



Marion Utilities

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

Service Board

Memo To: All Utility Board Members
From: Bob Logan, Chairman
Date: June 26, 2018
Re: Agenda for June 28, 2018 Utility Board Meeting

Dear Board Member:

This is to inform you of our special Board Meeting to be held Thursday, June 28, 2018 at 5:30 p.m. in the conference room of the Marion Utilities Administration Building at 1540 North Washington Street, Marion, Indiana.

The following will be the agenda:

- I. **ROLL CALL**
- II. **INTRODUCTION OF GUESTS**
- III. **CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS**
- IV. **APPROVAL OF MINUTES**
 - A. Regular meeting of June 7, 2018
- V. **FINANCIALS**
- VI. **OLD BUSINESS**
 - A. Update on Projects – Pinkerton
 - B. Approval of Truck Quotes- Shrader





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VII. NEW BUSINESS

- A. Transfers & Pay Requests - Department Managers
- B. Approval of 2nd & D Sewer Separation Quotes- Pinkerton
- C. Online Payment Incentive- Binkerd
- D. Approval of Diffuser Installation Quotes- Shrader
- E. Approval of Data Clean-Up- Binkerd
- F. Pool Discount Policy- Binkerd

VIII. STAFF REPORTS

- A. Assistant Director for Engineering & Solid Waste- P. Pinkerton
- B. Assistant Director for Operations & Maintenance- R. Shrader
- C. Utility Director- C. Binkerd

IX. BOARD MEMBERS' COMMENTS

X. CHAIRMAN'S REMARKS

XI. NEXT MEETING

Thursday, July 19, 2018

Robert Logan, Chairman
Marion Utility Service Board

cc: News Media
City Administration/Council
Department Heads





SERVICE BOARD

BOARD MINUTES OF THE JUNE 28, 2018 MEETING

The Marion Utility Service Board held a special meeting on Thursday, June 28, 2018, at 5:30 p.m. in the conference room of the Administration building at Marion Utilities, 1540 N. Washington Street, Marion, Indiana.

Roll was called and those board members present were: Robert Logan, Chairman; Kristy Barney; Doug Carl; Bill Dorsey; Von Jackson; and Herschel Lewis. Adam Binkerd was absent.

Also present at the meeting were: Chuck Binkerd, Director; Pat Pinkerton, Assistant Director for Engineering and Solid Waste; Robin Shrader, Assistant Director for Operations; Mike Conner, Attorney; Misty Humphries, Board Secretary; and Sara Burger, Chronicle-Tribune.

CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS

There were no additions or deletions at this time.

APPROVAL OF MINUTES

Mr. Carl moved, seconded by Mr. Dorsey, to approve the minutes of the June 7, 2018 board meeting. All board members present voted aye. Motion carried unanimously.

FINANCIALS

The May financials were presented by Mr. Chuck Binkerd. He said the Utilities were in good financial standing. The amount of disbursements was higher than revenues in all four utilities due to an extra insurance claim being paid. All in all there was a positive gain amongst utilities. There being no questions, Mr. Carl moved, seconded by Mr. Dorsey, to approve the financials as presented. All board members present voted aye. Motion carried unanimously.

UPDATE ON PROJECTS

Mr. Pinkerton reported that Phase I of the Home Avenue project was coming along. Watson Excavating had the entire storm sewer in which put them at halfway done. There is still some work to be done though. Atlas Excavating is working on Phase II of the project at 29th and Home Avenue. They had a few hundred feet of pipe in. Mr. Pinkerton said that bids for cured-in-place work would be sent out for work in the Marshall Street and Brinker Heights area. Mr. Logan asked if Phase I of the Home Avenue project was part of the Long Term Control Plan. Mr. Pinkerton said yes. Mr. Dorsey asked if the work around Brinker Heights would be in the apartments or elsewhere. Mr. Pinkerton said it would be in the subdivision.

APPROVAL OF TRUCK QUOTES

Mrs. Shrader reminded the board that she presented truck quotes at the last board meeting. Mike Anderson Dodge cannot locate a truck to meet the specification though. The price of the Dodge was \$20,147. The price of the Ford was \$22,684. Mrs. Shrader recommended going with the Ford since Dodge could not provide them with the truck originally quoted. Mr. Jackson asked if Dodge was just trying to get us to buy a newer year. Mrs. Shrader explained they could not get us a 2018 or 2019 that would meet the specification. Mr. Chuck Binkerd said the issue arose because we are purchasing fleet vehicles. Mr. Jackson moved, seconded by Ms. Barney, to approve the purchase of the Ford instead of the Dodge. All board members present voted aye. Motion carried unanimously.

Transfers & Pay Requests

Mrs. Shrader presented a request for a cash transfer from the Water Construction account to the Water Operations cash account of \$100,000. Mrs. Shrader also requested a transfer of cash from Wastewater Construction to the Wastewater Operations cash account in the amount of \$120,000; and a \$100,000 cash transfer from Wastewater Depreciation to the Wastewater Operations cash account in order to bring those accounts within operational minimum balances. Mr. Jackson moved, seconded by Mr. Adam Binkerd, to approve the cash transfers as requested. All board members present voted aye. Motion carried unanimously.

Mr. Pinkerton presented a pay request for Phase I of the 22nd and Home Avenue project to Watson Excavating in the amount of \$307,798 with \$52,700 held in retainage. Mr. Adam Binkerd moved, seconded by Mr. Carl, to approve the pay request as presented. All board members present voted aye. Motion carried unanimously.

Approval of 2nd & D Sewer Separation Quotes

Mr. Pinkerton explained that this was a budgeted storm sewer project. The location is actually F Street to E Street. Quotes were opened, and Keith Sullivan had the low quote at \$124,152.30. Other quotes received were for \$139,484.62 submitted by Dick Bragg; and \$140,738 submitted by Dave's Excavating. The budgeted amount was \$100,000. Mr. Pinkerton said the construction cash account looking strong in storm water so the quoted price should not be an issue. The project also included an alternate as the City would like to pave in the area next to the project. The mandatory alternate is also included in the quote that the City will pay for. Mr. Pinkerton recommended Keith Sullivan. Mr. Adam Binkerd asked if there was any concern with Bragg and

Dave's being \$1,000 apart and Keith Sullivan being so much lower. Mr. Pinkerton said he had no concern. Ms. Barney moved, seconded by Mr. Dorsey, to approve the quote of \$124,152.30 submitted by Keith Sullivan. All board members present voted aye. Motion carried unanimously.

Online Payment Incentive

Mr. Chuck Binkerd explained one of the initiatives being pursued is increasing online and phone payments. Mr. Chuck Binkerd asked the Board to authorize four \$50 gift cards to be given away thru a drawing for those who pay their bill online or over the phone. Ms. Barney asked if the cards would be for local businesses. Mr. Chuck Binkerd said it would most likely be a VISA card as he wasn't sure how to designate which local businesses should be in the drawing and that by using a VISA card it could be used at any local business. Mr. Dorsey suggested offering a \$50 bill credit. Ms. Barney agreed that a bill credit would be a great idea. Mr. Chuck Binkerd said that staff would check with State Board of Accounts to find out if a bill credit would be allowable. Mr. Logan asked if gift cards were given would all four be given in one month or if there would be one drawn over a four month period. Mr. Chuck Binkerd said that one gift card would be drawn each month. Mr. Adam Binkerd asked if there would be an additional cost for advertising on the bills. Mr. Chuck Binkerd said there would not be an extra charge as statements have a space for special messages now. Mr. Dorsey suggested that the drawing be held over six months. Ms. Barney asked if the original promotion was four draws in one month. Mr. Chuck Binkerd said that the drawing could be held over one or several months. The goal is to see usage increase from 10% to 35% or maybe even 40%. Mr. Chuck Binkerd said he would like to see an increase so that the customer service representatives would be able to spend their time on more productive customer issues. Mr. Logan said that physical handling of bills is a huge expense to businesses. Mr. Chuck Binkerd agreed and stated that he would like to decrease handling costs. Ms. Barney suggested giving two gift cards for two months and then vote to do two more if the drawing is successful. Mr. Chuck Binkerd said the board could vote to do more drawings later if they would like. Mr. Chuck Binkerd suggested two gift card be drawn for three months. Mr. Jackson asked if stats would be available to see how successful the campaign would be. Mr. Chuck Binkerd said yes and those stats would be presented to the board. Mr. Jackson moved, seconded by Mr. Adam Binkerd, to approve the online payment incentive of drawing two \$50 gift cards per month over the next three months. All board members present voted aye. Motion carried unanimously.

Approval of Diffuser Installation Quotes

Mrs. Shrader explained that diffusers were purchased a while back. These are essentially air pods that transmit air into the aeration tanks. They were installed in the north plant by in house staff. Some key staff members were then lost due to retirements before installation in the south plant could occur. Mrs. Shrader contacted the engineering staff and asked if there was someone that could help us with the installation for the south plant. There was \$100,000 budgeted for Wastewater aeration probes that was meant to be Phase II of this project. Phase II cannot be completed without installation at the south plant so there is some money available. The engineer put together a spec package and sent it out to three vendors. Only one vendor responded. The price is \$72,400 for the complete installation process. Mrs. Shrader said the price is consistent with the engineer's estimate and recommended awarding this to Maddox Industrial Group. Mr. Adam Binkerd asked if we were robbing Peter to pay Paul. Mrs. Shrader said that the original plan was to install the diffusers at both plants using in house staff. However, Phase II cannot be completed without installation complete at

both plants so this would just push Phase II to a later time. Mr. Chuck Binkerd said that at the earliest, Phase II would be a budget item for next year. Mr. Dorsey asked if there were additional employees if in house staff could have done the installation. Mr. Chuck Binkerd said that the problem is that the work is very specialized and with essentially a new staff the knowledge base is not there. Mr. Dorsey asked if those retiring could be used as consultants. Mr. Chuck Binkerd said that former staff members had been contacted, and they were enjoying retirement. Mr. Carl moved, seconded by Mr. Dorsey, to approve the submitted quote of \$72,400 for installation. All board members present voted aye. Motion carried unanimously.

Approval of Data Clean-Up

Mr. Chuck Binkerd said that the software update is a continuing issue. One of the challenges being faced is the way the account system was set up years ago. The account system does not allow us to take advantage of the new software's functionality. Mr. Chuck Binkerd said there is a need to engage with the software company to take the 700 account numbers used for storm water accounts and convert them into common account numbers to be shared with the other three utilities. The software company has agreed to help us with this, and the cost is \$7,000. Mr. Binkerd said he would like to engage with CUSI to complete the data clean up. Mr. Carl asked how long the clean-up would take. Mrs. Humphries answered five days. Mr. Adam Binkerd moved, seconded by Mr. Carl, to approve the data clean-up. All board members present voted aye. Motion carried unanimously.

Pool Discount Policy

Mr. Chuck Binkerd said he would like to talk about the filling of pools. He asked the Board to consider this issue and ratify the current policy as there have been several customers taking issue with the policy this summer. Mr. Binkerd explained that many years ago, the Board had a policy that only charged customers for the water use. The Board later decided that it didn't make sense since the water came back into the system when customers drained the pool. Mr. Chuck Binkerd said that there is no way to meter the drainage. Ms. Barney asked if someone could purchase a meter and fill from the hydrant. Mr. Chuck Binkerd said that could be done, but the customer would still pay the water and wastewater charge. Mr. Dorsey asked if the Utility provided a fill service. Mr. Binkerd said no the Utility doesn't provide pool filling and doesn't want to. Mr. Jackson asked if we could put a note on the bills saying that pool discounts are not provided. Mr. Adam Binkerd moved, seconded by Mr. Jackson, to approve the currently policy. All board members present voted aye. Motion carried unanimously.

STAFF REPORTS

P. Pinkerton, Assistant Director for Engineering & Solid Waste

Mr. Pinkerton stated that the transfer station is still a very busy place. Over 47 tons per day were averaged for June. This is less than May but more than June 2017. He also stated that the trucks are holding up well. Although, the roll off truck does need some work, and there is a little trouble with the loader. Mr. Pinkerton said that those are minor issues all in all though. Mr. Logan asked what Mr. Pinkerton might attribute the

increase to. Mr. Pinkerton said he thinks there is more volume coming in through the collection system and drop offs are also increasing.

R. Shrader, Assistant Director for Operations & Maintenance

Mrs. Shrader reported that the first round of safety training for the year was completed. Leadership Training will resume next month as well. Mrs. Shrader is also continuing with interviews. She is hoping to make some announcements at the next Board meeting.

C. Binkerd, Utility Director

Mr. Binkerd had nothing further to report.

BOARD MEMBERS' COMMENTS

Mr. Dorsey commented that the employee handbooks look great.

CHAIRMAN'S REMARKS

Mr. Logan thanked everyone for their attendance and welcomed Sara Burger. He wished everyone a safe and wonderful 4th of July.

The next meeting is scheduled for July 19, 2018 at 5:30 p.m. in the conference room at the Administration Building.

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

Meeting adjourned at 6:16 p.m.

Robert Logan, Chairman

Marion Utilities Service Board

ATTEST

Misty Humphries

Its Secretary