

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

April 8, 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
Mike Adams
Laurie Gross
Randy Parsons
Steve Large
Linda Ridgway

Guests:

John D. Isenhour
John Brand
Jim Kovacs of
American Structure Point

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. with a full quorum of members present. Confirmation of appropriate notification was acknowledged.

2. Chairman Milburn requested comments on the March 18th, 2009 minutes. Hearing no comments Member Jim Urban made a motion to approve the minutes as written. Member Dan Lamar seconded the motion. Motion carried.

Chairman Milburn introduced John D. Isenhour and welcomed him to the Board meeting. Mr. Isenhour brought to the Board's attention the need to address the status of several light fixture bases around the courthouse square. Several are in need of repair or a facelift with paint. Mr. Martin indicated that he would have this looked into.

9. General Manager Mike Martin asked to move agenda items 9 and 10 up to allow Customer Service Manager Laurie Gross to keep an appointment. Manager Gross requested ratification of actions taken to provide a new lease with Pitney Bowes to replace the current Document Folding, Inserting System. The current system has repeatedly caused delays in mailings and expense when bulk rates can not be utilized. The new machine is leased for 60 months at \$650 per month approximately \$100 more per month with faster speed, options to insert more than two documents and the ability to insert odd size documents such as coupons. Member Jim Urban made a motion to ratify the lease purchase of this machine. Secretary Tom Temple seconded. Motion carried.

10. Customer Service Manager Laurie Gross explained to the Board the US Postal Service has mandated the use of VeriMove Net Software which allows her department to “clean” up the mailing addresses before sending to the post office. This software will cost \$79 per month but will cut our costs in penalties for returned mail. Member Lamar made a motion to ratify Manager Gross’ purchase of this software as required by the Postal Service. Member Urban seconded. Motion carried.

3. General Manager Mike Martin introduced John Brand of Butler, Fairman and Seufert who presented an Exhibit D to revise the original agreement for professional services related to the construction segment of the North Street Utility Infrastructure Project. Exhibit D to the original Agreement which is dated March 7, 2007 increases the total Agreement by \$1,200.00 for water and \$6,800.00 for Sewer. During his presentation Mr. Brand explained the need for these new lines which include mitigation of potential risks in liability to the Utilities. He proposed that it would be the responsibility of each impacted customer to connect to the new lines. The existing lines should be filled with a flowable fill. Mr. Brand suggested the Utilities Board approve putting the project out for bids at the next Board meeting on April 22, 2009 and opening the bids at the scheduled Board meeting on May 20th, 2009. Vice Chairman Gary Ladd made motion to accept the \$8,000.00 addition to the original Agreement and to move forward by opening the Project for bid. Member Urban seconded. Motion carried. Exhibit D to the March 2007 Agreement was signed by all Board Members and Attorney Giddings.

4. Water/Wastewater Manager Bob Waples brought to the Board two bids for the application of the product to line the Equalization Basin at the Wastewater Treatment Facility. Two quotes were earlier received for the material one from J.D. Petro & associates, Inc. for \$40,910.00 the other, recommended by Mr. Waples from PPG Architectural Finishes in the amount of \$34,574.45. The application bids were opened by Manager Waples. SS General Services quoted \$17,800.00 and Quality Coatings \$21,000.00. These quotes included the removal of damaged material and applying a new surface. After some discussion and concerns over possible warranty issues it was suggested the proper procedure would be to ask for bids for the total project. Vice President Gary Ladd made a motion to reject the current bids and to offer the total project out to bid to include material and application. Mr. John Brand asked to have bidders include specifications for the application. Member Lamar seconded. Motion carried.

5. Engineering Manager Mike Adams requested approval of the Board for the purchase of a 2009 Case 580 Model Back Hoe from Macdonald Machinery Industries in the amount of \$65,250.00. Another quote was received from Holt Equipment for a 2009 John Deer 310SJ Backhoe Loader for \$68,455.00. Manager Adams further requested consideration for approval of the Electric Utility purchasing the 1993 Case 580 from Sewer Maintenance for the trade in value of \$14,000.00. Member Lamar made a motion to purchase a 2009 Case from Macdonald Machinery for \$65,250.00 and retain and transfer the present equipment to the Electric Department. Member Urban seconded. Motion carried.

6. Engineering Manager Mike Adams presented to the Board a change order to the purchase price of Line Truck #22 replacement authorized for purchase in August of 2008.

Manager Adams explained that crew members visited the Dueco Truck Mfg. facility for the pre-paint review of the digger derrick line truck. Upon inspection several items needed to be added or were missed which total \$12,116.00. Vice President Ladd made a motion to approve these additions to the vehicle in the amount of \$12,116.00. Secretary Temple seconded. Motion carried.

7. IT and Telecommunications Manager Randy Parsons presented to the Board a tentative Purchase Agreement with Zayo for telecommunication services associated with the provision of a redundant path for disaster recovery for Hachette Books. This Agreement would provide a pathway to Indianapolis to gain access to lines thru AT&T. Secretary Temple made a motion for the Telecommunications Department to proceed to pursue further development of this Agreement with Zayo for Hachette Books. Vice President Ladd seconded. Motion carried.

8. IT and Telecommunications Manager Randy Parsons presented to the Board a quote from Pannaway for \$13,227.90 and one from CDWG for \$24,592.73 for fiber Optic Equipment associated with the Lebanon Schools Project. Vice President Ladd made a motion to approve the purchase of fiber optic equipment from Pannaway in the amount of \$13,227.90. Secretary Temple seconded. Motion carried. Member Urban stressed the importance of meeting deadlines outlined in the contract with Lebanon Schools.

11. IT and Telecommunications Manager Randy Parsons presented to the Board the monthly Broadband report providing a summary of installations, cancellations, and scheduled installations. Manager Parsons informed the Board his department is now providing the Lebanon Schools and Bus Garage with internet service since their previous server dropped them without notice. Member Urban asked about the status of the 802.11 installation. Manager Parsons explained the delay is due to lack of confidence in the technology now available. They are waiting for availability of new technology to come on the market.

12. Member Urban made a motion to pay the claims dated March 31, 2009 for \$385,659.51 and April 8, 2009 for \$355,151.08. Member Lamar seconded. Motion carried.

13. Chairman Milburn asked for any other business and Attorney Giddings presented two bids received for the purchase of the 1996 Taurus declared as surplus at the last Board Meeting. The first bid was received from David Fariss in the amount of \$860.00 and the other from Artie Edwards in the amount of \$552.00. Vice Chairman Ladd made a motion to proceed with the sale of the vehicle to David Fariss as the highest bidder. Member Urban seconded. Motion carried.

General Manager Mike Martin updated the Board on the status of the strategic discussions regarding a possible fiber-to-the-premises project. The possibility of using TIF funds is being taken into consideration with a meeting scheduled for April 15th.

Attorney Larry Giddings discussed with the Board safety and security concerns regarding Utilities' personnel. The police have been called several times recently due to threats of bodily injury. Attorney Giddings wanted the Board to be aware that due to more disconnects from the struggling economy, the safety of our customer service employees should be addressed. Several suggestions were made which will be taken into consideration.

General Manager Martin asked the Board to consider touring the Wastewater Treatment Plant before our next regularly scheduled meeting. It was agreed we would have an informal tour of the facility at 3:00 and then proceed to the Board Meeting at 4:00 at its normal location.

Chairman Milburn complimented Manager Martin on the positive news articles that have been published in the local paper.

14. Chairman Milburn requested a five-minute recess before entering into Executive Session to discuss personnel matters. During the Executive Session only personnel matters were discussed and no action was taken.

The Board reconvened into regular public session.

16. Hearing no further business before the Board, a motion was made to adjourn the meeting by Vice Chairman Ladd. Member Lamar seconded. Meeting was adjourned at 7:00 PM.

APPROVED THIS ____ DAY OF _____, 2009

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD