



CAPITAL & CONSTRUCTION MEETING

Monday, May 3, 2021 at 4:30 p.m.

Memorandum

Mr. Pittman called the meeting to order at 4:37 p.m.

Members Present: Committee Chair Steve Pittman, members Amanda Foley and Jeff Hill, Board member Eric Hand. Others in attendance were Utility Director Andrew Williams, Engineering Manager Wes Merkle, District Engineer Ryan Hartman, Collections Superintendent Aaron Strong and Administrative Assistant Maggie Crediford. Legal Counsel Scott Wyatt attended via telephone.

Public Comment

There was no one present from the public.

Dedications

Mr. Pittman said the recommended action by staff is to accept the dedication of sanitary sewers from Crossfields, Lamb Property Low Pressure Sewer Main, and Zotec Investments LLC Tech Village. Mr. Pittman asked where the Lamb Property Low Pressure Sewers are located. Mr. Hartman said it is a five-acre parcel at 300 S in Zionsville. It is a single-family residence that was split into four lots. It is south of Brookhaven neighborhood. There were no other questions.

Surplus Equipment and Generator Sale

Mr. Pittman said the recommended action by staff is to declare the existing plant generator and related equipment as surplus equipment contingent on the completion of decommissioning as determined by staff. There were no questions or comments.

EDU Study Update

Mr. Merkle passed out handouts for discussion. The last update was in November of 2019, before the Board awarded the construction project for the plant expansion. In early 2021 staff was asked to update the information. Staff utilized GIS data to compile the report and map. There are over 22,000 parcels in TriCo's service area making the previous reports difficult to organize. Mr. Merkle directed the Committee members to a map provided (see attachment). Blue parcels show undeveloped properties, green parcels are occupied but have the potential to increase in density over time. Mr. Merkle directed the committee members to review the table provided (see attachment). Allocated capacity shows parcels TriCo has already committed to serve but are only partially built out. Planned projects are projects that TriCo knows about shown on the map by parcels highlighted in yellow. Unsewered neighborhoods are shown in orange. The bulk of the map is in pink, light purple or light green: light green are allocated capacity parcels, pink parcels are connected to sewer, and purple parcels do not have sewer service or never will, which includes things such as parks, golf courses, etc. The table includes

conservative, moderate, and aggressive growth projections. Allocated parcels were counted as 100% in all categories because TriCo has already committed to serve them. Under other categories we assume that not every project will go forward and not all land will actually develop. Aggressive projections assume a higher percentage of parcels will be developed.

Mr. Hill asked how the Utility views a property like Asherwood Estates that is redeveloping from a private single family residence and golf course, and how it compares to a property like Twin Lakes Golf Course. Does the Utility expect a property like Twin Lakes to be redeveloped and how is that accounted for in the projections? Mr. Merkle said in the documents presented the assumption is that Twin Lakes will not be developed and is not accounted for in allocation projections. Asherwood Estates is a known project. There are existing EDU's currently tied to the property and will stay with the property because they are not tearing down the home. It is not clear what will be done with the current home and outbuildings on the property. Mr. Hill asked if the Utility could pivot if something were to change with a property like Twin Lakes and accommodate more EDU's if development occurs. Mr. Merkle said staff does the best at projecting growth with the information it has at hand, but it is always subject to change. Mr. Merkle said the biggest unknown is density, and how parcels will end up developing. At the end of this year TriCo will have 5.72 million gallons per day capacity at the WRRF and 3.08 million gallons at Carmel's plant as well. The Utility is in good shape according to the current projections. Using 10 percent as reserve capacity and backing out projected EDU's, there will be 2,200 to 4,500 EDU's of excess capacity which would accommodate additional density or additional service area. Mr. Pittman asked with the additional capacity can the Utility accommodate the aggressive growth projections. Mr. Merkle said yes. Mr. Pittman asked if the aggressive projections include any additional service area that might be acquired. Mr. Merkle said the projections only include TriCo's current service area. Mr. Hand asked if additional service area becomes available would there be timing issues regarding servicing new territory and balancing that with current service area buildout, if opportunities arise will the Utility allocate the reserve capacity or will some be held back for buildout of the current area. Mr. Merkle replied that it would depend on the opportunity and what the Board decides to do.

Mr. Pittman presented handouts showing the 12-month rolling average for single family building permits in central Indiana (see attachment). Westfield north of 146th Street has seen a tremendous amount of growth. Mr. Williams said he has been approached by a local developer in Zionsville inquiring about the possibility of having his development served by TriCo. The property is currently outside TriCo's service area.

Capital Projects

#1802 Haver Way Lift Station- 96th Street and Keystone Parkway, substantial completion has been reached, everything is online and in service. Testing and restoration work remain.

#1902 TriCo WRRF Expansion- There have been many challenges working with Thieneman. They continue to slide on the schedule. There have been several false starts on equipment startups, which are starting to cause issues for the plant staff, not one major equipment startup has gone correctly. There are many issues outstanding. The UV disinfectant equipment was not fully checked out before installation which led to an equipment failure. The UV disinfectant equipment was supposed to be online several weeks ago and limit reporting to IDEM for E-Coli starts on April 1. Plant staff is upset by the amount of their time being consumed by issues caused by Thieneman's negligence and incompetence. Mr. Merkle's patience is running thin with them. The number two and three guys at Thieneman have met with staff promising to make changes. Ken Thieneman, the owner, is supposed to be spending some time on the job site mentoring the site supervisor. Staff is considering adding a second inspector to help oversee the project. Mr. Hill asked how long it has been since the staff's meeting with Thieneman leadership. Mr. Merkle said two weeks. Mr. Williams said after that meeting is when Thieneman proposed bringing Ken Thieneman on site to help supervise. They were supposed to be having scheduling meetings every Monday with staff so staff is aware of what will be happening for the week, however when the time came for the first scheduling meeting with staff Thieneman cancelled the meeting. Mr. Williams said he met with Mr. Merkle and Mr. Watkins and was provided a detailed list of issues that he will be going over with Ken Thieneman when he is onsite. Mr. Williams is going to request weekly meetings with Mr. Thieneman to be sure he is following through and coming on site each week and updating Mr. Williams on what he is doing to resolve the issues. The contract stipulates a \$2,000 per day fine for late installation on the UV system, currently the amount is up to \$60,000 plus in late fees. Mr. Pittman asked if staff is keeping TriCo's legal counsel team apprised of the issues with Thieneman and keeping detailed documentation regarding the issues. Mr. Merkle said he is. Mr. Merkle said Thieneman has lost some key employees during the project and that could be contributing to some of these issues, however that does not negate the need to have the issues resolved. Mr. Williams said staff has noticed Thieneman has a habit of blaming issues on vendors as well, but when the vendors are asked, they have said they were following the direction of Thieneman. Mr. Merkle said he has been most disappointed with their lack of integrity.

#1906 Eagle Creek Outfall Sewer Project – The parallel main is in service, staff is pressing the general contractor Clark to finish testing and restoration work. Clark has had some staffing issues.

#1911 Lift Station 11 Upgrades - Work is complete and the new equipment is operational.

#2002 Lift Station 2 - Staff is waiting for the contractor to begin work. Completion is expected by the end of June. There is discussion about adding additional landscaping as well.

#2004 Lift Station 1 - A new generator has been installed to replace the one that was damaged when a tree fell on it. Training and testing are scheduled for this week. The new generator is in service.

#2101 Little Eagle Creek Interceptor Extension - Continuing to work with property owners to obtain easements. Two are very reluctant to let TriCo on their properties to even do survey work.

#2103 Long Brook, Bridlewood, 500 South, US421 and Countrywood Sewer Extension - Design is complete and permits have been filed and the projects have been noticed for bidding. Letters have gone out to neighbors to inform them of the timing for the projects, construction for the projects will be bid separately to keep costs down.

Rezoning status for the Little Creek Interceptor Extension project – Zionsville’s Town Council wants to rezone the property to be served by the proposed sewer extension. This is anticipated to be the first of several development projects in that area. A zoning change is assumed to be an attempt to stop development, however it has been said that the developer will file plats soon and that will preserve their rights under existing zoning, regardless of a later zoning change.

If the developer stops their project then the Utility may want to stop or postpone the sewer extension project until others are ready to move forward. Mr. Merkle said development around the Hamilton County Airport is a factor on how and when a sewer extension project to that area could move forward as well. Mr. Hill asked for clarification on which parcels in that area are requesting sewer service. Mr. Merkle reviewed the parcels with the committee. Mr. Pittman asked how staff feels about moving sewers forward without a confirmed project. Mr. Merkle does not like the idea of putting unutilized pipe into the ground, at the same time, regarding this area it would be good to get pipes in the ground to be ready when development moves forward. Mr. Pittman asked if it is beneficial to move forward with acquiring easements and then nothing happens unless development moves forward because easement acquisitions can be time consuming. Mr. Hand asked if acquiring the easements ahead of development serves the best interest of the community by having sewers available when a need arises. Mr. Williams said ideally sewers would go in along with development so that the developer is responsible for building the sewers on their property, which reduces costs to the Utility. Ms. Foley asked if TriCo would have cause to file for eminent domain without a project. Mr. Williams and Mr. Merkle said they would need to consult with legal counsel to answer that question.

Other Business

Mr. Williams said there was an overflow from a force main at the plant on Sunday, April 25. There is a lot of buried utility infrastructure in this area. Collections and Engineering worked with contractor TPI to identify the source. Staff and the contractor were on site until around 12:00 a.m. and could not locate where on the force main because the leak had stopped. Upon returning to the site the next day it was discovered that a rag lodged itself into the cracked pipe, plugging the leak, which was a result of a poorly constructed and deteriorated connection from the original plant lift station to the Lift Station 11 (Old 106th Street) force main. The section of pipe was removed and replaced by TPI.

Mr. Williams mentioned a phone call he received regarding a potential service opportunity. The Committee agreed Mr. Williams should follow up on the proposed opportunity to collect more information.

Adjournment

The meeting adjourned at 6:15 p.m.

Respectfully Submitted

A handwritten signature in black ink, appearing to be 'Wes Merkle', written in a cursive style.

Wes Merkle
Engineering Manager

