

# DES MOINES DAILY BUSINESS RECORD

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DES MOINES



## 20-point penalty deleted

The "20-point penalty" for doing business in the city of Des Moines was deleted from management proposals for city parking garages Monday. Instead, the City Council voted to state in the contract that if the manager directly competes with the city in price or location of parking facilities after being awarded the contract, that contract could be cancelled.

Tom Kanngeisser, vice president of Systems Parking Inc., said that as the proposals were originally worded, there was nothing to prohibit an out-of-town firm from obtaining another parking facility after being awarded the city contract and, therefore, competing with the city.



## Fall registration

General registration and schedule adjustments for fall classes at Drake University are scheduled Mon., Aug. 29, at Drake's Olmsted Center, 29th Street and University Avenue, from 8 a.m. to 5 p.m.

Registration for evening classes will take place at the College for Continuing Education building, 27th Street and University Avenue.

Special registration sessions are planned Sat., Aug. 27, in Olmsted Center. Sessions include evening students, 9-11 a.m.; graduate students (begin at Medbury Hall), 9-11 a.m.; continuing law students, 10 a.m. to 12 noon; early-registered undergraduates, 10 a.m. to 4 p.m.; and new freshmen and new transfer students, 12 noon to 4 p.m. Classes begin Tues., Aug. 30.

## LEGAL

### Attorneys' starting salaries average \$24,000

Law firms pay new attorneys a national median salary of \$24,000 a year, but clerking for a federal judge can boost the salary of a beginning lawyer. That's the finding of a recent poll conducted by the American Bar Association Journal by the New York opinion research firm of Kane, Parsons & Associates.

Sixty-five percent of the respondents said clerking for a federal trial judge would rate higher pay, and 64 percent said clerking for a federal appellate judge would rate higher pay. Prior experience clerking for a state appellate judge could raise starting salaries in 55 percent of the firms polled.

Less weight was given to nonlegal work experience. Only 24 percent looked at prior nonlegal work in starting salary offers and only 23 percent gave much weight to advanced degrees in nonlegal fields.

## Iowa Power balks at ranking system

BY STEVE NORDER  
N&N NEWS SERVICE

Iowa Power and Light Company is fuming over a proposed Iowa Commerce Commission method of ranking utilities on how efficiently they are operated.

According to the suggested efficiency formula, devised by the ICC staff, in 1982 Iowa Power would have been ranked "poor" in the management of both electricity and gas.

A company official called the rating "baloney" and said the measurement system is faulty.

The issue is an outgrowth of the massive utility law change made by the Iowa Legislature last session.

The law gives the ICC the power to determine if a utility is operating efficiently. In addition, the ICC could reward or penalize companies based on the findings.

Despite the utilities' contention that a fair method of gauging efficiency could not be developed, the Operations Review Division of

the ICC has presented a proposal for possible ICC approval.

Enver Masud, division director, said the plan would make utility management responsive to the needs of the public. "Since they are regulated monopolies, we need to be able to measure utility efficiency in terms of price per product," Masud said.

"We offer a way to do that through a formula which compares efficiency of the investor-owned utilities."

However, Iowa Power official David Weiss called the proposal meaningless and useless.

"We are not opposed to ensuring Iowa Power is run as efficiently as possible," said Weiss, manager of communications services. "We have been doing that for a number of years. What we do object to is the comparison between different companies. It is like apples and oranges."

The proposed grading system would use a two-step ranking of Iowa's major utilities: Iowa Power, Interstate Power Co., Iowa Electric Light and Power Co., Iowa-Illinois Gas and

Electric Co., Iowa Public Service Co., Iowa Southern Utility Co., Union Electric Co., Peoples Natural Gas, North Central Gas Co., and Great River Gas.

The first ranking step would compare a utility's three-year average cost per unit of power (kilowatt-hour for electricity or British thermal unit for gas) with the industry's average.

The second step would compare the three-year average growth in operation and maintenance expenses to the average growth for the industry as a whole. These expenses include energy production and movement, maintaining customer accounts, sales, and administration.

Using the two rankings, a utility company would be rated excellent if it was above average in both categories; good or fair if it was above average in one but below in the other; and poor if below the industry average in both.

The formula would also include an "X" variable which the ICC could use to adjust rankings because of extraordinary circumstances during the year, such as severe weather.

According to the new law, the ICC could, but would not have to, penalize those companies rated poor and reward those rated excellent. The operations division is not recommending either penalties or rewards right away.

However, Masud said one possible way to penalize companies with a "poor" rating would be to require them to pay refunds to customers.

Rewards for excellence could include allowing, within a rate increase range, a slightly higher charge to customers than allowed a company rated poor.

Using 1982 data, Iowa Power was the only Iowa utility to rank "poor" in both electricity and gas categories.

Iowa Power is currently seeking a 28.3 percent increase in residential rates to help pay for the construction of a new generating plant.

Interstate Power of Dubuque was rated excellent in both categories, according to the ICC staff report.

"It is very frustrating to read we are rated poor," Weiss said. "We believe it is unfair to our employees and to our customers."

"It is baloney."

### 1982 utility performance ratings

Utility	Electric	Gas
Interstate Power	excellent	excellent
Iowa-Illinois	excellent	fair
Iowa Southern	excellent	fair
Union Electric	good	NA
Iowa Electric	fair	excellent
Peoples Natural Gas	NA	good
North Central	NA	good
Iowa Public Service	poor	good
Great River Gas	NA	poor-fair
Iowa Power	poor	poor

\* NA - not applicable

Source: Operations Review Division  
Iowa Commerce Commission  
1982 Annual Report

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## Elsie Mason Manor plans expansion

BY VERONICA LORSON

Plans are under way to add more units to the Elsie Mason Manor complex located in downtown Des Moines. The First Baptist Elderly Housing Foundation operates the manor, which now provides 150 living units for the elderly and handicapped. The group hopes to add 50 more units above the yet-unbuilt 5th and Keosauqua Way parking garage.

According to Nancy Beltramo, executive secretary of the First Baptist group, construction is pending a decision in late September by the Department of Housing and Urban Development (HUD) to grant \$1,599,000 to the project.

The addition of the units, however, will make only a small dent in the need for independent elderly and handicapped living facilities in Des Moines. The existing Elsie Mason Manor at 430 Grand Ave. has a waiting list of over 270 people, Beltramo said. No waiting list is being maintained for the planned facility.

A Daily Business Record survey of independent living facilities for the elderly and/or handicapped showed approximately 1,696 people are on waiting lists for 2,165 living units. Typically, one has to wait over 16 months for a unit. The survey did not consider people waiting on more than one list.

Last year, Beltramo's organization put in a similar application for funds. That application was rejected by HUD because of failure to comply to application technicalities. This year, she said, the 317-page application, prepared for the group by a Washington, D.C. law firm, has made it through the initial screening stage.

Air rights for the project have not yet been purchased by the First Baptist group. Those are expected to cost approximately \$319,000, according to a study by Kendall Griffith Russell Artiaga, a Des Moines architectural firm.

Construction could begin as early as December. However, unless the units receive funding in September, construction could be delayed until next spring.

Joe Jongewaard, the First Baptist group's

chairperson of new development, said that if construction goes well, the living units will be completed and ready for residents by late summer of 1985. The units, Jongewaard said, are "very, very similar" to the existing Elsie Mason Manor units.

The project will have efficiency and one-bedroom apartments; some will offer special accommodations for those in wheelchairs.

Ken Kendall of Kendall Griffith Russell Artiaga is the architect for the manor project as well as for the parking garage. No contractor has been selected yet for the project.

The downtown First Baptist Church at 620 8th St. has taken an active role in alleviating Des Moines' housing problems. Besides overseeing the First Baptist Elderly Housing Foundation, the church has a hand in the Homes of Oakridge project, and Home, Inc., a group which provides counseling for landlords and tenants.

"We're committed to the community. We saw a need for elderly housing and low to moderate (income) housing... and I think we demonstrated that need through the success of our projects," said Jongewaard. ■