

UTILITY COMMITTEE MEETING
September 2, 2020 9:00 a.m. Newburgh Town Hall

Present: Steve Shoemaker, Carol Schaefer, Christy Powell, Leon Key, David Hynes and Chris Wischer. Absent: Susan Helms. Others in attendance: Ryan Franks, Nathan Marret, Alejandro Mojica, Jim Morley, Rebeka Kaufman and Marilyn Doyle.

Utility Chair Steve Shoemaker called the meeting to order at 9:02 am with a quorum present.

Consent Agenda

Monthly Tracking Report, Inspection Status Report, Sewer Repairs Report, Tap Report, Financial Report, Monthly Sewer Adjustment and approval of Aug 5, 2020 minutes.

Motion: Carol Schaefer moved to approve the consent agenda.

Motion seconded: Susan Helms

Discussion: None

Motion passed unanimously.

Committee Discussion Items

Wastewater Treatment Facility Superintendent, Leon Key

1. Request for a recommendation to Council to approve the proposed Evansville Christian Grade School FOG Discharge Permit No. 091020.

Mr. Key requested approval for the proposed Evansville Christian Grade School Fats, Oils and Grease (FOG) Permit which requires the installation of grease interceptors with a total volume of at least 3,150 gallons. The installation must comply with the FOG Ordinance.

Motion: Leon Key moved to recommend to Council to approve the Fats, Oils and Grease (FOG) Discharge Permit #091020 for the proposed Evansville Christian Grade School which requires the installation of grease interceptors with a minimum total volume of 3,150 gallons and complies with the FOG ordinance.

Motion seconded: Christy Powell

Discussion: None

Motion passed unanimously.

2. Request for a recommendation to Council to formally approve the emergency repair at 313 Gray Street by Hydromax in the amount of \$14,415.93.

Mr. Key requested an official approval of the emergency repair at 313 Gray Street by Hydromax in the amount of \$14,415.93. The emergency repair was initially approved by Stacie Kreiger on August 14, 2020. Six feet of 8" clay pipe and the tap connection had to be replaced.

Motion: Leon Key moved to recommend to Council to formally approve the emergency repair at 313 Gray Street by Hydromax in the amount of \$14,415.93; Stacie Kreiger initially approved the emergency repair on August 14, 2020.

Motion seconded: Christy Powell

Discussion: None

Motion passed unanimously.

3. Request for a recommendation to Council for engineering assistance to develop a quote package as recommended by the Pecka Ditch Rehabilitation Study dated August 26, 2020.

Mr. Key stated Commonwealth Engineering Inc. (CEI) was requested to determine the Pecka Ditch interceptor defects and recommend options for system repairs. Mr. Hynes presented a study detailing the defects and submitted three options. The committee felt Option 2 was the most economical approach as it will provide cleaning of up to three ductile iron structures followed by a multi-sensor inspection or laser profiling and give an indication of the condition of the remaining ductile iron component's condition.

Motion: Leon Key moved to recommend to Council to approve engineering assistance to develop a quote package for the Pecka Ditch Rehabilitation Project Option 2 which requires cleaning of one to three ductile iron structures where access is available near Sharon Road followed by an inspection to indicate the remaining ductile iron component's condition.

Motion seconded: Christy Powell

Discussion: None

Motion passed unanimously.

Petitions and Comments from Citizens Present

9:15 am: Ryan Franks, Tommy's Car Wash, Sewer bill for car wash

Ryan Franks, owner of Tommy's Car Wash, requested a prorated rate or volume discount to offset his sewer expense. Mr. Franks explained the car wash has a reverse osmosis process where the water used is cleaned and reused. In the 1980's, the Environmental Protection Agency (EPA) banned volume discounts. Mr. Key stated the use of a mag meter was permissible provided the meter is calibrated annually and monthly reads are provided to the Utility Office.

Motion: Leon Key moved to recommend to Council to allow a mag meter installation at Tommy's Car Wash provided the meter is calibrated annually and monthly reads are provided to the Sewer Utility Office.

Motion seconded: Christy Powell

Discussion: None

Motion passed unanimously.

Mr. Wischer presented a preview of the Morley & Associates request for capacity for Warrick Research and Industrial Center (WRIC) East-15 Commercial Lots & Oak Grove Road-144 Residential Lots.

Mr. Wischer stated the bond and rate ordinance are on the agenda for the public hearing on Sept. 9, 2020.

9:30 am: Nathan Marret, 8200 Oak Grove Road, Lot 1 Sewer Connection in Rabbit Run

Mrs. Kaufman stated Mr. Marret could not attend the meeting but asked that the matter be discussed without him present. Mr. Marret requested a sewer connection for a new building at 8200 Oak Grove Road, Lot 1 in Rabbit Run. The Warrick County Drainage Board granted permission to proceed. An 8" line exists on his property. The new building is an out lot which requires permission from the Utility Committee before a sewer connection.

Motion: Christy Powell moved to recommend to Council to approve a sewer connection for a new building on an out lot at 8200 Oak Grove Road, Lot 1, in Rabbit Run.

Motion seconded: Leon Key

Discussion: None

Motion passed unanimously.

Engineering Report, David Hynes

1. Triple Crown Lift Station Elimination –Construction Progress Report

Mr. Hynes stated the Triple Crown Lift Station Elimination Project experienced problems due to rock in the bore pits making it difficult to keep the bore on grade. The first option was to open-cut the roadway for which Ragle submitted a changeover order request in the amount of \$490,000.00. CEI rejected a sizeable portion of the change order. Instead of open-cut, hand tunneling was chosen as the best method for this area. A soil consultant found a clear path a bit further south of the original crossing on Libbert Road which did not change the scope of the project. Soil bores will be drilled every 10 feet. Mr. Hynes stated he did receive a relocation change order in the amount of \$25,000.00. There is a tremendous amount of work to be done and the project is behind schedule.

9:45 am: Alejandro Mojica, Morley, Sewer Connection at 8566 Vann Road

Mr. Mojica distributed aerial photos depicting the proposed sewer design to connect 8566 Vann Road to the system. An 8" line connecting to the existing 12" line located south of Vann and west of Montgomery will be required and an easement must be acquired. A section of the line will fall in a restricted public utility easement. Mr. Key stated an IDEM packet and contract will be required and suggested the contractor follow the checklist guidelines.

Engineering Report, David Hynes (cont.)

2. Summer Pecka Interceptor Rehab Study

Covered earlier in the meeting.

3. Health South Sanitary Sewer Extension – Warranty Issue

Mr. Hynes began by stating that according to The Standards, a warranty period begins at acceptance; during the warranty period, video inspections are conducted. During one of the Health South Sanitary Sewer Extension inspections, some areas were found off grade. These areas were clearly depicted on an Inclination Survey with Pondings prepared by CEI which is included with the minutes. A warranty notice was sent to the contractor, Blankenberger Brothers Inc. (BBI), who did not feel they were responsible. The committee requested Mr. Wischer notify BBI of their responsibility to correct the infractions.

Utility Chair, Steve Shoemaker

No report.

Utility Committee Member, Carol Schaefer

No report.

Town Manager, Christy Powell

No report.

10:00 am: Jim Morley, Capacity for Warrick Research and Industrial Center (WRIC) East-15 Commercial Lots

Mr. Morley, representing Maken Corporation, requested a capacity letter for a 15-lot subdivision, WRIC East, located on the south side of Prospect Drive, east of Commerce. This development is focused on smaller retail space for start-up businesses. Mr. Morley presented actual flow numbers for neighboring businesses in the industrial park. This particular area flows from Central Towers to the Pecka Ditch line. Mr. Key feels the additional flow will cause the Central Towers Lift Station to cycle more frequently increasing the flow to the Pecka Ditch line which is at capacity and surcharging. There is a question of whether 13 gallons per minute (GPM) exist in the Central Towers line as shown in the latest model. PBTT is located on this line but is not currently in operation; however, space must be available as the business is expected to be functioning in the next month. Mr. Morley does not expect the first building to be constructed for six to nine months. Mr. Key feels the utility is taking a risk approving the subdivision for capacity. The Central Towers Lift Station and Pecka Ditch upgrade projects are expected to resolve all capacity issues and is expected to be completed within the next 18 months.

Motion: Carol Schaefer moved to recommend to Council to allow capacity for a proposed 15-lot subdivision, Warrick Research and Industrial Center East, and that a letter be sent to the Warrick County Plan Commission stating the Newburgh Sewer Utility has capacity to serve the development.

Motion seconded: Christy Powell

Discussion: None

Roll Call Vote: In favor of the motion: Carol Schaefer, Steve Shoemaker and Christy Powell.

Opposed: Leon Key.

Motion passed.

10:20 am: Jim Morley, Capacity for Maken PUD on Oak Grove Road-144 Residential Lots

Mr. Morley, representing Maken Corporation, requested a capacity letter for a 144-lot residential Planned Unit Development (PUD) south of Eastwick Subdivision on Oak Grove Road. The proposed subdivision is part of the Victoria Lift Station Sewer Basin. Mr. Wischer received notification from the Warrick Plan Commission that a preliminary plat approval could be granted with a conditional capacity letter. Mr. Morley stated Danny Ubelhor would like to begin sewer construction before the Town's upgrade project is completed. Maken Corporation could build the sewer extension and be reimbursed through betterment. The committee decided the Blue Lake upgrade will be completed before Victoria to assist developers in moving forward with construction projects. Mr. Wischer stated the committee will assist with future developments by offering a conditional capacity letter to the Warrick Plan Commission at the presenting of a primary plat, a Letter of Credit at final plat and selling taps so a building permit can be obtained. Mr. Morley requested the sanitary sewer plans be reviewed now even though they will not be connected for a year; Messrs. Hynes and Key agreed to their review.

The committee had an open discussion regarding the contractor for the Forest Park project, drainage issues at Driftwood and easement acquisitions on Phelps.

Town Attorney, Chris Wischer

1. Discussion on 2020 sewer rate increase

Mr. Wischer stated that during the August 12 meeting, Doug Baldessari presented his rate analysis to the Town Council and was asked if there was a way to reduce the initial rate increases from 3% to 2% or to flip the schedule of rate increases. Mr. Baldessari offered the option of capitalizing interest to reduce the initial rate increases but at the expense of adding additional long-term interest costs to the utility. This would involve borrowing additional money and using the borrowed money to pay early interest costs with the borrowed funds, thus having the effect of reducing the rate increase over the first two years but not reducing the overall rate increase needed over the four years. This option also increases the total interest cost to the utility from \$161,000 to \$242,000 over the life of the bonds. The committee felt that the additional cost is not worth the small reduction in rate.

Motion: Carol Schaefer moved to recommend to Council to support the original bond ordinance and rate ordinance.

Motion seconded: Christy Powell

Discussion: None

Motion passed unanimously.

2. Green Springs Valley Update

Mr. Wischer updated the Green Springs Valley project easement acquisition status and stated there are three eminent domain cases that are expected to be resolved by the end of the month.

3. Blue Lake Lift Station

Representatives of Stoll Keenon Ogden are making site visits to acquire easements for the Blue Lake Lift Station Project. The utility is constructing a new building to house controls at 2500 Briarcliff Drive. A landscaping designer will be hired to beautify the area and essentially hide the building.

Utility Report, Rebeka Kaufman

1. Financial Report

Mrs. Kaufman stated the Sewer Operating Account balance is \$6,812,395.96. Approved projects in the amount of \$358,772.19 have not been disbursed.

2. Evansville Christian School Request to Vacate Portions of 2 Platted 12' Drainage Easements in the Epworth Lincoln Subdivision

Morley and Associates have requested a Public Utility Easement Vacate of Lot 7 in the Warrick Place Replat of Lots 3, 4 and 5. The sewer lines are not located in the Public Utility Easement.

Motion: Christy Powell moved to recommend to Council to approve the Evansville Christian School request to vacate portions of two platted 12' Drainage Easements located on Lot 2 in Epworth Lincoln Subdivision.

Motion seconded: Carol Schaefer

Discussion: None

Motion passed unanimously.

3. Evansville Christian Elementary School – Sewer tap calculations

Mrs. Kaufman stated the Evansville Christian Elementary School requested a student number reduction be used in the tap calculation. The school is equipped for 616 students; however, they expect only 550 to attend. The tap fee based on 616 students is \$99,360.00; the tap fee for 550 students is \$88,700.00, a difference of \$10,660.00. Following a brief discussion, the committee decided to follow the ordinance and base the tap fee on maximum capacity.

Motion: Christy Powell moved to recommend to Council to deny the request by the Evansville Christian Elementary School to purchase a tap based on 550 students rather than the school's full capacity of 616 students.

Motion seconded: Carol Schaefer

Discussion: Mrs. Schaefer felt the committee must follow the ordinance requirements to determine tap fees.

Motion passed unanimously.

Mr. Shoemaker adjourned the meeting at 11:31 AM.

Respectfully submitted,
Marilyn Doyle