

LEBANON UTILITY SERVICE BOARD

Lebanon, Indiana

October 7, 2015

Utility Conference Center

4:00 P.M.

Present:

Board:

Dan Lamar, Chairman

Allen Woods, Vice Chairman

Jim Urban, Secretary

Neil Taylor, Member

Gary Ladd, Member

Staff:

Bob Waples

Pete Shepherd

Corbin Unroe

Nick Elliott

Jeff McNew

Kyle Larsh

Matt Mihill

Guests:

Scott Miller, Umbaugh

John Brand, Butler Fairman & Seufert

Tom Kouns, City Project Administrator

Legal Counsel: Jeff Jacob

1. Chairman Dan Lamar called the October 7th, 2015 meeting of the Lebanon Utility Service Board to order at 4:05 P.M. A Full Quorum was in attendance. Confirmation of appropriate notification was acknowledged.

2. Pledge of Allegiance to the American Flag was observed.

3. Chairman Lamar requested comments or changes to the September 23, 2015 minutes. Secretary Jim Urban made a motion to approve the minutes. Vice Chairman Allen Woods Seconded the motion. Motion carried.

Chairman Lamar asked for approval of the minutes from the Joint City and Utility Board meeting held September 28, 2015. Secretary Urban made a motion to approve the minutes as written. Seconded by Member Gary Ladd. Motion carried.

8. Acting Electric Operations Manager Pete Shepherd introduced the participants and the results of the 2015 IMEA Lineman's Rodeo. Jeff McNew received 1st in the Apprentice Division and will compete at the Nationals in Minnesota.

4. Water Wastewater Operations Manager Bob Waples, and Butler, Fairman, and Seufert President John Brand along with Tom Kouns, Project Administrator for the City asked the Board to approve an Engineering Agreement for Phase II of the Indianapolis Avenue Water Main Relocation. The project will upgrade old 8" partial asbestos pipe to 16". The City will provide all easements and right of ways. The total fee for the engineering work is a not to exceed amount of \$151,408.00. This phase will start in late 2016 into 2017 and will be included in the 2016 budget. Member Ladd made a motion to accept the Agreement with Butler, Fairman, and Seufert for a not to exceed amount of \$151,408 to relocate a water main along Indianapolis Avenue's Phase II Project, with the Utility Board signing the Agreement. Secretary Urban seconded the motion. Motion carried.

5. Matt Hutton, Supervisor of Billing and Metering Services asked the Board to declare approximately 266 meters declared as surplus. The devices are no longer useable as the AMR endpoint has failed. These meters have been replaced with new properly functioning equipment. This equipment carries no resale value and will be recycled. Member Neil Taylor made a motion to declare the faulty meters as surplus, and to allow Supervisor Matt Hutton to recycle these items. Member Ladd seconded the motion. Motion carried.

6. Water Wastewater Operations Manager Bob Waples, asked the Board to award the bid for the Electric Operations Building Water Main Project to TSW Utility Solutions as the lowest responsive and responsible bidder at \$187,950.75. Board member Gary Ladd recused himself from voting as Ladd Engineering prepared the bid documents. Vice Chairman Woods made the motion to award the West Main Street Electric Operations Building Water Main Bid to TSW Utility Solutions, Inc. for a not to exceed amount of \$187,950.75, with General Manager Jay McCoskey as authorized to sign all contract documents. Secretary Urban seconded the motion. Motion carried.

7. General Manager Jay McCoskey stated that the Utility Board discussed with the City Council in a joint meeting on September 28th the real need for a wastewater rate increase. In order to keep the percentage increase to a minimum the City has been asked to consider reducing or removing PILOT. A Resolution will be presented to the Board for approval at the October 21st meeting.

Aaron Smith commented he would like to see a graduated increase so as to not hit the people so hard. Therefore move projects over future years.

General Manager McCoskey and Scott Miller from Umbaugh explained how as was the mistake with the water rate increase, a gradual increase does not get the utility to where it needs to be fast enough. The utility will be coming back for another increase just to keep up with inflation.

Counsel Jeff Jacob pointed out that we need to consider the cost of the professionals we hire to prepare the rate information who do not come cheap and would cost our citizens every time we come back for an increase. It is not economically feasible to do rate analysis every year.

9. Secretary Urban made a motion to approve the claims dated September 30, 2015 for \$259,578.81, and October 7, 2015 for \$186,241.54. Member Taylor seconded the motion. Motion carried.

10. General Manager Jay McCoskey mentioned that customers of Lebanon Utilities have been receiving calls demanding they pay their bill or will be disconnected. We have contacted the paper and posted on Facebook that this is not Lebanon Utilities and we would never ask customers to pay us over the phone, we have secure sites where they can pay by phone or on line but we do NOT ask for payments over the phone.

September 28th our new website was launched in an effort to better serve customers, www.lebanon-utilities.com

For increased transparency we will begin running an ad in the paper and post particulars on our website notifying the public of various products and services we are soliciting quotes, Request for Proposals, etc. These would be long term commitments

October 4-10 is Public Power Week. We join 2,000 other municipal utilities across the country in celebrating what we have to offer in lower rates, community touch, a local customer service office so customers don't have to call a 800 number for service, etc. We have placed an ad in today's Reporter.

Friday we will provide cider and donut holes to our customers to show our appreciation for them.

Crawfordsville is celebrating 125 years of service this week.

Saturday, October 24th we will have organized tours of the Waste Water Treatment plant to give customers the opportunity to see what it takes to operate the system in a safe and environmentally responsible manner. Organized tours being at 1, 2 and 3 PM., more details will follow.

11. Chairman Lamar asked for any other business that may be brought before the Board.
12. Chairman Lamar opened the floor for public comment.
13. Hearing of no further business to be brought before the Board a motion was made to adjourn the meeting by Secretary Urban. The motion was seconded by Member Taylor. Motion carried.

The meeting was adjourned at 5:05pm.

The next Utility Board meeting will be October 21st at 4:00pm.

APPROVED THIS 21st DAY OF October, 2015

CHAIRMAN OF THE BOARD

ATTEST:

CLERK OF THE BOARD