parts and have evolved to manufacture products specifically for Model Ts, such as hydraulic disc brakes."

He explained, "The Model T's original braking system was marginally adequate when typical driving was at speeds of 20-25 mph on dirt roads. As time has passed, people have learned ways to improve horsepower and increase the ability to move faster—at the current speed capacity of 45-50 mph, the car's original braking system is inadequate."

Mr. Hardeman purchased the braking system he now manufactures and sells from its developer, Bill Tharp of Colorado. Since moving production to Texas, he has sold over 200 sets to help owners of the estimated 100,000 Model Ts that are either being driven or capable of being roadworthy by today's standards.

His zeal for this antique vehicle goes far beyond his business. He regularly tours with other enthusiasts and has traveled across the country, including three trips to Alaska, behind the wheel of his Model T. He was also instrumental in bringing the 25th Annual Texas T Party to Bryan-College Station in 2002. The Bryan-College Station Visitors and Convention Bureau named Mr. Hardeman a Hometown



Mr. Hardeman with his 1930 Model A Ford Cabriolet.

Hero that year for attracting more than 100 Model T Fords and their owners to the community.

When asked about how driving this classic car has helped him in his life and business, Mr. Hardeman replied, “As you drive your Model T or A, there is no question that something is going to break. Much of the satisfaction of the journey is coming up with an innovative solution to an unexpected delay so that the trip can continue.”

He affirmed, “I receive fulfillment from serving my community and being a member of the BTU Board of Directors for much the same reason. The other board members and I work closely together to ensure that BTU is the best it can be, today and in the future. We are all committed to giving BTU customers exceptional service with reliable, competitively priced electricity while acting as a responsible and caring member of the community. Bryan couldn’t have a more dedicated group of individuals influencing the direction of its energy production.”

While he has served on the BTU Board since September 2012, he is well aware of the important relationship between BTU and the City of Bryan. He served previous terms on the Bryan City Council from 1984-1991 and again from 2003-2009. Prior to that, he was very active in the Bryan-College Station Chamber of Commerce. During that time, he helped develop the original Leadership Bryan Program—through which people from the area can learn about local government from the inside.

Mr. Hardeman decided to serve on the BTU Board of Directors because of his background and the utility’s importance to the city. He elaborated, “I felt my past experience working with the city would help facilitate communication channels between the utility, city and sometimes even the media. And while I have some level of understanding of the utility industry from my time on the Bryan City Council, I’m enjoying learning the professional and technical aspects of power production, consumption and budgeting.”

“Most illuminating,” he professed, “is that profit and loss trends are different for the electric industry. Rather than weekly or monthly changes, the utility industry experiences marked profits and losses based on seasonal pendulum swings. This trend is extended enough that long-term planning requires a different approach than does the typical business.”

Mr. Hardeman has been successful at business and promoting the city’s growth, yet the most important part of his life is his wife, Nancy, and family. He is the proud father of two daughters, Jennifer and Ginger, one step-daughter, Tricia, and has a 20-month-old granddaughter, Vivien.

He and his wife take at least two trips annually. “Tours are a phenomenal way to travel,” he commented. “You see

things you would never see in a regular car. We stick to the back roads to avoid getting rear-ended and are able to encounter incredible beauty and meet very friendly people.”

When not focusing his time on his family, his business or the BTU Board of Directors, Mr. Hardeman dedicates a good deal of his energy to the Downtown Bryan Association (DBA) and area Model T groups. He laughingly reflected, “With major renovations on the Queen Theatre and other developments in Downtown Bryan, there isn’t much time for involvement in other groups and organizations.” (*Please see related story about the Queen Theatre on page 22.*)

We’d like to welcome Mr. Hardeman to his new position on the BTU Board of Directors. If you need to contact Mr. Hardeman, please email him at bhardeman@btutilities.com.

“Bryan couldn’t have a more dedicated group of individuals influencing the direction of its energy production.”



Ben Hardeman

THANK YOU, BRAZOS VALLEY, FOR DONATING NEARLY 200,000 POUNDS OF FOOD FOR KBTX MEDIA'S FOOD FOR FAMILIES FOOD DRIVE

STORY BY KERI HONEA. PHOTOS BY ALLEN WOOD.

BTU employees volunteered their support along with over 400 dedicated individuals across the Brazos Valley for KBTX Media's 17th Annual Food for Families Food Drive on December 5, 2012. From the wee hours of the morning to close to midnight, the volunteers tirelessly organized and loaded thousands of pounds of food items—contributed by an overwhelming number of charitable donors—into waiting trucks.

"BTU thoroughly enjoys participating in KBTX Media's Food for Families event every year," said Gary Miller, BTU's Interim General Manager. "KBTX has created an extremely exciting and worthwhile undertaking that showcases the benefits of bringing the community together for a great cause. We are so pleased to be a part of it!"

Including BTU's donations of food staples and \$1,000, the Food for Families Drive throughout the region garnered over 190,000 pounds of food and over \$186,000.00 from generous contributors. The donations will be used to help feed hungry families throughout the Brazos Valley.

In response to the record and heartfelt support of the community, Theresa E. Mangapora, Executive Director,

Brazos Valley Food Bank (BVFB), warmly praised, "On behalf of the Brazos Valley Food Bank, I would like to say how appreciative and humbled we are by the generosity demonstrated at the 17th Annual KBTX Media Food for Families Food Drive. Once again, KBTX set a welcoming stage that compelled so many to give—whether it was food, funds, time and/or talent. The mountains of food sorted by armies of volunteers are already helping to feed neighbors in need through the BVFB's partner agencies. The outpouring of funds this year—a record year by far—will help BVFB deliver nutritious food well into 2013. As government food sources decline, BVFB needs the private sector to step up. And, this year, the Brazos Valley community did just that. With heartfelt appreciation, 'thank you'."

Mike Wright, the General Manager of KBTX Media, also enthused, "To the businesses who make this part of their annual holiday tradition, the families who use this effort to teach the next generation the importance of giving, and the literally hundreds of people who graciously donated hours of preparation and event day execution, KBTX





Media humbly thanks you for your dedication and love.”

The restocking of pantries and efforts of volunteers who assisted with the Food Drive began before the actual event. Although it, once again, was extremely successful, the BVFB will need to rely upon additional volunteers to help sort and distribute the donations throughout the year.

Ms. Mangapora emphasized, “The BVFB was called upon to distribute over 4 million pounds of food before the end of 2012. That is a 13% increase since 2010. The BVFB has been blessed with donations—food and funds—but unfortunately, the need is greater than what is being donated. For some in our community, finding the next meal is

a daily struggle. Hunger, for many of our neighbors, is a problem all year round. The BVFB would find it difficult to meet its annual mission without this extraordinary event from KBTX but I challenge everyone to remember our neighbors are in need in January, in March, in the summer and throughout the year. Donated food, donated funds and volunteer hours are always welcomed and always needed at the Brazos Valley Food Bank.”

Individuals or groups who are interested in volunteering or donating staple items may visit www.bvfb.org or contact the BVFB at (979) 776-3663.

Keep updated; this year’s event will be on Wednesday, December 11, 2013.



FOOD FOR FAMILIES



KBTX-TV 3
The People You Know
The News You Trust

BRAZOS VALLEY FOOD BANK
FOSTERING PARTNERSHIPS FEEDING HOPE

Most Needed Items

- Beans (canned or dried)
- Canned Meats and Proteins (beans, beef stew, chili, peanut butter, tuna, soups and chicken)
- Canned Vegetables (especially corn and green beans)
- Canned Fruit (peaches, pineapple and mixed fruit)
- Dry Staples (coffee, cereal, flour, macaroni and cheese, ravioli, sugar, pasta and rice)
- Paper Products (toilet paper, paper towels and child diapers)
- Pop-top Can Items (tuna, fruit and soups)

We cannot accept items which are:

- Homemade
- Perishable (frozen or refrigerated)
- Already Opened
- Without Labels
- In Glass Containers

You can find more information about needed items or volunteering with the Brazos Valley Food Bank on the web at www.bvfb.org.

DBA Calls on Community to Help Save the Queen

Story by Keri Honea. Photos courtesy of Downtown Bryan Association.

The Downtown Bryan Association (DBA) has been known by several different names since it was formed in 2003, including Downtown Bryan Economic Development Association, or DBEDA, and the Downtown Dwellers. No matter its appellation, its goals have always been the same: to, with the help of the community, rejuvenate and breathe life back into downtown Bryan.

The DBA is a non-profit organization that consists of only two employees, but its vast committees of volunteers allow the association to accomplish its goals. DBA has a board of directors consisting solely of volunteers, and these directors head committees of volunteers for each of their various projects, such as First Fridays and the Downtown Christmas Parade, as well as hosting other holiday events

downtown such as the Wacky Wicked Weekend for Halloween and the Valentine's Day in Downtown event.

DBA's First Fridays is a monthly event that invites downtown businesses to open their doors to the community and host what DBA Executive Director René Lawrence calls a "community open house" the first Friday of each month. First Friday includes live music, artists exhibiting their work, and many downtown restaurants offering specials just for the community gathering.

This small non-profit's teams of volunteers are doing amazing things to make a difference in downtown Bryan. DBA's current massive project of restoring the Queen Theatre (Queen) is solid proof of what community members can do when they work together.

In the 1880s, the Exchange Hotel was built in the location where the Queen stands today. Shortly after silent movies came out, the hotel began showing them in the facility and the *moving picture* theatre became known as the Crystal Theatre. In 1914, new ownership brought its new and enduring name—Queen Theatre. In 1939, new owners transformed the structure to embody the art deco style we see today. The Queen has been dark since it closed in the 1970s.

"During the late 70s and early 80s, the downtown area was in a state of blight," Ms. Lawrence explained. "People



The Queen Theatre is scheduled to open to movie-, dinner theatre, meeting- and conference-goers in 2014. In the meantime, it will serve as a cornerstone of First Friday festivities and be another landmark of the revitalization of Downtown Bryan.

had moved out of downtown for the suburbs and, as a result, many businesses in the downtown structures closed and the buildings were left in disrepair.”

After 20 years of literal abandonment, the Queen completely rotted from the inside out. It was purchased a few times by buyers who hoped to bring the theatre back to life, but nothing ever panned out financially. Thus, the Queen continued to sit and deteriorate.

In 2010, the owners put the Queen on the market once again. Ben Hardeman, Chairman of the Board of the DBA, decided it was an opportunity to take action. He and other long-time Bryan citizens got together and helped raise funds to purchase the theatre. To help maintain the theatre as a community project, rather than an individual or a company claiming majority ownership, donations for the purchase of the property were limited to a maximum of \$1000.

“It is extremely important to DBA that the Queen Theatre restoration project is a community endeavor so that everyone can participate with a sense of pride and ownership in the project,” Ms. Lawrence emphasized.

They were able to raise over \$75,000 for the down payment to purchase the theatre in the summer of 2010. They succeeded in raising another \$85,000 for renovating the exterior and, thanks to a grant from the City of Bryan, the City matched the funds raised via their Downtown Facade program, and the Queen could finally get the facelift she needed.

Thus far, the Queen has received a new roof, has been re-stuccoed, had all neon lighting replaced, and the crown that sits on the top of the building has been completely restored

and spins once again. Inside, the theatre has been completely gutted, and the DBA and its committees are currently making plans for the interior renovations.

The Queen will have one screen and one stage. Due to the small size of the Queen and modern-day fire codes, the Queen will not be able to compete with large franchise movie theatres. Therefore, independent or foreign films, movies that one won't be able to see in a typical blockbuster movie theatre, will be shown on the screen a few times a week. They also envision live stage performances, such as small symphonies or plays and musicals by local theatre groups.

The current plans include being able to rearrange the seating of the theatre, so that seating can accommodate traditional movie-viewing, dinner theatre as well as meetings or conferences. The Queen will also be converted from a three-floor building to four floors, one of which will include a catering kitchen complete with a dumbwaiter for the dinner theatre on the first floor.

The DBA wants to reopen the Queen for business in 2014, since 2014 will mark two important anniversaries. 2014 marks 100 years for the naming of the Queen, and 75 years of the Queen's distinctive art deco architecture.

They will not be able to meet this goal without continued help from the community. They are still taking donations for the interior renovations to meet their \$1.1 million goal. You can learn more about fundraising events, purchase your *Queen Card* as well as make a donation on their website: www.savethequeen.org. If you would like to help save the Queen, please contact the Downtown Bryan Association at (979) 822-4920.

“It is extremely important to DBA that the Queen Theatre restoration project is a community endeavor so that everyone can participate with a sense of pride and ownership in the project.”



The Queen Theatre has been an icon in Downtown Bryan since it opened as the Exchange Hotel in the 1880s. It served as a theatre from 1914 until it closed in the 1970s and fell into disrepair.



**ENTRIES DUE
FRIDAY,
FEBRUARY 22
5:00 PM.**



BTU OFFERS TEENS A CAPITAL TRIP

THIS YEAR'S CONTEST

Once again, Bryan Texas Utilities (BTU) will select four youths to represent our service area through its Government-in-Action Youth Tour competition. The winners will join hundreds of other teens from around the United States on an all-expenses paid (except for any souvenirs they'd like to buy) trip to Washington, D.C., June 13-21, 2013. Children of BTU customers who are not employed by BTU and are area high school students in their sophomore, junior or senior years are eligible to enter.

Students must write an essay discussing the topic *What is the difference between an electric cooperative, investor owned utility and a municipally owned utility?* An additional requirement for this year's Youth Tour application is a letter of recommendation from a teacher or principal.

For complete information about the contest and to enter online, please visit www.btutilities.com. Entries are due, Friday, February 22, 2013, 5:00 pm. Winners will be notified by March 1, 2013.

You may submit your application and essay in one of the following manners:

- online at www.btutilities.com
- email to pbuckner@btutilities.com
- mail or hand deliver to Paul Buckner at the BTU headquarters at 205 East 28th St., Bryan, TX 77803

HISTORY OF THE YOUTH TOUR PROGRAM

The Government-in-Action Youth Tour began in 1957, after then Senator Lyndon B. Johnson addressed the National Rural Electric Cooperatives Association (NRECA) annual meeting. Inspired by his comments regarding the importance of young people visiting Washington, D.C., "where they can actually see what the flag stands for and represents," some of the Texas electric cooperatives sent groups of young people to Washington, D.C. to work in the Senator's office over the summer to learn about the federal government in action.

The following year, rural electric officials in Iowa sponsored the first group of 34 students on a week-long tour of our nation's capital. It wasn't long before other states jumped on the idea, which increased the total number of students sent each year throughout the summer. In 1959, 130 youths traveled to Washington and in 1964, NRECA decided to coordinate the program, arranging each group's schedule to be in the capital during the same week. During the first year that NRECA coordinated the program, 400 students participated from 12 states. Since then, the Youth Tour has continued to grow to the point that it now sends nearly 1,500 students and chaperones on the Tour each year.

GOVERNMENT- IN-ACTION YOUTH TOUR ENTRY CHECKLIST

- **COMPLETED
APPLICATION**
- **ESSAY**
- **LETTER OF
RECOMMENDATION
FROM TEACHER OR
PRINCIPAL**
- **SUBMIT ONLINE OR
DELIVER TO THE
BTU OFFICE**