

LEBANON UTILITY SERVICE BOARD

Lebanon, Indiana

December 11, 2019

Council Chambers

5:00 P.M.

Board:

Neil Taylor, Chairman

Bill Stoner, Absent

Jim Urban, Secretary

Dan Lamar - Member

Aaron Smith, Member

Staff:

Ryan Ottinger, WWW Manager

Jeff Greeno – Electric Ops Manager

Rick Hale – Facilities Manager

Ed Basquill, General Manager

Jeff Jacob, Legal Counsel

Guests:

John Lightner – BF&S

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1. Chairman Neil Taylor called the December 11, 2019 meeting of the Lebanon Utility Service Board to order at 5:00 P.M. Vice Chairman Bill Stoner was not in attendance. Confirmation of appropriate notification was acknowledged.

Chairman Taylor stated that an Executive Session was cancelled, and a Working Session was held at 3:45 P.M., 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 Taylor requested comments or changes to the November 20, 2019 minutes. Member Dan Lamar made a motion to accept the minutes as written. Secretary Jim Urban seconded the motion. Motion carried.
4. Water Wastewater Manager Ryan Ottinger asked the Board to approve Butler Fairman & Seufert, Inc. to update the Water Utility's Capital Improvement Plan. Once updated the information received a rate consultant will use the CIP to assess the anticipated future rate impact for the Water Utility. Member Lamar made a motion to approve Butler, Fairman & Seufert's Agreement for engineering services to provide a Capital Improvement Plan and a Preliminary Engineering Report for Phase 2 of SRF loan funding for a not to exceed amount of \$26,600.00 with General Manager Basquill signing all documents. Member Aaron Smith seconded the motion. Motion carried.
5. Water Wastewater Manager Ryan Ottinger asked the Board to approve a contract for design services from Butler, Fairman & Seufert, Inc. for the Williams St. Bridge Water Main Relocation. The design will be to bore under the creek. There are valves on either side of the creek therefore there should be no impact on water pressure in the area. Secretary Urban made a motion to approve the Agreement with Butler, Fairman & Seufert for the Williams Street Bridge Water Main Relocation for a not to exceed amount of \$29,100.00 with General Manager Basquill signing all pertinent documents. Member Smith seconded the motion. Motion carried.
6. Water Wastewater Manager Ryan Ottinger asked the Board's permission to engage Butler, Fairman & Seufert, Inc. to provide the necessary documents and bidding assistance for the Utility Emergency Repair Program. Member Lamar made a motion to allow Manager Ottinger and Butler, Fairman & Seufert to proceed in creating a bid package and go out to bid for emergency repair services for 2020 for a not to exceed amount of \$3,800.00. Secretary Urban seconded the motion. Motion carried.

7. Facility Manager Rick Hale asked the Board to consider additional compensation for the cleaning contractor for the Municipal Building. The current contractors have not had an increase in their wages for 13 years. Manager Hale would like to keep the local crew as they do an excellent job. The turnover in other cleaning crews would be unacceptable for the Utilities. Two quotes from other vendors came in much higher, the third did not respond. Secretary Urban made a motion to approve the Agreement with Debbie Bailey authorizing an increase to the compensation of \$6,000 to be divided between the City and Utilities at a 57/43% split. Member Lamar seconded the motion. Motion carried.
8. Chief Financial Officer Sandra Morgan presented a summary of the 2020 Budget to the Board for approval. Working with the Board's Finance Committee and two months of preparation by managers and staff, CFO Morgan presented a summary of the 2020 Budget to the Board and public. Member Smith pointed out that the Availability and Tap Fees were Member Smith went on record as stating the 2020 Budget includes \$573,794.00 as payment in lieu of taxes (PILOT) by Ordinance 2010-07. On June 5, 2019 the City was given Resolution 2019-02 from the Utility Board asking the City to consider each year to accept or not the PILOT payments. This would allow the Utilities to use this money for Utility improvements to infrastructure. The City has not accepted this Resolution and in Mr. Smith's opinion the rate payers pay this PILOT thru City taxes therefore the City should eliminate this payment in order to allow the Utilities to be able to use the funds for infrastructure improvements to help elevate a possible raise in utility rates. Member Lamar made the motion to accept the 2020 Budget as presented. Member Smith seconded the motion. Motion carried.
9. Chief Financial Officer, Sandra Morgan requested Board approval to pay the Utilities portion of the City Salaries as required by City Ordinance No. 2019-08 in the following amounts:

- Mayor \$30,090 12% Increase
- Clerk-Treasurer \$17,204 12% Increase
- Deputy Clerk-Treasurer \$27,805 3% Increase

Member Lamar made a motion to pay the Utilities portion of the 2020 salaries for City Employees as requested. Secretary Urban seconded the motion. The motion was approved with Member Smith opposing due to his disapproval of Ordinance 2010-07 Payment in Lieu of Taxes. Mr. Smith thinks the City should pay for these salaries thru the Payment in Lieu of Taxes received from the Utilities. Manager Morgan stated historically speaking it is common for Utilities to pay a portion of City salaries.

10. Chief Financial Officer, Sandra Morgan requested Board approval for wage adjustments for 2020. Secretary Urban made a motion to approve a 3% salary increase in the employee advancement schedule for all qualified employees with an effective date of January 1, 2020 and give the General Manager approval to work within the approved ranges throughout 2020. Member Smith seconded the motion. Motion carried.
11. Electric Operations Manager Jeff Greeno asked the Board to change verbiage on the Clothing Policy dated March of 2017 in the 4th paragraph to allow the departments the ability to change vendors so that they can take advantage of opportunities for a better-quality product and/or service. Member Lamar made a motion to make the change to the Clothing Policy and allow Chairman of the Board Neil Taylor to sign the document. Secretary Urban seconded the motion. Motion carried.
12. Legal Counsel Jeff Jacob asked the Board to table Agenda Item No. 12, Resolution 2019-03 until further notice. Member Lamar made the motion to table until further notice with Member Smith seconding the motion. Motion carried.

13. Board Chairman Neil Taylor asked the Board to approve the slate of officers for 2020. Member Lamar made the motion seconded by Member Smith; motion carried to approve the following slate of officers for the Utility Board for 2020:

- Chairman Neil Taylor
- Vice Chairman Bill Stoner
- Secretary Jim Urban

Secretary Urban made the motion, Member Smith seconded, and the motion carried to approve the following Utility Board Committee Members.

- Finance Committee: Neil Taylor and Aaron Smith
- Personnel Committee: Dan Lamar and Bill Stoner

Board Liaisons will remain the same as reported by Member Lamar:

- Electric Utility Dan Lamar
- Wastewater Utility Aaron Smith
- Water Utility Neil Taylor
- iLines Jim Urban
- Administration Bill Stoner

Utility Board Meeting Dates were approved as presented by a motion from Member Smith and seconded by Secretary Urban. Motion carried.

14. Member Lamar made a motion to approve the claims dated December 11, 2019 for \$1,700,239.70. Secretary Urban seconded the motion. Motion carried.

15. Chairman Taylor asked for any other business that may be brought before the Board. No further business was presented.

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

17. The next Utility Board meeting will meet as scheduled on January 8, 2020 at 5:00pm.

18. 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 Lamar. Motion carried.

The meeting was adjourned at 5:50 P.M.

APPROVED THIS 8th DAY OF January 2020

CHAIRMAN OF THE BOARD

ATTEST:

SECRETARY OF THE BOARD