



BOARD OF TRUSTEE MEETING

Monday, March 11, 2019 7:00 p.m.
Memorandum

ROLL CALL

Present: Vice President Steve Pitman, Treasurer Jane Merrill, Secretary Michael McDonald, Members, Barb Lamb, Jeff Kimbell, Eric Hand, Carl Mills and Chuck Ryerson. Others in attendance: Utility Director Andrew Williams, Legal Counsel Anne Poindexter, Engineering Manager Wes Merkle, Controller Cindy Sheeks, Plant Superintendent Scot Watkins, and Administrative Assistant Maggie Crediford

President Marilyn Anderson was absent.

Mr. Pittman called the meeting to order at 7:00 p.m.

PUBLIC COMMENT

Shahpor Shahbahrami, property owner at 1125 East 104th Street, said the property was vacant from November 2016 to January 2019. Mr. Shahbahrami stated the well at the property was not functional, and instead of repairing it he connected the home to city water. He asked the Board of Trustees to authorize repayment of sewer bills for the time the home sat vacant.

Ms. Lamb stated the Board was provided a memo outlining the history of communication between Mr. Shahbahrami and TriCo's Customer Service Department. She said the memo indicates Mr. Shahbahrami spoke with Customer Service regarding this issue in 2015 and again in 2017. Customer Service notes indicate he was told the Ordinance does not allow for relief from the availability charge. Customer Service notes from communication in 2017 indicate Mr. Shahbahrami was instructed to write a letter to the Board asking to not be billed. Ms. Lamb asked if the notes were correct. Mr. Shahbahrami verified they were. Ms. Lamb asked if he followed up on the suggestions from Customer Service. Mr. Shahbahrami said he did not follow up on those suggestions because he did not know how long the house would be empty.

Ms. Lamb said she reviewed TriCo's Refund and Uninhabitable Structure Policies. The request does not fall under either of those policies. The Utility billed Mr. Shahbahrami according to the Rate Ordinance. There was not a billing mistake nor was the home damaged by a disaster. She did not feel there was a reason to grant a refund.

Mr. Williams said unmetered accounts (properties with a well) are charged a base charge of \$33.51. Homes on city water are charged the base charge plus a use charge, which is calculated from water reads from their respective water provider. The charge currently on this property is \$33.51 based on last year's rate ordinance.

Ms. Merrill's concern is that the Board was unaware that the property was vacant. Had the Board been approached by Mr. Shahbahrami while the home was vacant, an inspection could have been conducted and the home could have been monitored for residency. Consideration for fee reduction could have been taken at that time. She is not comfortable considering a refund for the time the property owner says it was vacant without being able to verify there was no one living there.

Mr. Pittman, being in the real estate business, added the circumstances are the same for electricity and gas. There is a charge for having the service available for use even if the property is vacant. He did not believe the request warranted a refund.

Mrs. Poindexter stated if only the base rate was charged then the service was available to the homeowner, making the request inapplicable under the Uninhabitable Structure Ordinance. A base rate is charged by a utility for service that is available for use.

Mr. Pittman asked if the Board needed to act on the request. Mrs. Poindexter said the customer asked for a refund and if the Board is not granting a refund then no specific action is needed other than to decline the refund.

Mr. Pittman thanked Mr. Shahbahrami for sharing his situation with the Board. No refund was given.

APPROVAL OF MEETING MEMORANDUM Board Meeting February 11, 2019

Ms. Merrill made a motion to approve the February 11, 2019 Board Meeting Memorandum. The motion was seconded by Mr. McDonald and approved unanimously.

APPROVAL OF CLAIMS DOCKET

Ms. Sheeks said the Carmel Utility processing bill was \$102,000 in the month of February, which was high. There was a payment to GRW for the Sewer Outfall Project in the amount of \$3,700. A payment to GRW for the Plant Expansion for \$76,750 was also made. All other expenses were normal monthly expenses.

Mr. Mills made a motion to approve the Claims Docket. The motion was seconded by Ms. Merrill and approved unanimously.

ATTORNEY'S REPORT Easement Acquisitions

Mrs. Poindexter said the Artest Easement Condemnation Acquisition Case will be heard in Boone County on April 10, 2019. She and Mr. Merkle will be representing the Utility at the hearing.

UTILITY DIRECTOR'S REPORT

Mr. Williams stated the Utility received a final report from the State Board of Accounts for the audit covering 2015-2018. Crowe LLC conducted the audit. Mr. Williams will send all Board Members a copy of the report in the mail. The report will be discussed at the Budget



BOARD OF TRUSTEE MEETING

Monday, March 11, 2019 7:00 p.m.
Memorandum

ROLL CALL

Present: Vice President Steve Pitman, Treasurer Jane Merrill, Secretary Michael McDonald, Members, Barb Lamb, Jeff Kimbell, Eric Hand, Carl Mills and Chuck Ryerson. Others in attendance: Utility Director Andrew Williams, Legal Counsel Anne Poindexter, Engineering Manager Wes Merkle, Controller Cindy Sheeks, Plant Superintendent Scot Watkins, and Administrative Assistant Maggie Crediford

President Marilyn Anderson was absent.

Mr. Pittman called the meeting to order at 7:00 p.m.

PUBLIC COMMENT

Shahpor Shahbahrami, property owner at 1125 East 104th Street, said the property was vacant from November 2016 to January 2019. Mr. Shahbahrami stated the well at the property was not functional, and instead of repairing it he connected the home to city water. He asked the Board of Trustees to authorize repayment of sewer bills for the time the home sat vacant.

Ms. Lamb stated the Board was provided a memo outlining the history of communication between Mr. Shahbahrami and TriCo's Customer Service Department. She said the memo indicates Mr. Shahbahrami spoke with Customer Service regarding this issue in 2015 and again in 2017. Customer Service notes indicate he was told the Ordinance does not allow for relief from the availability charge. Customer Service notes from communication in 2017 indicate Mr. Shahbahrami was instructed to write a letter to the Board asking to not be billed. Ms. Lamb asked if the notes were correct. Mr. Shahbahrami verified they were. Ms. Lamb asked if he followed up on the suggestions from Customer Service. Mr. Shahbahrami said he did not follow up on those suggestions because he did not know how long the house would be empty.

Ms. Lamb said she reviewed TriCo's Refund and Uninhabitable Structure Policies. The request does not fall under either of those policies. The Utility billed Mr. Shahbahrami according to the Rate Ordinance. There was not a billing mistake nor was the home damaged by a disaster. She did not feel there was a reason to grant a refund.

Mr. Williams said unmetered accounts (properties with a well) are charged a base charge of \$33.51. Homes on city water are charged the base charge plus a use charge, which is calculated from water reads from their respective water provider. The charge currently on this property is \$33.51 based on last year's rate ordinance.

Ms. Merrill's concern is that the Board was unaware that the property was vacant. Had the Board been approached by Mr. Shahbahrami while the home was vacant, an inspection could have been conducted and the home could have been monitored for residency. Consideration for fee reduction could have been taken at that time. She is not comfortable considering a refund for the time the property owner says it was vacant without being able to verify there was no one living there.

Mr. Pittman, being in the real estate business, added the circumstances are the same for electricity and gas. There is a charge for having the service available for use even if the property is vacant. He did not believe the request warranted a refund.

Mrs. Poindexter stated if only the base rate was charged then the service was available to the homeowner, making the request inapplicable under the Uninhabitable Structure Ordinance. A base rate is charged by a utility for service that is available for use.

Mr. Pittman asked if the Board needed to act on the request. Mrs. Poindexter said the customer asked for a refund and if the Board is not granting a refund then no specific action is needed other than to decline the refund.

Mr. Pittman thanked Mr. Shahbahrami for sharing his situation with the Board. No refund was given.

APPROVAL OF MEETING MEMORANDUM

Board Meeting February 11, 2019

Ms. Merrill made a motion to approve the February 11, 2019 Board Meeting Memorandum. The motion was seconded by Mr. McDonald and approved unanimously.

APPROVAL OF CLAIMS DOCKET

Ms. Sheeks said the Carmel Utility processing bill was \$102,000 in the month of February, which was high. There was a payment to GRW for the Sewer Outfall Project in the amount of \$3,700. A payment to GRW for the Plant Expansion for \$76,750 was also made. All other expenses were normal monthly expenses.

Mr. Mills made a motion to approve the Claims Docket. The motion was seconded by Ms. Merrill and approved unanimously.

ATTORNEY'S REPORT

Easement Acquisitions

Mrs. Poindexter said the Artest Easement Condemnation Acquisition Case will be heard in Boone County on April 10, 2019. She and Mr. Merkle will be representing the Utility at the hearing.

UTILITY DIRECTOR'S REPORT

Mr. Williams stated the Utility received a final report from the State Board of Accounts for the audit covering 2015-2018. Crowe LLC conducted the audit. Mr. Williams will send all Board Members a copy of the report in the mail. The report will be discussed at the Budget

and Finance Meeting on March 22, 2019. Mr. Williams said the main comment on the report concerns the Utility's reporting on an accrual basis. The auditors want to see reporting on a cash basis, but the State requires regional sewer districts to report on an accrual basis. Mrs. Poindexter said other regional sewer districts she works with received the same comments. Mr. Williams said the Utility's responses to the comments from Crowe are included in the back of the report.

Mr. Williams said in compliance with State procedures, the Utility had its first online auction for surplus equipment. Two Ford Escapes, two Toshiba copiers and a Stinger 10-ton hydraulic jack were auctioned. The auctions were successful.

Mr. Williams said over the past weekend there was a rain event as well as a power outage at the plant; however, there were no upsets in the system.

COMMITTEE REPORTS

Budget & Finance Committee

Internal Control Policy Revision

Ms. Merrill said, Board Members are required to watch an Internal Control Policy training video. Mr. Williams stated a link to the video will be emailed to the Board. Ms. Merrill asked members to watch the video before the April Board Meeting.

Ms. Merrill pointed out two changes being recommended by the Budget and Finance Committee to TriCo's Internal Control Policy for Board approval. The first recommendation changes the Oversight Committee from the Executive Committee to the Budget and Finance Committee. The second recommendation raises the amount for purchases requiring a purchase order from \$500 to \$1,000.

Ms. Merrill made a motion to amend the Internal Control Policy, changing the Oversight Committee to Budget and Finance, and changing the amount for purchases requiring a purchase order from \$500 to \$1,000. The motion was seconded by Mr. Hand and approved unanimously.

Programable Logic Controllers Replacement Contract

Ms. Merrill made a motion to approve the proposed contract with ACE Technologies to upgrade the PLC's at the Water Resource Recovery Facility in the amount of \$48,320. The motion was seconded by Mr. Mills and approved unanimously.

Personnel & Benefits Committee

Ms. Lamb stated no action items were before the Board from the Personnel and Benefits Committee.

Capital & Construction Committee

Lift Station 14 (Austin Oaks) Parallel Force Main (#1901) Easements

Mr. Hand made a motion to move forward with condemnation proceedings for the remaining four easements needed to complete the project if agreements are not reached by March 14, 2019. The motion was seconded by Mr. Mills and approved unanimously.

Little Eagle Creek Interceptor Extension (#2001) Design Contract

Mr. Hand made a motion to move forward with project #2001, with the assumption easements will be condemned if necessary. The motion was seconded by Mr. Mills. Mr. Pittman recused himself from the vote. The motion was approved 7-0, Mr. Pittman abstained.

Haver Way Sewer Improvements (#1802) Design Contract

Mr. Hand made a motion to approve the professional service agreement with MS Consultants in an amount not to exceed \$66,600. The motion was seconded by Mr. Mills and approved unanimously.

Neighborhood Sewer Extension Project (#1908) Design Contract

Mr. Hand made a motion to approve the professional services agreement with GRW in an amount not to exceed \$48,510 for engineering services to extend sewer service to the neighborhoods of Larkspur, Oak Tree, Crossfields, and Brandywine. The motion was seconded by Ms. Merrill.

Mr. Ryerson asked for clarification on the total costs of the project. Mr. Merkle stated that \$300,000 a year through 2023 has been budgeted to extend sewer availability to the remaining 13 unsewered neighborhoods in TriCo's service area. The project for the four neighborhoods listed will consume the \$300,000 budgeted for 2019.

Mr. Ryerson asked how many customers the Utility will gain with the project. Mr. Merkle said he would need to research the exact number of customers and give him an answer after the meeting.

Mr. Kimball asked for an explanation of the cost justification analysis used for the project. Mr. Merkle explained construction costs are recouped with availability fees. As customers connect to the system, they are charged an availability fee; reimbursing Utility project construction costs. Mr. Williams explained the \$300,000 budgeted for the project will come out of the Interceptor Fund. Money that is paid by customers when they connect to the system goes back into that fund. Developers also pay into the Interceptor Fund as they develop land. Building the infrastructure gives customers the flexibility to connect when they want or need to. Mr. McDonald clarified once the sewer line is installed, connection for homeowners is optional; however, if a property has a failed septic the Board of Health requires connection to the sewer system. Mr. Pittman said one of the Board's missions is to serve all unsewered areas within TriCo's service area. The project has been planned and included in the budget.

Mr. Ryerson asked how long it has been optional for customers to connect if sewer is available to them. Mr. Merkle said connection has been optional for two years. Mr. Ryerson asked Mr. Merkle to provide the history of sewer availability fees collected by TriCo, connection requirements, and the rate at which people connected once sewers were made available. He said the information could be provided to him after the meeting, giving Mr. Merkle the opportunity to compile the information requested. Mrs. Poindexter pointed out the Utility reserves the right to mandate immediate connection to the sewer system once it is available, if needed.

The motion for the professional services agreement with GRW in an amount not to exceed \$48,510 for Neighborhood Sewer Extension Project #1908 was approved unanimously.

WRRF Expansion (#1902) Design Contract Modification

Mr. Hand made a motion to approve a contract modification with GRW in the amount of \$27,970 over and above the original contract amount of \$532,000. The motion was seconded by Ms. Lamb and approved unanimously.

OPEN DOOR LAW PRESENTATION

Mrs. Poindexter gave a presentation on Indiana's Open-Door Law for the Board (see attached PowerPoint slides).

Ms. Merrill made a motion to adjourn the meeting. Mr. Kimball seconded the motion and approved unanimously. The meeting adjourned at 8:25 p.m.

The next Board of Trustees Meeting is scheduled for Monday, April 8, 2019 at 7:00 p.m.

Respectfully submitted,

Andrew Williams
Utility Director

Approved:

as Presented

as Amended

