

**CITY OF LAWRENCE
UTILITY SERVICE BOARD
SEPTEMBER 14, 2021 – 5:30 PM
Regular Meeting
George Keller Public Assembly Room**

Members Present: Steven Hall, David Parnell, and Dale Tekippe

Members Present via Zoom: Tracy Boyd and Zachary Brown

Members Absent: None

Others Present: Recording Secretary Tina Whitcomb

Staff Present: Director of Operations Paul Wanner

Others Present via Zoom: None

Chairman Hall called the meeting to order at 5:30 p.m. and announced a quorum.

Mr. Hall requested a motion to approve the Minutes from the August 24, 2021 regular meeting. Mr. Parnell moved to approve the Minutes and Ms. Boyd seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0.

Mr. Hall requested a motion to approve the payment of Claims for \$716,491.70, which included the Payroll Voucher for \$123,724.78. Mr. Parnell moved to approve the motion and Ms. Boyd seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0.

Superintendent's Report: Mr. Hall asked Mr. Wanner to give the Superintendent's Report. Mr. Wanner reviewed the items on the agenda. (A copy of the report is attached to the Minutes for record-keeping purposes.)

Public Hearing – Disposal of property at 7750 Oaklandon Road: Mr. Hall requested a motion to suspend the regular meeting for the advertised Public Hearing regarding the disposal of property owned by Lawrence Utilities at 7750 Oaklandon Road, Lawrence. Mr. Tekippe moved to approve the motion and Mr. Parnell seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0. The public hearing was then open.

Disposal of such real property under Ind. Code § 36-1-11 et seq. is subject to the approval of the Mayor of the City, who has designated the USB to give notice, conduct a public hearing, and notify the Mayor of its recommendation. The public hearing was held pursuant to Ind. Code § 36-1-11-3. The required published notifications in two local newspapers were placed at least ten (10) days in advance of this hearing. The floor was open to the public but no one spoke. Following discussions, Mr. Parnell moved to advise the mayor to proceed and Ms. Boyd seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0. The public hearing was then closed.

Mr. Parnell made a motion to move forward with the regular meeting and Ms. Boyd seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0.

Unfinished Business: There was none.

New Business: Mr. Hall requested a motion to approve Change Order No. 1 from Miller Pipeline, Inc. to decrease the Maple Lane, Zoeller Avenue, and Wallingwood Drive Water Main Replacement Project by

\$64,525.00. Mr. Tekippe moved to approve the motion and Mr. Parnell seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0.

Mr. Hall requested a motion to approve Task Order No. 6 from American Structurepoint, Inc. issued under the Master Agreement regarding the Offenbacher Farms Development Review for \$20,000.00. Mr. Tekippe moved to approve the motion and Mr. Parnell seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0.

Mr. Hall requested a motion to approve Change Order No. 2 from Miller Pipeline, Inc. to increase the Carroll Road Water Main Extension Project by \$10,036.20. Mr. Parnell moved to approve the motion and Ms. Boyd seconded the motion. After a roll call vote, the motion was unanimously approved by a vote of 5-0. The public hearing was then open.

Account Adjustments: There was none.

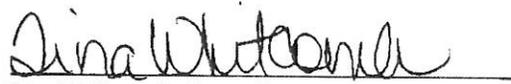
Remonstrations of Ratepayer Dispute Regarding Disconnect Notice: There was none.

Citizens Comments: There was none.

There being no further business to come before the Board, a motion was made to adjourn the meeting at 5:43 p.m. by Mr. Parnell and was seconded by Ms. Boyd. After a roll call vote, the motion was unanimously approved by a vote of 5-0.



Steven Hall, Chairman



Tina Whitcomb, Recording Secretary

These Minutes are not intended to be verbatim. They are a summary of discussions held, except for motions.



September 28, 2021 – Superintendent's Report

ADMIN UPDATE:

At tonight's meeting the Board is requested to approve a motion to recommend to the Mayor that the property at 7750 Oaklandon Road be disposed of. At the previous meeting the recommendation was made and approved, but was supposed to have been done after the public hearing part of the meeting had been closed. This request is simply to clean up this procedural error. We recommend approval.

Before the Board tonight is Amendment #1 to Task Order #5 with American Structurepoint. This amendment enlarges the scope of work under TO 5 to be expanded to include flow metering, sewer hydraulic modeling and associated engineering work to be done in order to press forward with requirements under the EPA's proposed Administrative Order of Consent. Although that order has not been received in its final form yet, we do know that this work, which will be focused on addressing chronic SSO areas in the system, will have to be done. Starting now will allow us to get the flow meters deployed to begin collecting wet and dry weather flow data, rain data and begin analyzing said data in order to provide the basis for updating the existing sewer model. The sewer model will also be updated to a newer version and will meet EPA requirements for sewer modeling. Once the model is updated, scenarios will be run in order to evaluate existing conditions and theoretical conditions in the system in order to determine the causes of our chronic SSO's as well as possible solutions and alternate solutions. The work to be performed by ASI also includes the review and updating of our CMOM plan and the development of the Sanitary Sewer Corrective Action Plan, which is the plan to correct the SSO issues. The updated CMOM will address operational requirements such as staffing levels and routine O&M work. The Utility will own the sewer model once it is completed. The schedule included in the amendment is based on the "NTP" date, which is the date of the final signed order from EPA. We expect to have that sometime in October. The cost of the amendment adds \$719,400 to the original TO 5 amount of \$25,000, for a total of \$744,400, which will come out of sewer capital. We recommend approval of this amendment.

The Utility has recently been struggling with retaining good, qualified employees. This situation is primarily due to our pay levels being too low. This has all been made worse by the COVID impacts on the workplace and economy. The simple fact is that our Utility needs to start offering a higher level of pay to attract high-quality employees and to keep them here once we get them. Right now we are in a position where we need to hire at least 2 licensed water plant operators and we have taken steps to post the positions on the website and also with the Alliance of Indiana Rural Water, who have a website for water and sewer related job postings and résumés of potential hires. Along with our 2022 budget, we will be presenting a 2022 Salary Ordinance that we believe will enable us to start meeting our goals in recruiting and retaining high-quality employees. We also need to reward those who are here now and have put in the time, effort, dedication and motivation to run our utility operations.

The sewer rate study is underway but there is nothing to report at this time, although we expect to have something before the Board soon. I would also like to mention that it is my plan to also have a water rate study performed in 2022 in order to see where we are at with the water utility finances. As you know, we have made commitments to our customers to end the practice of waiting a decade or more to evaluate rates, which always results in large rate increases. With our last increase taking effect January

1, 2020, I feel it is prudent to evaluate the water rates again in 2022 and to make any adjustments that may be required.

As you all know too, the City of Lawrence was awarded a SWIF Grant in the amount of \$2,050,000, definitely welcome news with respect to the sanitary sewer utility. Our plan is to match this amount with the ARP funds the city has received and to move forward with some long overdue sanitary sewer I&I removal projects in the older parts of the city. Reducing and/or eliminating I&I is going to be crucial to the health of our sewer utility moving forward. It is important to note that, while the SWIF Grant/ARP funding will certainly be helpful in light of our less than desirable sewer capital spending over the past 5 years; it will not address all our sanitary sewer issues. Continued investment in the sewer utility will lead to reduced treatment costs over time, thereby favorably impacting future sewer rate increases. But our costs, such as sewage treatment costs from CEG, and our routine operations and maintenance costs, will continue to rise. In addition, our need to continually invest in our sewer infrastructure to replace aged and deteriorated mains, manholes and other sewer infrastructure, is an ongoing one. Thus, I would like to caution that the receipt of this SWIF Grant/ARP funding is not the answer to our financial issues in the sewer utility. It will certainly help us catch up to where we should be already as far as sewer improvements, but it will not eliminate the need for a sewer rate increase. We have preliminary cost estimates for sewer improvements in the older parts of the city that I mentioned above that exceed \$11,000,000. And this does not begin to address the funding we will need to complete the improvements that are going to be required in the new EPA order addressing our chronic Sanitary Sewer Overflows in certain parts of our system.

I am happy to report that we have finally received all the new meters we ordered for our meter change-out project. This 2,500 meter change-out, with our contractor NECO, will commence after the schedule October 1 progress meeting with the contractor. This represents an investment of over \$1,115,000 in our utility to update the metering part of our operations.

The contractor has started dropping off materials for our Maple/Zoeller/Wallingwood Water Main Replacement Project and also for our Phase II-Contract 'B' water main replacement projects involving 46th Street, Franklin Road, Richardt Street, Elmhurst, Woodcroft, and Hermosa Drive. These projects represent an investment of over \$5,000,000 in addressing our aged and deteriorated water mains in the older parts of the City.

We are also preparing to bid our 52nd Street elevated storage tank project, which we anticipate may be around \$500,000. The project will go to bid this fall and we anticipate the work being done in the fall of 2022.

**OPERATIONAL DATA:
SANITARY SEWER SYSTEM**

- Performing routine maintenance and upkeep on lift stations and grinder pump stations.

Water Distribution Underground Operations

- Performing routine inspections, emergency shut outs for repairs, valve exercising, valve box repairs, and fire hydrant testing/inspections.
- Performing routine water line repairs, service line repairs, fire hydrant replacements, vehicle repairs, and maintaining street and sidewalk cuts until final restorations can be made.
- Fall water main flushing of the distributions system began on September 27, 2021. Flushing is scheduled from September 27, 2021 – October 29, 2021.

WATER PLANT/WELL ACTIVITY

- Performing routine maintenance and daily routines to make sure water treatment plants are operating properly.

BUSINESS OFFICE/SERVICE DEPARTMENT

August Totals

- 15154 Active accounts.
- 1322 Work orders completed.

BILLING ADJUSTMENTS: