

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

January 7, 2009

Utility Conference Center

4:00 P.M.

Present:

Board:

Gary Ladd, Vice Chairman
Tom Temple, Secretary
Dan Lamar, Member
Jim Urban, Member

Staff:

Michael Martin
Sandra Morgan
Randy Parsons
Bob Waples
Mike Adams
Steve Large
Linda Ridgway

Guests:

John Wood
Marie Marks

1. Vice Chairman Gary Ladd called the regular meeting of the Lebanon Utility Service Board to order at 4:00 P.M. in the absence of Chairman Milburn who was not present due to illness, all other members were present. Confirmation of appropriate notification was acknowledged.

Vice Chairman Ladd welcomed Attorney Larry Giddings of the firm Giddings, Whitsitt and Williams to the Board as legal counsel.

2. Vice Chairman Ladd requested comments on the December 3, 2008 minutes. Hearing no comments Secretary Tom Temple made a motion to approve. Member Dan Lamar seconded the motion. Motion carried.

3. General Manager Mike Martin introduced guests Mr. John Wood and Marie Marks of Strategic Planning Group, Inc to present and explain their recommended changes to the Utility Pension Plan. Mr. Wood suggested only two small changes in investments and that the Board review the investment options semi annually in 2009 due to the rapidly fluctuating market, and suggested Mike Martin be appointed as Secondary Trustee and Signatory for pension documents. Member Lamar made a motion to accept the changes to the pension plan as proposed, review our options semi-annually, and to appoint Manager Martin as Secondary Trustee. Member Urban seconded the motion. Motion carried.

4. General Manager Mike Martin gave an overview of the accomplished goals from 2008.

5. General Manager Martin presented to the Board the Utilities goals for 2009. Vice Chairman Ladd thanked Manager Martin and his staff for their efforts in fulfilling the goals established in 2008 and setting new ones for 2009.

6. Finance Manager Sandra Morgan requested the Board move 2008 budgeted dollars in the amount of \$139,000.00 to the 2009 budget to properly cover the cost of the Ulen

Lining Project which was delayed from 2008 to 2009 due to issues with the Ulen Country Club. Bob Waples and Steve Large from the Wastewater Department explained that this carryover of funds would allow for lining projects otherwise scheduled in 2009 to be accomplished. Member Urban made a motion to amend the 2008 and 2009 budgets, seconded by Member Lamar. Motion carried.

7. Finance Manager Sandra Morgan addressed the Board asking for a transfer of October 2008 cash reserve amount of \$7,691.74 to be divided equally between the utilities for the purpose of covering cash shortages in the Telecommunications Utility. Manager Morgan projected the need for \$1,200.00 in November with the possibility in December of a transfer not being needed. Member Lamar made a motion to ratify the cash transfer of \$7,691.74 to the Telecommunications Utility to be divided equally amongst the other three utilities. Secretary Temple seconded. Motion carried.

8. Water/Wastewater Manager Bob Waples requested Board approval of a change order for the contract with Peerless to have subcontractor B. L. Anderson Company complete controls and instrumentation for Well No. 3 of the Southside Well Project. This was part of the original contract with Peerless for the well project. Member Urban made a motion to approve the change order to the contract with Peerless for additional work by B. L. Anderson in the amount of \$14, 285.00 and authorize General Manager Martin to sign. Secretary Temple seconded the motion. Motion carried.

9. Engineering Manager Mike Adams requested Board approval to purchase AMI Injection Equipment for the substations to deploy the HUNT AMI/AMR system-wide. The purchase of this equipment will allow electronic reading into the Harris system. The total purchase for this equipment is \$169,240.00 of which \$20, 120.00 was budgeted in 2009. \$149,120.00 was requested to be carried over from the 2008 to the 2009 Budget. Member Lamar made a motion to purchase the AMR Injection Equipment and to transfer 2008 budgeted amounts to the 2009 budget. Member Urban seconded. Motion carried.

10. Engineering Manager Mike Adams requested Board approval to purchase electric and water meter reading equipment. Manager Adams explained the condition of the current equipment, the costly warranty issues, and recommended the purchase of this equipment in an amount not to exceed \$25,975.00. Member Urban made a motion to purchase the new equipment and to transfer \$15,000.00 from the 2008 budget to the 2009 budget as a carryover. Secretary Temple seconded. Motion carried.

11. IT and Telecommunications Manager Randy Parsons presented to the Board the monthly iLines report, and provided a summary of future scheduled installations. Member Urban inquired about the status of broadband in the city since most of the new installations were in the county. Member Urban asked about the status of 802.11 installation in the Northfield Subdivision. Manager Parsons reported there have been some software issues that needed to be worked out and as soon as that is accomplished his department will proceed with completion of the Northfield Subdivision project.

12. Secretary Temple made a motion to pay the claims dated December 31, 2008 in the amount of \$1,569,869.86 and January 7, 2009 in the amount of \$342,190.23. Member Urban seconded the motion. Motion carried.

13. Under other business, Manager Adams presented a change order to the Itron Distribution Design studio project which is part of the work management system being developed and installed. The change order is to cover project management module configuration services that are custom to Lebanon Utilities and was a to-be-determined item in the original project given the specific needs when installation and integration is accomplished. Mr. Adams indicated that cost is \$6,190. Member Lamar made a motion to approve the Itron change order in the amount of \$6,190.00 with Manager Martin signing for the purchase. Member Urban seconded. Motion carried.

General Manager Martin thanked the Board for their patience in dealing with the very full agenda.

Hearing no further business before the Board a motion was made to adjourn the meeting by Member Urban. Member Lamar seconded. Meeting was adjourned at 6:10 PM.

APPROVED THIS _____ DAY OF _____, 2009

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD