

**LEBANON UTILITY SERVICE BOARD**  
**Lebanon, Indiana**

January 21, 2009

Utility Conference Center

4:00 P.M.

Present:

Board:

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

Staff:

Michael Martin  
Bob Waples  
Randy Parsons  
Sandra Morgan  
Linda Ridgway

Guests:

Dick Robertson  
John Brand  
Charlie Campbell

Larry Giddings, Legal Counsel

1. Chairman Allen Milburn called the regular meeting of the Lebanon Utility Service Board to order at 4:00 P.M., all members were present. Confirmation of appropriate notification was acknowledged.
2. Chairman Milburn requested comments on the January 7, 2009 minutes. Hearing no comments Vice Chairman Gary Ladd made a motion to approve. Secretary Tom Temple seconded the motion. Motion carried.
3. John Brand of Butler, Fairman and Seufert presented a summary of the expanded Master Plan for sewer and water encompassing areas previously examined and an area of Center Township on the west side of the City to approximately County Road 325 West. Infrastructure plans are provided as well as costs and characteristics of such.
4. Chairman Milburn requested suggestions and comments for the election of officers for the 2009 Utility Board. Secretary Temple made a motion to retain the same officers. Member Lamar seconded. Motion carried.
5. IT and Telecommunications Manager Randy Parsons provided the Board with a request to declare surplus BPL equipment and for approval to sell the designated BPL equipment to Princeton, Illinois. Attorney Giddings informed the Board it is required by the State Board of Accounts to declare the items as surplus and that the total value of each sale is required to be under \$5,000.00. Mr. Parsons assured the Board that the amount of the sale is under \$5,000.00. The department has retained enough equipment to use as back up for repairs needed for existing customers. The sale is providing almost 80 cents on the dollar of original purchase price. Vice Chairman Ladd made the motion to declare the list of items as surplus and to sell to Princeton. Secretary Temple seconded. Motion carried.

6. Charlie Campbell Director of Planning and Zoning presented to the Board for discussion possible service arrangements to consider for customers desiring to locate in the I65 annexed area prior to availability of sewer and water service from the Utilities. Mr. Campbell asked for suggestions from the Board as to how to handle such requests. It was generally agreed that even if well and septic were an interim measure that the Board should review each request on an individual basis. This is so in order that a smooth transition can be made from well and septic to Lebanon Utilities' connections once it is available. Views were also expressed that by setting expectations for customers in these areas that they will be required to hook on once Utilities' infrastructure is available will eliminate the element of surprise. Attorney Larry Giddings stated that non-capital services to annexed areas have to be offered within three years as set by State Statute and de-annexation may also be requested if capital improvements are not in place within the three years. Mr. Martin commented that he had stated in public meetings that the Utilities would keep the pressure on rates down by utilizing recoupment agreements with developers to cover most of the capital costs necessary for infrastructure extended into the subject areas.

7. Member Urban asked for clarification of the Alliance Voucher #16517 in the amount of \$2,555.92 regarding chain saw gas. Finance Manager Sandra Morgan explained \$3.00 of the voucher was for chain saw gas and the balance was for fuel for the entire fleet. Member Lamar made a motion to pay the claims dated January 21, 2009 in the amount of \$1,451,406.95. Vice Chairman Ladd seconded the motion. Motion carried.

8. Chairman Milburn asked for other business that should come before the Board. IT and Telecommunications Manager Randy Parsons informed the Board of the Lebanon School Corporation's selection of iLines as their provider of fiber optic connections among their facilities throughout the Lebanon Community School Corporation. It is possible iLines will be also chosen to extend to them internet services as well. iLines is actively pursuing commercial businesses in the Industrial Park and the downtown area.

Member Urban inquired about the progress of 802.11 technology in Northfield and expressed a desire that customers be kept updated on its progress. Mr. Parsons stated that software issues still need to be addressed and then if that is successfully accomplished have the electric crews scheduled to assist in installing and configuring the hardware. He said he could not provide a projection for timing of that work given other projects that are underway.

General Manager Martin also summarized for the Board how iLines has achieved many of its original goals as expressed in public presentations when it was first founded. Some of those accomplishments such as service to various Witham Hospital facilities within Boone County, service to businesses in the Lebanon Business Park, service to businesses within the City, service to residential customers both inside and outside the City so that they can educate their children, experience knowledge on a global scale, and work from home, and now another piece agreed to by the customer- fiber optic service connecting the school facilities. Now, he said we must complete the final piece of the mosaic which is to turn a profit and that is coming closer to fruition although not yet achieved. He commented that we originally indicated that profitability might come in three years but spent 18-24 months pursuing BPL which has delayed reaching that goal.

General Manager Martin shared with the Board the need to communicate with the public about the impact of Global Climate Change legislation now being discussed in Congress and the far reaching effects on electric rates. He said he expects over the next month to present to the Board a strategy for accomplishing a grassroots approach to impacting this issue.

Hearing no further business before the Board a motion was made to adjourn the meeting by Vice Chairman Ladd. Secretary Temple seconded. Meeting was adjourned at 5:10 PM.

APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_, 2009

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CHAIRMAN OF THE BOARD

ATTEST:

\_\_\_\_\_  
CLERK OF THE BOARD

Board Minutes 1-30-09