



BOARD OF PUBLIC WORKS

CITY OF HANNIBAL

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www.hannibalbpw.org

ELECTRIC, WATER AND SEWER DEPARTMENTS

3 INDUSTRIAL LOOP DRIVE • PO BOX 1589 • HANNIBAL, MISSOURI 63401-1589

August 1, 2013

HBPW Seeks Voters to Approve Bond Sale on August 6th.

The Hannibal Board of Public Works strives to be your trusted supplier of utility services in Hannibal. We are working hard to communicate with you our customers about issues that affect your lives and pocketbook. We see ourselves as public servants doing the hard work of delivering electricity, water and sewer services.

Ours is truly a community enterprise. The staff of the HBPW are paid professionals who have expertise in providing these services to the community and they are good at their jobs. There is no profit motive at the HBPW. Our mission and our motives are centered in community service. We have no shareholders except our ratepayers. We pay no dividends. What little money we earn on sales of utility products is plowed right back into the community through paychecks and capital investments.

Private utility companies such as Ameren UE are owned by stockholders who expect them to earn a profit so they can pay dividends. They are regulated by the Missouri Public Service Commission so an annual profit on their investment is guaranteed. The difference in the two business models is profound. I think the public ownership, or community co-op, model is superior.

The HBPW has been serving the citizens of Hannibal for over 125 years. In that time there have been both highs and lows of public acceptance. We can point with municipal pride to the fact that in 1886 Hannibal built a coal fired power plant only four years after Thomas Edison built the very first one in New York City in 1882. The Water Filter Plant built in 1924 was such a fine facility it is still producing good drinking water 90 years later. Pipe in the ground was the best money could buy, and still is. Same for the Wastewater Treatment Plant built in 1981, it was innovative and unique for its day and very well built.

Today, we all struggle together with a tough economy and slow growth, things that make us very sensitive about rates and new investments. But we know that community ownership of utilities almost always leads to lower rates compared to the profit taking alternatives. Hannibal is no exception. The Federal EPA has declared that all residents in the country should pay 2% of their household income for water service and pay another 2% for sewer service. Hannibal residents pay only about 1.1% for each, even with our most recent rate increase, a pretty good bargain.

The Hannibal Board of Public Works is made up of four men and women, regular citizens of Hannibal, who bring their experience and concern for their fellow residents of Hannibal to monthly public meetings to set policy, review the work of our staff, and approve contracts,



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all for the benefit of the community. They are highly motivated and diligent in their duties. Their work can and should be trusted.

The point of all this is to say that the HBPW has done a pretty good job of taking care of the community's utility business for a long time. Today that business requires new investment in plant equipment and pipe to keep up with the mandates and address aging infrastructure. The HBPW is well suited to manage those investments and take care of the community's utility business. We now ask the community to respond in their own self-interest by taking a few minutes out of their day on August 6th to vote. A 'Yes' vote will empower the HBPW to take on necessary debt using the lowest cost option of selling bonds.

For more information and to see copies of previous guest columns please go to our website www.hannibalbpw.org or follow us on Facebook. Finally, watch your mailbox for a brochure from the HBPW detailing many of the projects we plan to accomplish if the bond sale is approved.

Sincerely,

Robert W. Stevenson, P.E.
General Manager

"The mission of the Hannibal Board of Public Works is to provide safe, reliable utility products with excellent customer service at reasonable prices."