



Marion Utilities
1540 N Washington St.
Marion, IN 46952
www.marionutilities.com

Service Board

BOARD MINUTES OF THE MAY 16, 2019 MEETING

The Marion Utility Service Board held their meeting on Thursday, May 16, 2019 at 5:30 p.m. in the board room of the Administration building at Marion Utilities, 1540 N. Washington Street, Marion, Indiana.

Roll was called and those board members present were: Bob Logan, Chairman; Mike Barney; Doug Carl; Al Green; Von Jackson; and Herschel Lewis. Bill Dorsey was absent.

Also present at the meeting were: Chuck Binkerd, Director; Robin Shrader, Assistant Director for Operations & Maintenance; Mike Conner, Attorney; Shana Martin, Accounting & Billing Coordinator; Cindy Hawkins, HR Specialist; and Mark Theel, Marion Utilities.

CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS

Mr. Carl moved, seconded by Mr. Lewis, to add the Training Room Project Change Order under new business. All board members present voted aye. Motion carried unanimously.

APPROVAL OF MINUTES

Mr. Lewis moved, seconded by Mr. Carl, to approve the minutes of the regular meeting of May 2, 2019. All board members present vote aye. Motion carried unanimously.

FINANCIALS

Ms. Martin presented the financials for April. There was a gain for the month. Ms. Martin said that the operating disbursements were higher than the receipts due to the March insurance premium posting in April instead of March. This added \$110,000 in disbursements amongst the utilities. The Water Utility paid the first quarter URT (Utility Regulatory Tax) of \$12,100 in April as well. Mr. Lewis moved, seconded by Mr. Carl, to approve the April financials. All board members present vote aye. Motion carried unanimously.

UPDATE ON PROJECTS

Mr. Binkerd reported that the Home Avenue Project has been completed except for the paving. The paving is scheduled for Monday.



SAFETY GLASSES PROGRAM CORRECTION

Mr. Binkerd reminded the Board that the safety glasses program was updated at the last meeting. However, there was an error in the presentation. Mr. Binkerd said that the correct language is that the Board would pay up to \$230 for the glasses. The language at the last meeting said 2/3 up to \$230. Mr. Lewis moved, seconded by Mr. Jackson, to approve the language which states that the Board will pay up to \$230 for safety glasses. All board members present vote aye. Motion carried unanimously.

TRANSFERS & PAY REQUESTS

Mrs. Shrader presented three transfer requests. The first was for the Water Utility. Mrs. Shrader requested to transfer \$100,000 from the Depreciation Account to the Operations Account. The second request was for a \$50,000 transfer in the Storm Water Utility from the Construction Account to the Operations Account. The third transfer was for \$75,000 to be transferred from the Depreciation Account to the Operations Account in the Solid Waste Utility. Mrs. Shrader explained that the transfers were being requested to maintain the required minimum balances in operations. Mr. Lewis moved, seconded by Mr. Carl, to approve the transfers as presented. All board members present vote aye. Motion carried unanimously.

Mrs. Shrader then presented a pay request to Muhlenkamp's in the amount of \$42,986.88 for work on the new training center. This was the second pay request. Mr. Lewis moved, seconded by Mr. Green, to approve the pay request to Muhlenkamp. All board members present vote aye. Motion carried unanimously.

TRAINING CENTER PARKING LOT PROJECT

Mr. Binkerd said that the new training center will require some modifications to the existing parking lot. Mr. Binkerd explained that the desire is to move the current fence back and to extend the current parking lot. This would allow 24 to 25 parking spaces. This will require some earth work. Mr. Binkerd stated that our Engineering workgroup developed a bid package. If approved the bids, would be presented at a future meeting. Mr. Binkerd said that the project was not budgeted and is expected to fall within the \$100,000 to \$120,000 range. Mr. Lewis moved, seconded by Mr. Jackson, to approve the taking of bids for the project. All board members present vote aye. Motion carried unanimously.

CROSS CONNECTION CONTROL PROGRAM

Mrs. Shrader stated that cross connection control equipment is located throughout the City. The devices prevent harmful substances from going back into our system thereby preventing contamination. The devices have to be inspected annually. Tracking those devices is very labor intensive. There is a company called Aqua Backflow that specializes in the administration of maintaining records for the backflow devices and their testing. Mrs. Shrader said that she would like to pursue a contract with Aqua Backflow. There are no costs associated unless the Utility would opt out of the contract early. Costs are recouped from the testers who go to the individual sites. A fee of \$9.95 over and above their testing fees which is how Aqua Backflow is paid. Mrs. Shrader stated that the Utility would continue to own all of the data and information even if the contract were discontinued. Fort Wayne and Evansville both use this program. Fort Wayne stated that in a five-month period, their compliance rate was boosted by 35%. Mrs. Shrader said that currently our compliance rate is 45%. It is incredibly taxing for two employees to handle. Mrs. Shrader said

that she believes a 95% compliance rate could be achieved by engaging in this contract. Mr. Conner stated that he reviewed that contract. There was one reference to Illinois Law which Mr. Conner said was removed. Mr. Jackson asked if the data was available to staff at all times. Mrs. Shrader said as soon as the information was uploaded, it would be available to staff. Mrs. Shrader explained that QR codes are used, and as long as permissions are granted to view the Utilities' data, the data would be available. Mr. Binkerd said this would provide more information than what has been available before. Aqua Backflow will reach out to the businesses who should have this. A list of approved testers will be provided. As soon as the tester uploads the results, they will be available to us. Mr. Barney asked if the 45% compliance rate resulted from staff not getting to inspections or failure. Mrs. Shrader said that mass mailings are sent out, but a lot of times the manpower isn't there to follow each letter up with a personal visit. Things are complicated especially when a business, for example a gas station, has changed hands three times within the last twelve months. It is difficult to determine which owner received the letter and what they had done in response to the letter. Aqua Backflow will be able to follow the letters and do the necessary leg work. Mr. Jackson asked if they were an established business. Mrs. Shrader said yes. Fort Wayne has been working with the company since April, 2016. The testers have also stated that they like working for Aqua Backflow. Mr. Green moved, seconded by Mr. Barney, to approve engaging in a Cross Connection Control Program with Aqua Backflow. All board members present voted aye. Motion carried unanimously.

SPONSORSHIP REQUEST

Mr. Binkerd presented a sponsorship request from the Fire Department to help honor their retirees. The request is a hole sponsorship of \$50 at a golf scramble. Mr. Binkerd reminded the Board that a sponsorship policy was developed a little over a year ago, and this request falls within the policy. Mr. Green moved, seconded by Mr. Lewis, to approve a \$50 hole sponsorship at the Fire Department's golf outing honoring their retirees. All board members present voted aye. Motion carried unanimously.

TRAINING ROOM CHANGE ORDER

Mrs. Shrader presented a change order for the new training room. The change order was needed due to a boiler blowout which necessitated a change in the HVAC. There is also a reduction for putting in a standard locking system versus a keypad locking system. The total change order less the reduction is \$2,773. Mr. Logan asked if this was still within the budgeted amount. Mr. Binkerd said yes. Mr. Carl moved, seconded by Mr. Lewis, to approve the change order as presented. All board members present voted aye. Motion carried unanimously.

STAFF REPORTS

R. Shrader, Assistant Director for Operations & Maintenance

Mrs. Shrader reported that one individual has been hired for summer help and another is in process. Mrs. Shrader said that she has been participating in the Workforce Development Committee through the IWEA State Conference. The Committee has been working on a plan for targeting the upcoming retirement waves. Mrs. Shrader invited the Board to attend a conference on August 20th from 1 p.m. to 4 p.m. at the Grand Wayne Center in Fort Wayne. There isn't a cost for attending the early bird session. Mrs. Shrader said that she would like to provide dinner to any attending Board members. The group will provide some State level updates as well as Leadership Training Developments and the marketing & branding process in hopes of changing the image of the Wastewater Industry. Mrs. Shrader said that invitations would be sent to the Board as well.

C. Binkerd, Executive Director

Mr. Binkerd asked for the Board's thoughts on participating in the flag removal process at the V.A. on Tuesday, May 28th. He explained that several employees and their families volunteer each year on the Saturday before Memorial Day to help place the flags. The V.A. has mentioned that they could use some help with the flag removal process. Mr. Binkerd asked the Board's permission for employees to help with the removal process during business hours in order to show our respect and thanks. Mr. Logan said he thought this would be a great idea. Mr. Logan asked if there was any objection. There were none. In other updates, Mr. Binkerd said that AEP has petitioned the IURC for another rate increase. The last rate increase was last year. Mr. Binkerd said that Bose McKinney contacted him regarding another potential rate increase. The increase could be up to another 11% which would have an impact on the Utilities. Mr. Binkerd said he would bring more information back on this as it was available. House Bill 1347 was passed during the last House session. The bill prohibits Municipal Utilities from holding landlord's responsible for unpaid utility bills. Mr. Binkerd said that the organization AIM acts on behalf the Municipalities throughout the state. AIM thinks there are some modifications that could be made to protect utilities. Mr. Binkerd said that the collection of this type of debt is already hard to collect on. This House Bill would only make it harder. Mr. Conner said the Bill would probably make Municipal Utilities require landlords to enter into an agreement that contractually binds them to be responsible for the utility bills. Lastly, Mr. Binkerd stated that the responses for Banking Services will be reviewed. There are some positive responses. Upon further review, those will be brought before the Board.

BOARD MEMBERS' COMMENTS

Mr. Conner reported that the City of Jonesboro had nothing but good things to say about the Billing Staff and Customer Service workgroup. They were very thankful for staff taking the time to talk with them.

CHAIRMAN'S REMARKS

Mr. Logan thanked everyone for their attendance and thanked the members for their good service.

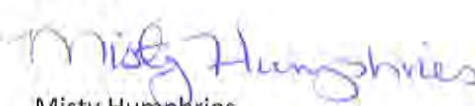
The next meeting is scheduled for June 6, 2019 at 5:30 p.m. in the Board Room of the Administration Building at Marion Utilities, 1540 N. Washington Street.

There being no further business before the board, Mr. Lewis moved, seconded by Mr. Carl, that the meeting be adjourned. All board members present voted aye. Motion carried unanimously.

Meeting adjourned at 6:07 p.m.

Robert Logan, Chairman
Marion Utilities Service Board

ATTEST


Misty Humphries
Its Secretary