

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

August 5, 2009

Utility Conference Center

4:00 P.M.

Present:

Board:

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

Staff:

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

Guests:

Jeff McLaughlin
Stan Diamond,
Greeley & Hansen
Charlie Campbell

1. Chairman Allen Milburn called the regular meeting of the Lebanon Utility Service Board to order at 4:00 P.M. Secretary Tom Temple was not present. Confirmation of appropriate notification was acknowledged.
2. Chairman Milburn requested comments on the July 22, 2009 minutes. Hearing no comments Member Jim Urban made a motion to approve the minutes as written. Chairman Milburn seconded the motion. Motion carried.
3. Chairman Milburn acknowledged the presence Jeff McLaughlin who presented a check for \$5,708.51 as payment toward the availability fees for a lot in Simplicity Subdivision to build a dual unit on one lot. Mr. McLaughlin acknowledges owing an additional \$2,000 before his permits can be pulled. Member Dan Lamar made motion to approve the plat. Vice Chairman Ladd seconded. Motion carried. The Platt was signed by Chairman Milburn.
4. General Manager Mike Martin introduced Planning & Zoning Administration Director Charlie Campbell who asked the Board to review and accept a request by residential homeowner Tom Land to utilize a preexisting septic system on property located in the south annexed area. Mr. Land has demolished the existing house and intends to rebuild a new home in its same footprint. Vice Chairman Gary Ladd made a motion to accept the existing system. Member Urban seconded. Motion carried.
5. General Manager Mike Martin introduced Stan Diamond of Greeley & Hansen who shared a very comprehensive presentation of their water resource study. To summarize their report the study recommendations were as follows:
 - Install an upsized water main into the annexed south area;
 - Extend the water main so as to connect with the Whitestown water system;
 - Proceed with exploration and development of new ground water source; and
 - Enhance the water distribution system in identified areas for fire protection improvement.

Chairman Milburn thanked Mr. Diamond for a well delivered study. General Manager Martin stated that staff intends to utilize the report to develop long-term plans that mesh

from a water supply and financial standpoint and will be presenting this plan to the Board at a later date.

6. Water Wastewater Manager Bob Waples made a recommendation to the Board to hire Butler, Fairman & Seufert to develop and evaluate alternatives available for wastewater collection solids handling under their General Services Agreement. Mr. Waples discussed that the present drying beds approach is no longer adequate in that it imposes limits on the efficiency and effectiveness of the collections operations and poses some risk due to overloads that occur in wet weather. Vice Chairman Ladd made a motion to proceed with hiring Butler, Fairman & Seufert to prepare this evaluation. Member Lamar seconded. Motion carried.

7. Electrical Engineering Manager Mike Adams requested the Board approve hiring Hunt Technologies to commission the AMI equipment being installed in the company's substations at a total cost of \$10,000. Manager Adams stated this would be the last expenditure associated with the AMI program other than installing meters which are being phased in over a six-year period. Member Urban made a motion to hire Hunt Technologies to commission the AMI equipment. Member Lamar seconded. Motion carried.

8. IT and Telecommunications Manager Randy Parsons discussed with the Board the Department's Monthly Broadband Report. Manager Parsons explained to the Board he was able to work with the Lebanon Schools to procure payment from them directly for the recently completed fiber optic project. The Schools will be reimbursed from the Federal Government. This alleviates a lot of tedious paperwork for the department.

Finance Manager Sandra Morgan presented to the Board a summary of internet customer activity showing comparisons for 2008 and 2009. Manager Morgan explained in 2009 we are up 25 customers and revenues have increased by 38.88%. Based on the first half of 2009 results, she projects an estimated loss of \$68,332.

Manager Martin informed the Board the Broadband Task Force has scheduled a meeting to take a look at the next step to advance ilines' sales as well as advance towards profitability and payback of the loan.

General Manager Martin gave an update regarding the talks with Cinergy Metronet. He stated that Cinergy Metronet is progressing towards an August 14th application filing deadline for Federal Broadband stimulus dollars. Mr. Martin explained that they are currently going through a similar process with other cities and towns as with Lebanon. He shared with the Board that Cinergy Metronet's initial reading of the requirements would indicate that Lebanon does not qualify as being sufficiently underserved to be included in the application for stimulus dollars. However, Cinergy Metronet would pursue other financing means with Lebanon and discuss this after August 14.

Member Lamar expressed concern over how to structure our position since we have a growing system in place and waiting for a decision from Cinergy Metronet makes it difficult to move forward. He suggested establishing a target date with Cinergy Metronet. Mr. Martin said he would pursue that idea.

9. Vice Chairman Ladd made a motion to pay the claims dated July 31, 2009 for \$4,251,525.63 and August 5, 2009 for \$204,051.32. Member Urban seconded. Motion carried.

10. Chairman Milburn asked for any other business that should be brought before the Board.

General Manager Martin asked Manager Adams to update the Board on the status of the investigation into the accident at the high school involving the line truck. Manager Adams explained the incident was a dual fault situation in that the truck was perceived as bigger and more capable of handling the weight it was asked to lift. The crew pushed the truck too far in part due to lack of proper instruction and training on the capabilities of the truck. Training has been provided to the electric department by Deuco, the maker of the truck. Member Lamar suggested that a meeting be held with Dr. Taylor regarding the height of the wall around the utility equipment at the Middle School.

General Manager Martin addressed the Board regarding the Equalization Basin bids originally brought before the Board at the June 3rd meeting. He summarized that action was tabled on the last series of bids until clarification was received from Charlie Pride of the State Board of Accounts as to how they should be handled. Legal Counsel Larry Giddings after reviewing Mr. Pride's comments recommended at the July 8th Board Meeting to reject all bids as the project came in over budget. Since it may not be clear that these bids were rejected, the Board reaffirmed the fact with motion made by Member Urban. It was seconded by Vice Chairman Ladd. Motion carried.

The next Utility Board Meeting will be Wednesday, August 19, 2009 at 4:00pm.

10. Hearing no further business before the Board, a motion was made to adjourn the meeting by Member Urban. Vice Chairman Ladd seconded. Meeting was adjourned at 6:30pm.

APPROVED THIS ____ DAY OF _____, 2009

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD