

LEBANON UTILITY SERVICE BOARD

Lebanon, Indiana

September 19, 2018

Council Chambers

5:00 P.M.

Board:

Gary Ladd, Chairman

Neil Taylor, Vice - Absent

Jim Urban, Secretary

Dan Lamar, Member

Bill Stoner, Member

Staff:

Trace Bowles, COO

Michael Susong, W/WW Manager

Josh Spencer, W/WW Project Manager

Michael Whitman, General Manager

Jeff Jacob, Legal Counsel

Guests:

John Brand, BF&S

1. Chairman Gary Ladd called the September 19, 2018 meeting of the Lebanon Utility Service Board to order at 5:00 P.M. Vice Chairman Neil Taylor was not in attendance. Confirmation of appropriate notification was acknowledged.

Chairman Ladd stated that a Working Session was held at 3:00pm, 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 August 22, 2018 minutes. Secretary Jim Urban made a motion to accept the minutes as written. Member Dan Lamar seconded the motion. Motion carried.

4. Water, Wastewater Project Manager Josh Spencer asked the Board to approve a Change Order for the East Street Project. This Change Order reflects the reconciliation of funding for this project. Member Lamar made a motion to approve Atlas Excavating Change Order #5 for the East Street Project as a credit in the amount of \$18,678.74 with the General Manager signing the document. Member Bill Stoner seconded the motion. Motion carried.

5. Water, Wastewater Manager Michael Susong asked the Board to hire an engineering firm to provide an evaluation of our Wastewater System. This evaluation will help develop an overall plan for the wastewater system, so projects can be prioritized efficiently and appropriately funded to make improvements to the existing system and account for future growth of the City. Member Stoner made a motion to approve an Agreement with Butler, Fairman & Seufert for a not to exceed amount of \$313,500 and authorize the General Manager to sign all pertinent documents. Member Lamar seconded the motion. Motion carried.

6. Chief Operating Officer Trace Bowles asked the Board to declare Bucket Truck #17 as surplus. This truck's replacement as approved by the Board on 4-19-2017 is now on site. Member Lamar made a motion to declare our 2004 GMC Bucket Truck as surplus and have J.J. Kane Auction Services sell this truck at auction as allowed by Indiana code IC5-22-22-4. The General Manager is authorized to sign the Agreement with J.J. Kane Auctioneers. Secretary Urban seconded the motion. Motion carried.

7. Chief Operating Officer Trace Bowles asked the Board to declare all our old meters that were replaced with new during the recent AMI Project as surplus, so they can be disposed of as scrap. Secretary Urban made a motion to declare 8,522 electric meters that were replaced with new as surplus and to allow the electric department to dispose of as scrap per Indiana Code IC5-22-22-8. Member Stoner seconded the motion. Motion carried.

8. Chief Operating Officer Trace Bowles asked the Board to allow the Electric Department to replace and/or relocate the underground system in Ulen. Ulen has a very old underground electric system that is very dangerous for our crews to perform any maintenance on and needs to be replaced for safety reasons. Member Stoner made a motion to allow the electric department to replace the underground system at Ulen for a total cost of \$240,982.88 with verification of easements & Home Owner signatures as approved by Legal Counsel, Jeff Jacob, and authorize the General Manager to sign all related documents. Member Lamar seconded the motion. Motion carried.

9. Chief Operating Officer Trace Bowles asked the Board to allow the Electric Department to convert the electrical system in the Elmwood subdivision from overhead to underground. This subdivision was annexed into our system several years ago and is beginning to fail. Money will be funded from System Upgrades in the 2018 budget. Member Lamar made a motion to allow the electric department to convert the electrical system in Elmwood from overhead to underground for a not to exceed amount of \$81,831.00 and grant the General Manager signing authority for all pertinent documents.

10. Chief Operating Officer Trace Bowles asked the Board to approve changes to the Employee Advancement Program documents. No monetary changes were made. Member Stoner made a motion to approve the format and descriptive changes to the Employee Advancement Program Structure, and On Call Pay rate effective July 11, 2018, with modifications as presented September 19th, 2018. Secretary Urban seconded the motion. Motion carried.

11. Chief Operating Officer Trace Bowles, on behalf of Sandra Morgan, Chief Financial Officer presented the renewal rates for the Utilities Health Insurance coverage thru AIM. Due to the number of participants that dropped from the Utility Plan or made changes in status and the reduced amount due to the City for 2019, the rates are lower than 2018 by \$197,687.82, realizing a 16.8% decrease for 2019.

Member Lamar made a motion and Secretary Urban seconded to remain on Plan F with AIM Medical Trust for 2019. Motion carried.

Member Lamar made a motion and Member Stoner seconded to allow the employee rates remain the same for our Health Insurance thru AIM for 2019. Motion carried.

Member Lamar made a motion and Secretary Urban seconded to keep the HSA contributions the same for 2019. Motion carried.

12. Legal Counsel Jeff Jacob asked the Board to approve a change to our retirement plan document preparation services. Principal will no longer be responsible for document preparation. Member Lamar stated he would agree to this change but expressed his frustration with Principal and their lack of quality service to the Utilities. Member Lamar made a motion to approve the Engagement Letter Agreement with Ogletree Deakins and authorize General Manager Mike Whitman to sign on behalf of the Utility Board. Member Stoner seconded the motion. Motion carried.

13. Member Lamar made a motion to appoint Tracy Bowles as Interim General Manager upon General Manager Mike Whitman's retirement on October 3rd, 2018. Secretary Urban seconded the motion. Motion carried.

14. Secretary Urban made a motion to approve the claims dated September 5th, 2018 for \$380,798.19, and September 19th, 2018 for \$2,908,624.31. Member Stoner seconded the motion. Motion carried.

15. Chairman Ladd asked for any other business that may be brought before the Board. General Manager Mike Whitman who will retire from the Utilities as General Manager on October 3rd reported to the Board and listening public the following;

As my retirement after 45 years in the utility business gets sadly closer, I wish to heartily express my gratitude to the Board of Directors for trusting me with the honor of being the General Manager of Lebanon Utilities. I thank the Board for their dedication and support, my staff for their thoughtful input and guidance and to all employees of Lebanon Utilities for their dedication to just doing an outstanding job. I thank all of you and wish you the very best for your careers and life pursuits.

16. Chairman Ladd opened the floor for public comment. No comments were received.

17. The next Utility Board meeting is planned for October 17th, 2018 at 5:00pm.

18. 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 Secretary Urban. Motion carried

The meeting was adjourned at 5:45pm.

APPROVED THIS 3rd DAY OF October 2018

CHAIRMAN OF THE BOARD

ATTEST:

SECRETARY OF THE BOARD