

**UTILITY COMMITTEE**  
**November 6, 2019 10:00 a.m. Newburgh Town Hall**

Present: Bill Kavanaugh, Carol Schaefer, Susan Helms, Leon Key, David Hynes and Chris Wischer. Absent: Christy Powell and Tom Bodkin.  
Others in attendance: Bill Bivens and Charles Martin.

Utility Chair Bill Kavanaugh called the meeting to order at 10:02 AM with a quorum present.

**Motion: Carol Schaefer moved to recommend to council to accept Tom Bodkin's resignation.**

**Motion seconded: Leon Key**

**Discussion: None**

**Motion passed unanimously.**

**Consent Agenda**

Monthly Tracking Report, Inspection Status Report, Sewer Repairs Report, Tap Report, Financial Report, Monthly Sewer Adjustment and approval of October 2, 2019 minutes.

Motion: Carol Schaefer moved to approve the consent agenda.

Motion seconded: Leon Key

Discussion: None

Motion passed unanimously.

**Petitions and Comments from Citizens Present**

**10:15 am – Bill Bivens, Pebble Creek**

Bill Bivens, Accu Surveying & Engineering, submitted revised plans for Pebble Creek #2 Planned Unit Development (PUD) showing duplexes on Lots 48 through 60 which increases the number of buildings from 14 to 27. The existing 6" lateral is located in the center of the restrictive public utility easement (RPUE). Mr. Bivens would like to use Double Wye connections from the 6" lateral for each duplex condo. Following review of the plans, Mr. Key does not feel the lateral stubs are in alignment with the proposed lots and 13 lots do not have a lateral stub. If allowed to proceed as proposed, the line would have numerous cuts which could cause a grade defect, leaks and root intrusion. Laying a new line is preferred. Mr. Bivens will provide a new drawing with the exact stub locations and easements.

**Committee Discussion Items**

**Wastewater Treatment Facility Superintendent, Leon Key**

**1. Request for a recommendation to Council to repair the sanitary sewer main and lateral stubs located at 117 Lamey Drive by Blankenberger Brothers, Inc. (BBI) at a cost of \$16,288.00.**

Mr. Key stated the sanitary sewer repair at 117 Lamey Drive requires: 20 feet of 8-inch clay pipe replacement; an 8' x 6' wye; a lateral; an asphalt patch; and, a two-day road closure. BBI will repair the line at a cost of \$16,288.00.

**Motion: Carol Schaefer moved to recommend to Council to repair the sanitary sewer main and lateral stubs located at 117 Lamey Drive by Blankenberger Brothers, Inc. (BBI) at a cost of \$16,288.00.**

**Motion seconded: Susan Helms**

**Discussion: None**

**Motion passed unanimously.**

**2. Request for a recommendation to Council to close the road at 117 Lamey Drive to enable the sanitary sewer main and lateral stub repairs; a two-day road closure is expected.**

Motion: Carol Schaefer moved to recommend to Council to close the road at 117 Lamey Drive to complete the sanitary sewer main and lateral stub repairs.

Motion seconded: Susan Helms

Discussion: A two-day road closure may be necessary.

Motion passed unanimously.

**3. Discussion: Vectren conflict with the sanitary sewer at 8797 High Pointe Drive.**

Mr. Key stated the Newburgh sanitary sewer is in a restricted easement at 8797 High Pointe Drive. Vectren has installed a transformer directly above the sewer line with their service line running parallel to the sewer. Mr. Wischer will contact Vectren and present his findings at the next meeting.

**4. Discussion: Sanitary sewer manhole issue at 5411 Kenwood Circle.**

Mr. Key stated the manhole at 5411 Kenwood Circle is showing significant erosion. The county recently installed a culvert which directed the flow to the manhole. The assistance of Commonwealth Engineering Inc. (CEI) was requested to research the area and rights.

Motion: Leon Key moved to recommend to Council to allow Commonwealth Engineering Inc. to prepare a task order to research the sanitary sewer manhole issue at 5411 Kenwood Circle.

Motion seconded: Carol Schaefer

Discussion: None

Motion passed unanimously.

**5. Request for a recommendation to Council to repair Pump No. 1 at Lift Station 2 by Straeffer Pump & Supply at a cost of \$13,737.28 plus shipping.**

Mr. Key requested approval to repair Pump No. 1 at Lift Station 2 by Straeffer Pump & Supply at a cost of \$13,737.28 plus shipping. The cost to purchase a new pump is \$113,000.00.

Motion: Carol Schaefer moved to recommend to Council to repair Pump No. 1 at Lift Station 2 by Straeffer Pump & Supply at a cost of \$13,737.28 plus shipping.

Motion seconded: Susan Helms

Discussion: None

Motion passed unanimously.

**6. Request for a recommendation to Council for the approval of the Heritage Woods FOG Permit #111319**

Mr. Key stated the Heritage Woods Fats, Oils and Grease (FOG) permit #111319 is a standard permit with no waivers and requires a 1500-gallon outdoor grease interceptor.

Motion: Carol Schaefer moved to recommend to Council to approve the Heritage Woods FOG Permit #111319.

Motion seconded: Susan Helms

Discussion: This standard permit requires a 1500-gallon outdoor grease interceptor.

Motion passed unanimously.

**7. Discussion of the Ironwood mud inflow incident**

Mr. Key presented the equipment and disposal costs associated with the Ironwood mud inflow incident. The estimate does not include electricity, all labor and aeration costs. A fine and recovery costs may be imposed as the Standards state that the systems are to be sealed at the end of every day. Mr. Wischer will encourage Jeremy Mattingly to attend the next Utility Committee meeting.

## **Petitions and Comments from Citizens Present**

### **10:15 am – Charles Martin, 620 E Jennings, New Studio Sewer Connection**

Mr. Martin, 620 E Jennings, stated he would like to build an additional structure which will include a small kitchen and bath on his property. A dye test confirmed the lateral is on Mr. Martin's property. Mr. Key suggested the waiver be approved to allow two (2) buildings to connect to one (1) lateral but requested an agreement be prepared that if the property is ever subdivided two separate laterals will be needed.

**Motion: Carol Schaefer moved to recommend to Council to grant a waiver for Charles Martin, 620 E Jennings, to allow two (2) buildings to connect to one (1) lateral on the condition that if the property is ever subdivided two separate laterals will be needed and Mr. Martin sign an "Agreement for Waiver of Sewer Standards and Covenant to Not Subdivide Property".**

**Motion seconded: Leon Key**

**Discussion: None**

**Motion passed unanimously.**

## **Engineer Report – David Hynes**

### **1. Triple Crown Lift Station Bid Opening**

Mr. Hynes stated the Triple Crown Lift Station Bid Opening took place at the October 23, 2019 council meeting. Ragle submitted the lowest bid at approximately \$3.5 million. CEI has prepared the Letter of Recommendation and Notice of Award which will be presented at the Town Council meeting on September 12, 2019.

## **Town Attorney, Chris Wischer**

### **Return on Investment (ROI) and Payment In Lieu of Taxes (PILOT)**

Mr. Wischer stated Baker Tilly advised that the sewer department's payments to the Town could be increased and retroactive to January 1, 2019 for Return on Investment (ROI) and Payment In Lieu of Taxes (PILOT) resulting in an annual increase of \$101,900.00. ROI will increase from \$620,000.00 to \$700,000.00, an increase of \$80,000.00, and PILOT will increase from \$216,300.00 to \$238,200.00, an increase of \$21,900.00. The increase will not affect customer rates or bond issues. Mr. Key reminded the committee of the revenue loss if annexation took place. Mrs. Helms stated based on 2,686 customers, the sewer department would lose \$63,508.55 per month or \$762,102.00 per year. Mr. Wischer stated those issues would be addressed with Baker Tilly as the situations presented themselves. Mr. Key expressed concern about the upcoming bond issue for the Victoria project and, if the annexation takes place, the sewer department's expected losses must be included in the rate study. Mr. Hynes stated the Blue Lake, Pecka Ditch and other projects have been prioritized; the study will be presented at the next meeting. Mr. Key felt the decision to increase ROI and PILOT is a council decision and not a utility committee decision. Mr. Wischer agreed it is a council decision to determine the amount to extract from its utility. Mr. Key stated the majority of the projects are outside the Town corporate limits. Contact with the Utility Regulatory Commission may be necessary to discuss the in-town versus out-of-town rates. Mr. Kavanaugh requested a motion be made to take to council.

**Motion: Carol Schaefer moved to recommend to Council to increase the sewer department's Payment In Lieu of Taxes (PILOT) to \$238,200.00 and Return on Investment (ROI) to \$700,000.00 to the Town of Newburgh retroactive to January 1, 2019.**

**Motion seconded: Leon Key**

**Discussion: None**

**Motion passed unanimously.**

**Utility Committee Board Member, Carol Schaefer**

**1. Replacing Tom Bodkin as voting member**

The committee discussed the need for the citizen advisory position. It was felt the technical knowledge possessed by Mr. Bodkin could not be replicated and committee members agreed to eliminate the position. There will now be five (5) voting committee members.

**Motion:** Motion: Carol Schaefer moved to recommend to Council to eliminate the citizen advisory voting position on the Utility Committee.

**Motion seconded:** Susan Helms

**Discussion:** None

**Motion passed unanimously.**

**Town Manager, Christy Powell**

Absent

**Utility Manager, Susan Helms**

**1. Financial Report**

Mrs. Helms stated the Sewer Operating Account balance is \$5,272,192.19. Approved projects in the amount of \$404,452.19 have not been disbursed.

**2. Utility Office Copy Machine**

Mrs. Helms stated the Civil Town copier located in the Town Hall workroom is no longer working properly. The government price for a new copier is \$12,146.00 or \$18,154.00 retail. Mrs. Helms and Mrs. Powell suggested the utility office purchase the new copier and the current utility office copier be moved to the workroom. During the month of November, Hoosier Business Machines has sale priced the copier at \$7,542.00 plus trade-in. The Town will pay the Sewer Department \$1,000.00 for the Utility Office copy machine. Hoosier Business will deliver the new copier to the utility office and move the utility's current copier to the workroom.

**Motion:** Carol Schaefer moved to recommend to Council to allow the Utility Office copy machine be sold to Civil Town at a cost of \$1,000.00 and allow the Utility Office to purchase a new copy machine from Hoosier Business Machines at the sale price of \$7,542.00 plus trade-in of the Civil Town copier; the purchase must be made during the November sale.

**Motion seconded:** Leon Key

**Discussion:** None

**Motion passed unanimously.**

The committee agreed to reschedule the January 2020 Utility Committee meeting from January 1, New Year's Day, to January 8, 2020. The meetings in 2020 will begin at 9:00 am.

Mr. Kavanaugh stated the Prow's property consisting of 23 acres and located across from the plant is listed for sale. This property would be an ideal location to place an emergency overflow tank as part of the Pecka Ditch Improvement Project. Mr. Hynes will present the Pecka Ditch Improvement Project study findings at the next meeting. Jim Stradtner did purchase a tap for the Pool Doctor which will hook to the Pecka system upon project completion.

**Motion:** Motion: Leon Key moved to adjourn the meeting.

**Motion seconded:** Bill Kavanaugh

**Discussion:** None

**Motion passed unanimously.**

The meeting adjourned at 11:20 AM.