

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

May 20, 2009

Utility Conference Center

4:00 P.M.

Present:

Board:

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

Staff:

Michael Martin  
Bob Waples  
Randy Parsons  
Doug Zitzelsberger  
Steve Large  
Linda Ridgway

Guests:

John Brand

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 four members present. Member Jim Urban was not in attendance. Confirmation of appropriate notification was acknowledged.

2. Chairman Milburn requested comments on the April 22nd, 2009 minutes. Hearing no comments Vice President Gary Ladd made a motion to approve the minutes as written. Secretary Tom Temple seconded the motion. Motion carried.

3. General Manager Mike Martin introduced John Brand of Butler, Fairman and Seufert who opened bids received for the North Street Utility Infrastructure Project. The following bids were read by Mr. Brand:

Tramco, Inc.	\$1,441,619.50
Brackney, Inc.	\$1,338,270.70
Atlas Excavating	\$1,313,873.25
Poindexter Excavating, Inc.	\$1,267,193.00
Central Engineering	\$1,262,360.00

Motion was made by Vice Chairman Ladd to take all bids under advisement. Secretary Temple seconded. Motion carried.

4. Water/Wastewater Manager Bob Waples opened bids received for lining of the equalization basin at the Wastewater Treatment Plant. The following three bids were received and read into the record by Mr. Waples;

Midwest Trenchless Technologies, Inc.	\$89,464.00
DECO Group, Inc.	\$105,500.00
E.B. Miller Contracting, Inc.	\$269,400.00

Motion was made by Member Dan Lamar to take all bids under advisement. Secretary Temple seconded. Motion carried.

5. Wastewater Collections Supervisor Steve Large requested approval of the Board to advertise for bids for the Sewer Lining Project. Approximately 3,500 linear feet of sewer is open for bid. \$250,000 is allocated in the 2009 budget for sewer lining and an additional \$80,000 is budgeted for manhole rehabilitation. Vice Chairman Ladd inquired about bidding procedures and documents that would be requested. Vice Chairman Ladd made a motion to proceed with advertising for bids for the Sewer Lining Project. Member Lamar seconded. Motion carried.

6. IT and Telecommunications Manager Randy Parsons presented to the Board quotes for installation of Air Blown Fiber Optic along the pathway from the Municipal Building, traversing the alley from Elm Street to Chicago Street to the Water Tower Building. This installation will relieve the telecommunications capacity bottleneck at the water tower. Randy reported that presently we have four fibers between the two locations and this would increase the capacity to twenty-four fibers. Among other benefits, this will provide the needed capacity for the AMR telecommunications. The following vendors submitted quotes;

JDH Contracting	\$12,309.72
ERMCO	\$10,368.00
Percy's Construction	\$11,230.00

Secretary Temple made a motion to accept the ERMCO quote for \$10,368.00 as lowest bidder. Vice Chairman Ladd seconded. Motion carried.

7. IT and Telecommunications Manager Randy Parsons and Network Administrator Doug Zitzelsberger made a presentation to the Board on VMware, a software package that provides a means of reducing hardware and operating costs of our IT systems through a concept called virtualization. Discussion was had regarding the cost savings and operational flexibility that is possible within the VMware virtualization capabilities. Chairman Milburn thanked the IT staff for its presentation and asked that this information be presented to the City before their budget is prepared.

8. IT and Telecommunications Manager Randy Parsons discussed with the Board the Departments' monthly broadband report. Manager Parsons reported that the fiber optic run to Perry Worth School is complete. Central was finished May 20<sup>th</sup> and the Harney work would be consummated by May 22<sup>nd</sup>. Final configurations will be performed on June 9, 2009.

9. Secretary Temple made a motion to pay the claims dated April 30, 2009 for \$189,850.31 and May 20, 2009 for \$1,623,691.66. Member Lamar seconded. Motion carried.

10. Chairman Milburn asked for any other business that should be brought before the Board. General Manager Martin asked Attorney Larry Giddings to comment on the current status of the electric territorial boundary change associated with recently completed I65 Annexation. Attorney Giddings shared with the Board the longstanding relationship Lebanon Utilities and REMC being one of agreement whereby joint filings were made to effectuate boundary changes. However, he reported that the Utilities recently received a letter from REMC stating that they would not cede this territory and that the Utilities was out of time in filing a petition with the IURC to take this area. Mr. Giddings indicated that a singular petition could have been filed by the Utilities automatically ensuring that the electric service area would become Lebanon Utilities but that had not been the past practice and that now the time for such action has expired. Attorney Giddings said that the best course at this stage is for General Manager Martin to pursue the most cost effective approach for acquiring the territory through negotiations with REMC.

General Manager Martin brought the Board up to date on the Climate Change legislation issues currently before Congress. He shared that the Rotary and Kiwanis clubs of Lebanon have submitted their Resolution along with the City, Utilities Service Board, Economic Development Corporation, and The Community Vision Committee. Manager Martin feels we have made an impact as the legislation seems to be providing a significant amount of free allowances as had been desired. Governor Daniels also submitted an editorial to the Wall Street Journal expressing his concerns about the economic impacts of the legislation. Mr. Martin said that a week from Friday he would know more from IMPA about the details of possible impacts regarding rates albeit that the present legislation still must go through a number of committees in the House, then through the full body of the House, and on to the Senate committee and floor vote process. More changes are likely he said and passage is not even assured. He did indicate that EPA could act if Congress does not which might well be less favorable.

Wastewater Supervisor Steve Large asked the Board to declare an Aquatic JB1000 Portable Sewer Vac as surplus property. The out-of-commission piece of equipment is an eyesore behind the building, and they would like to have it sold as scrap. Member Lamar made motion to declare the old sewer vac as surplus. Secretary Temple seconded. Motion carried.

It was brought to the Board's attention that two Board Members and the General Manager will be at the 2009 APPA Convention in Salt Lake City. Therefore the June 17<sup>th</sup> meeting will likely be canceled.

11. 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 5:55pm.

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

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CHAIRMAN OF THE BOARD

ATTEST:

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CLERK OF THE BOARD