

LEBANON UTILITY SERVICE BOARD
Lebanon, Indiana

December 13, 2017

Council Chambers

5:00 P.M.

Board:

Gary Ladd, Chairman
Neil Taylor, Vice Chairman
Jim Urban, Secretary
Dan Lamar, Member
Bill Stoner, Member

Staff:

Trace Bowles
Sandra Morgan
Michael Susong
Corbin Unroe
Mike Whitman, General Manager
Jeff Jacob, Legal Counsel

Guests:

Tim Hill, Peerless Midwest
John Lightner, B F & S

1. Chairman Gary Ladd called the December 13, 2017 meeting of the Lebanon Utility Service Board to order at 5:00 P.M. A full quorum was in attendance. Confirmation of appropriate notification was acknowledged.

Chairman Ladd stated that a Working Session was held at 3:30pm, this same date. Confirmation of appropriate notification was acknowledged. No motions were made, no votes were taken.

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

3. Chairman Ladd requested comments or changes to the November 15, and November 20, 2017 minutes. Vice Chairman Neil Taylor made a motion to accept the minutes as written. Member Bill Stoner seconded the motion. Motion carried.

4. Chief Financial Officer Sandra Morgan asked the Board to approve our ancillary benefits, which include; life, long, and short-term disability, vision and dental. Quotes were received from MetLife/VSP, Reliance Standard/VSP, Lincoln/VSP, Guardian/VSP and Kansas City Life/VSP. Secretary Jim Urban made a motion to accept Kansas City Life/VSP with the lowest quote and an A rating status. Vice Chairman Taylor seconded the motion. Motion carried.

5. Chief Financial Officer Sandra Morgan presented a summary of the 2018 Budget to the Board for approval. Six to eight weeks of preparation by managers and staff, working with the Board's Finance Committee and then presenting to the full Board at this afternoon's working session culminated in the summary version CFO Morgan presented. Member Dan Lamar made the motion to accept the 2018 Budget as presented. Secretary Urban seconded the motion. Motion carried by a majority, with a nay vote by Member Stoner.

6. Chief Financial Officer Sandra Morgan recommended the Board approve a 3% increase in the existing salary ranges for all positions effective January 1, 2018, giving the General Manager approval to work within the approved ranges throughout 2018. Secretary Urban made this motion, and was seconded by Vice Chairman Taylor. Motion carried.

7. Chief Financial Officer Sandra Morgan asked the Board to support a portion of the salaries for the Mayor, Clerk-Treasurer and the Deputy Clerk Treasurer in the following amounts:

- Mayor Matt Gentry \$26,866
- Clerk - Treasurer Tonya Thayer \$15,360
- Deputy Clerk-Treasurer Cindy Thrine \$26,208

These amounts represent a 3% increase for the Clerk-Treasurer and the Deputy Clerk Treasurer. There will be no change to the Mayor's salary for 2018. Vice Chairman Taylor made a motion to approve the Utilities portion of the 2018 salaries for the City employees as recommended by CFO Morgan. Motion seconded by Member Stoner. Motion carried.

8. Chief Operations Officer Trace Bowles asked the Board to approve a contract with Honeywell/Elster for services related to the provision and installation of the AMI system for the electric department in the not to exceed amount of \$1,700,000 plus the annual maintenance costs of \$119,160. The end-points of the current system are failing. Matt Hutton will be the Project Manager on this project. Member Lamar made the motion to accept Honeywell/Elster contract for \$1,700,000 and to include the annual maintenance for \$119,160 with General Manager Whitman signing the documents. Secretary Urban seconded the motion. Motion carried.

9. Chief Operations Officer Trace Bowles asked the Board to approve a proposal from Butler, Fairman & Seufert to assist the Wastewater department in identifying and evaluating the hazard rankings for the department including disaster recovery. Member Stoner made a motion to hire Butler, Fairman & Seufert to prepare an evaluation of our Wastewater Hazard Rankings on an hourly basis for a not to exceed amount of \$18,250 with General Manager Whitman signing the document. Member Lamar seconded the motion. Motion carried.

10. Chief Operations Officer Trace Bowles asked the Board to consider an upgrade to the electric SCADA system. The existing Real-Time Automation Controllers (RTAC's) need to be replaced due to the age of the equipment and replacement will give better reliability and ease of use. Vice Chairman Taylor made a motion to accept a quote from A-Star Electric for \$36,618 to purchase RTAC's for the SCADA upgrade project. This quote includes training by an SEL Automation Engineer. Member Stoner seconded the motion. Motion carried.

11. Water, Wastewater Manager Michael Susong asked the Board to approve the providers of chemicals for the Utilities. Member Lamar made a motion to accept quotes from both Brenntag and Water Solutions Unlimited to provide the chemicals for the Water and Wastewater Department and to authorize General Manager Whitman to sign the purchase agreements. Member Stoner seconded the motion. Motion carried.

12. Water, Wastewater Manager Michael Susong asked the Board to award Atlas Excavating the Emergency Repair Program for 2018 - 2019. The bid establishes rates of future emergency work during the period of January 1, 2018 through December 31, 2019. Secretary Urban made the motion to accept the bid from Atlas Excavating, Inc. as the provider of future emergency work for the water, wastewater departments during the period of January 1, 2018 through December 31, 2019, and issue their Notice of Award, with General Manager Whitman signing the document. Vice Chairman Taylor seconded the motion. Motion carried.

13. Water, Wastewater Manager Michael Susong asked the Board to approve a project to install a new well for the south annexed area along Indianapolis Road. Vice Chairman Taylor made a motion to approve the development of a well for the south annexed area along Indianapolis Road, with the assistance of Peerless Midwest for a not to exceed amount of \$65,432, with General Manager Whitman signing the documents. Member Stoner seconded the motion. Motion carried.

14. Water, Wastewater Manager Michael Susong asked for Board approval to hire Wessler Engineering on an annual basis to provide assistance to the Wastewater staff with the following:

- industrial site inspections
- inspection documentation
- bi-annual sampling events
- surcharge worksheets
- analytical result evaluations
- enforcement actions

Member Lamar made a motion to approve Wessler Engineering Task Order #5 at an hourly basis for a not to exceed amount of \$60,000 annually and to authorize General Manager Whitman to sign the document. Secretary Urban seconded the motion. Motion carried

15. Member Lamar made a motion to table Agenda Item #15 69kV Land Acquisition until further information can be provided. Secretary Urban seconded the motion. Motion carried.

16. Legal Counsel Jeff Jacob asked the Board to address the open claim related to the Grant Street Project. Member Lamar made a motion to pay the Gradex, Inc. claim in the amount of \$36,007.58 subject to the settlement agreement being signed by all parties and the City's agreement to paying their portion of this agreement. The motion was seconded by Secretary Urban. Motion carried.

17. Chairman Ladd asked for 2018 Board officers to be assigned. Member Lamar made a motion to keep the same officers as 2017; Chairman, Gary Ladd, Vice Chairman, Neil Taylor, Secretary, Jim Urban. 2018 Committee Members will also stay the same as 2017. Motion was seconded by Member Stoner. Motion carried.

18. Member Stoner made a motion to approve the claims dated November 29, 2017 for \$651,599.58, and December 13, 2017 for \$2,661,471.15. Secretary Urban seconded the motion. Motion carried.

19. Chairman Ladd asked for any other business that may be brought before the Board. No further items were discussed.

20. Chairman Ladd opened the floor for public comment. General Manager Mike Whitman reported to the Board and the listening public with the following:

- Lebanon Utilities is your Not-for-Profit utility owned by the citizens of Lebanon.
- December is the time when we look back on our accomplishments for the year, and look forward to those things we intend to accomplish in the new year.
- We have continued our journey to create a culture of safety throughout the organization with our goal continuing to be accident free.
- We are well along on our business continuity and disaster recovery plans.

- We have a fully implemented Key Accounts Program, and are well along on developing an organization succession plan.
- Next year we plan to complete our Automated Metering Infrastructure transition as well as implementing a new billing system all integrated to make us a more efficient and effective Utility.
- We look forward to completion of the 69kV transmission line that will improve our electric system reliability.
- I wish to thank our Board members and legal counsel for the hours you put in leading and assisting us with the challenges that we face.
- Additionally, I thank all employees, who provide life essential services to our community, for their dedication in the great work they do.
- The Utility offices will be closed Friday, December 22nd and Monday, December 25th. Also, Friday, December 29th and Monday January 1st.
- We all wish you Happy Holidays and may the Spirit of the Season always be in your Heart!

21. The next Utility Board meeting is planned for January 10, 2018 at 5:00pm.

22. Hearing of no further business to be brought before the Board a motion was made to adjourn the meeting by Member Stoner. The motion was seconded by Vice Chairman Taylor. Motion carried

The meeting was adjourned at 5:55pm.

APPROVED THIS 10th DAY OF January 2018

CHAIRMAN OF THE BOARD

ATTEST:

SECRETARY OF THE BOARD