

LEBANON UTILITY SERVICE BOARD

Lebanon, Indiana

April 19, 2023,

Council Chambers

5:00 P.M.

Board:

Neil Taylor, Chairman
Bill Stoner, Vice Chairman

Tim Hudson, Secretary
Aaron Smith, Member
Anne Patterson, Member

Staff:

Ed Basquill, General Manager
Sandra Morgan, CFO
Ryan Ottinger, W & WW Ops Manager
Jeff Jacob, Legal Counsel
Danielle Bannourah, Exec. Assistant
Jeff Greeno, Electric Ops Manager

Guests:

-
1. Chairman Taylor called the April 19, 2023, meeting of the Lebanon Utility Service Board to order at 5:00 P.M.
 2. Pledge of Allegiance to the American Flag was observed.
 3. Chairman Taylor opened the floor for public comment. General Manager gave a shoutout to Telecommunications Manager Seth Byrd for giving one of the service board members Anne Patterson a great tour and for all the hard work that he does for Lebanon Utilities & Ilines.
 4. Vice Chairman Stoner made a motion to approve the April 5, 2023, minutes. Member Patterson seconded the motion. Motion carried.
 5. Sandra Morgan, Chief Financial Officer presented the Board with the final actuarial valuation. We received an evaluation study on the defined benefit pension plan and were recommended to fund it at our minimum required contribution of \$401,487.00 for 2023. Member Smith confirmed that the Personnel Committee approves of this level of funding. Vice Chairman Stoner & Secretary Hudson confirmed they do approve. Member Stoner made a motion to approve Lebanon Utilities to fund the plan a minimum of \$401,487.00 for 2023 to be allocated appropriately between all utilities. Secretary Hudson seconded the motion. Motion carried.
 6. Jeff Jacob, Legal Counsel stated this is a restatement of the Defined Benefit Plan to include all of the older amendments as well as update some of the areas that were unclear and to bring this document in compliance with new IRS regulation that will go into effect next year. Vice Chairman Stoner made a motion to approve the Restated City of Lebanon Utility Service Board Employee's Pension Plan effective January 1, 2023. Secretary Hudson seconded the motion. Motion carried.
 7. Jeff Jacob, Legal Counsel stated this Resolution was discussed at the previous working session. This is a recommendation by the Utility Service Board to the City Council to amend an ongoing program for wholesale discounting for large power users as provided by IMPA, our wholesale energy provider. He stated this is to be in compliance with IMPA, who is modifying its rate structure that will take effect January 1, 2024. This program allows for a discount for energy over a 5-year period for large power users that make a new million-dollar investment in the community. This amendment puts a cap on the total benefit during the incentive period that a large power user could receive. Jeff said it is his understanding it would be a rare instance, and that there are no users taking advantage of this program

in the City of Lebanon that this would impact. Jeff Jacob read the Resolution. Secretary Hudson made a motion to approve Resolution 2023-04 of the City of Lebanon Utility Service Board Recommending Amendment of the Economic Development Rider. Vice Chairman Stoner seconded the motion. Motion carried.

8. Seth Byrd, Telecommunication Manager asked the board to declare the list of IT equipment as surplus. Vice Chairman Stoner made a motion to declare the listed IT equipment as surplus property and allow Seth Byrd to dispose of the items in accordance with IC 5-22-22-8. Member Patterson seconded the motion. Motion carried.
9. Ryan Ottinger, Water & Wastewater Operation Manager updated the Board with the 2022-2023 Water Update.
10. Ryan Ottinger, Water & Wastewater Operation Manager asked the Board to approve the agreement for Butler Fairman & Seufert to run a computer model on connection points, adding/subtracting storage tanks, booster stations, or anything we might need in the future. This will help us make educated decisions and give us data while we are working on adding future water sources. Currently we are looking at getting 10 million gallons of water a day that we would be purchasing. We need to know how that will look and how we need to proceed in connecting it to our system. Member Smith stated he believes it is the City's as well as his own intention to have LEAP driven expenses be paid for by IEDC whether it be directly with an agreement with us or with Citizens Energy. Secretary Hudson made a motion to approve the Water Source Connection Modeling Agreement from BF&S for a not to exceed amount of \$77,400.00. Vice Chairman Stoner seconded the motion. Motion carried.
11. Ryan Ottinger, Water & Wastewater Operation Manager stated that our Sugar Creek Well #2 was possibly hit by lightning after having an electrician look at the panel. Ryan stated they will look into filing insurance claim on this however he is concerned because this well is completely out of service while going into our peak usage time. Ryan stated that they will be pulling out the pump to evaluate the entire pump to ensure everything that is damage is repaired. Ryan stated there is a budgeted item for unforeseen equipment repair and replacement in the water budget which this would fall under if it was not determined to be paid for by insurance. Vice Chairman asked the process of filing the insurance and how Ryan would be handling it. Ryan stated upon approval he will contact insurance tomorrow to see how they would like us to proceed in this repair and what they will need. Member Smith asked how the insurance is coordinated through the finance department. CFO, Sandra Morgan stated that Ryan will need to send everything to Shawna Glendenning, who handles all our property insurance or anything that goes through the claims until we get a decision. Secretary Hudson asked what the age of the equipment is at this pump. Ryan stated the electrical is relatively new, however is unsure of the pump age. Member Smith asked Ryan to arrange a tour of the plant that coordinates with a date that one of the contractors is there. Secretary Hudson made a motion to approve Ortman Drilling and Water Services for Sugar Creek Well #2 Repair in an amount not to exceed \$43,343.50. Vice Chairman seconded the motion. Motion carried.
12. Jeff Greeno, Electric Operation Manager requested the Board to approve Berry It, Inc to install the electrical conduit and equipment for Phase 3 of the housing addition Cedar Ridge. Jeff stated this project is moving at a quick pace. Member Patterson made a motion to approve Berry It, Inc to install the electrical conduit and equipment for Cedar Ridge Section 3 with a not to exceed amount of \$35,572.00 with all documents to be signed by General Manager Ed Basquill. Vice Chairman Stoner seconded the motion. Motion carried.
13. Vice Chairman Stoner made a motion to approve the claims dated April 19, 2023, in the amount of \$2,571,537.36 for claims and payroll and \$2,174.00 for transfers. Secretary Hudson seconded the motion. Motion carried.

14. Chairman Taylor asked for any other business that may be brought before the Board. Jeff Greeno informed the Board about the APPA award Lebanon Utilities received. Each year we turn in outage reports to the American Public Power Association for a reliability report. For 2022 Lebanon Utilities was one of five communities in Indiana to receive a Certificate of Excellence for Reliability. Jeff Greeno stated that Lebanon Utilities has a great staff that all works together.
15. Chairman Taylor opened the floor for public comment. No comments were received.
11. The next Utility Board meeting will meet as scheduled on Wednesday May 3, 2023, at 5:00pm.
12. Hearing of no further business to be brought before the Board a motion was made to adjourn the meeting by Secretary Hudson. The motion was seconded by Vice Chairman Stoner. Motion carried.

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

APPROVED THIS 3 DAY OF May 2023

CHAIRMAN OF THE BOARD

ATTEST:

SECRETARY OF THE BOARD