

Utility Committee Meeting
July 7, 2021 9:00 a.m. Newburgh Town Hall

Present: Steve Shoemaker, Leanna Hughes, Christy Powell, Susan Helms, Russell Powell, David Hynes, John Thomason for Chris Wischer, and Rebeka Kaufman. Also in attendance: Jason Fox and Jeramy Elrod.

Utility Committee member Steve Shoemaker called the meeting to order at 9:00 a.m. 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 June 2, 2021 minutes.

Motion: Christy Powell moved to approve the consent agenda.

Motion seconded: Susan Helms

Discussion: None

Motion passed unanimously.

Committee Discussion Items

Wastewater Treatment Facility (WWTF) Superintendent, Russell Powell

1. Request from Ragle to use gravel area at Master Lift Station for a laydown yard for the Green Springs Valley Project.

Mr. Shoemaker asked if a motion needed to be made for approval and Mr. Powell stated that it was already approved through Leon and verbal approval was given by Mr. Shoemaker on behalf of the Utility Council.

2. Discussion on Nellies Restaurant. Patio has been built in easements (Town's and Vectren's) and over the top of our manhole.

Mr. Powell stated the manhole cover is located directly in the middle of the patio and Vectren states they did not get a building permit, but not sure if it was needed. Ms. Powell stated that Nellie's was supposed to get a permit from the County for expansion of the seating of the restaurant, which was not done. Mr. Powell is not sure if it is a permanent structure. Mr. Shoemaker suggested to let it play out to see how Vectren and the County handles it. Ms. Powell questioned about access to the manhole and Mr. Powell stated there is no access to the manhole cover. Ms. Powell suggested maybe sending a letter to the Planning Commission stating we are aware of the encroachment and not taking any action at this time. Mr. Shoemaker suggested that Mr. Thomason send a letter acknowledging the encroachment on our easement and manhole, action is not being taken at this time. Mr. Powell also stated they are in violation of the grease trap policy code, stating it is in horrible condition. Mr. Shoemaker stated that the grease trap was more of a concern than the patio. Mr. Shoemaker suggested again for a letter to be drawn up for both Ms. Powell and Mr. Powell to review. Ms. Hughes brought up the question of the business not understanding the proper procedures to go through.

3. Lenn Road Project – This project needs to be moved forward due to number of overflows.

Mr. Powell stated there is another overflow on this line, which first overflow was estimated to have started in 2013 with 2 more overflows since and one of the manholes is badly deteriorated. CEI performed a study. Mr. Powell also stated they have obtained all the easements, except the temporary easements and requested to move forward. Mr. Shoemaker suggested funding to possibly come from the SWIF Co-funding (Grant) that is available.

Motion: Christy Powell moved to recommend to Council for CEI to move forward with the Lenn Road Project.

Motion seconded: Leanna Hughes

Discussion: None

Motion passed unanimously.

4. Pecka Ditch Interceptor Capacity and Kingston Lift Station.

Mr. Powell stated the Pecka Ditch is at capacity. The Kingston flow is what he wants to discuss to open up some capacity and what is needed. Mr. Shoemaker suggests hooking up the Model and see what it shows.

5. Bel Air Subdivision – Discussion on moving forward with extension for 3 homes or connecting 2 homes separately to existing sewer line flowing into Pecka Ditch.

Mr. Powell inquired regarding the capacity as well for Bel Air Subdivision with Mr. Shoemaker stating again to hook up to the model, unplug Kingston and if maintains capacity and does not need to come back to committee and should be done by the end of the week.

Petitions and Comments from Citizens Present

9:18: Jason Fox, Blakenberger Bros. – MJ Harris release of cash bond for Health South sanitary sewer construction.

Mr. Fox is representing MJ Harris and Encompass Health South regarding Health South Extension that was completed a couple of years ago. There was a warranty issue on the sanitary sewer main extension that was corrected by Blakenberger Bros. and MJ Harris put up a check so Health South would not have to extend their letter of credit. The contractor, MJ Harris, put up \$25,862 as a show of good faith that they would complete the repair. The repair was made and was found to be in satisfactory condition. The warranty has now expired for the initial repair and MJ Harris is requesting release of the check back to them, which has not been done yet. The warranty period is in question and if in the contract it states the warranty is from the completion of the project and/or if any repairs are made, if it restarts at that time. Mr. Fox stated that they believe this issue is due to the underlying soils that have settled over time and the reason for extension of the warranty period is that it may settle more in the future. Mr. Shoemaker suggested for the repair to be inspected again since it has been 4 to 5 months since the repair and for confirmation of the warranty time; once these two items have been clarified and reviewed again at the next meeting prior to the release of the funds. If warranty restarts at the time of the repair, then discussion will be had if partial or total retainage will be refunded.

Petitions and Comments from Citizens Present Continued

9:45 am: Jeramy Elrod – Morley – Victoria Cottages and High Pointe sanitary sewer construction.

Mr. Elrod had handouts for each committee member with locations of the cottages. Victoria is at a standstill and needs to know if they are putting in a septic system or if they can tap into the sewer main. Victoria's preference would be to tap into the sewer main. Mr. Shoemaker stated there was no capacity in the system per the model unless the Force Main is upgraded. Mr. Elrod states Victoria will probably move forward with septic system.

Regarding High Pointe, Ms. Helms confirmed with Mr. Elrod that the project is now being divided into two (2) sewer phases, which he confirmed and wants to know what is required. Mr. Shoemaker and Mr. Powell suggested to lay the extra 100 feet to avoid resubmittal of plans and obtaining new construction permits and contract.

Recommendation by Mr. Shoemaker for Susan to start obtaining the cost of phases for projects.

Engineer Report, David Hynes

1. Triple Crown LS Elimination project – Charge Order #3 (final).

Mr. Shoemaker stated there was a bit of a hiccup in waiting for a release from the subcontractor, Cornerstone, to Rage, wanting payment. The attorneys agreed there could be an attempt to be drug into a lawsuit. The attorneys have worked out an agreement to release an indemnification agreement to become part of the change order. Ragle made some submissions itemizing additional work and agreed this would resolve and close the project if \$450,000 change order was agreed upon. Adding to this agreement, it was acceptable to change Ragle's substantial completion date of September 8, 2020; we added 237 days, which made their completion date May 3, 2021. We have also extended the Ready for Final Payment date to August 4, 2021, which typically runs 30 days.

Motion: Leanna Hughes moved to recommend to Council to approve Change Order #3 (final) for the Triple Crown Elimination Project.

Motion seconded: Steve Shoemaker

Discussion: None

Motion passed unanimously.

2. SWIF Co-Funding (Grant) Projects – Round 1

Mr. Hynes, Drew Flamion with CEI and Mr. Powell have been meeting once a month on projects. Part of this last month's discussion they decided on projects to fund with the SWIF Co-Funding which are the following:

1. Victoria Lift Station
2. Lenn Road Project
3. Manhole Rehabilitation Project
4. Multi-Sanitary Sewer Collection Sewer Improvements

On or before July 15, 2021, the first round of applications are due, which they are working to get in to have the funding by the fall to keep from having a rate increase.

3. LS #2 Sub Basin Flow Modeling Project – Update on Progress

Mr. Hynes stated they received the contract to do Lift Station #2 Sub Basin flow modeling. The meters were set, installed and operationally correct retrieving baseline information, making sure to get good information.

4. Victoria LS, FM and Gravity Sewer – Project Status and Amendment

Mr. Hynes referred to Amendment #4 that was done for GeoTech and Wetlands. The Wetlands people are currently working on identifying the information needed for the Army Corp of Engineers. The handout provided is Amendment #5 and noting the project has been ongoing for four (4) years. Mr. Shoemaker stated with a project ongoing for this long, incurring costs along the way to keep it active and budgets become depleted. The project was divided into two (2) phases to accommodate Essex subdivision in order to have a physical tap to their sewers in order to build their subdivision. The regulatory permits that were prepared previously have expired. The Army Corp of Engineers have requested for additional Wetlands review. The original Erosion Control Plan has turned into two (2) Erosion Control Plans because of splitting the bidding and additional man hours incurred. Right of Entries were necessary for soils with additional explanations in the Scope of the handout. He referred to Page three (3) of the Contract, increases for Amendment #5 to start out with Final Design at \$113 400, Bidding at \$50,700. Construction Engineering increased due to now having two (2) projects extending from one 13 months to 18 months. RPR (Resident Project Representatives) Services also went up as a result. The total amount requesting to be amended is \$363,800. The total contract is around \$10M with Phase 1 and Phase 2. Fees are around 14%. Ms. Powell would like to note that soft cost is at approximately 15% for a \$10M project, which could typically be around 30%.

Motion: Russel Powell moved to recommend to Council to approve Amendment #5, for CEI Contract for Victoria LS, FM and Gravity Sewer.

Motion seconded: Leanna Hughes

Discussion: None

Motion passed unanimously.

5. Blue Lake LS, FM and Gravity Sewer – Project Status and Amendment

Mr. Hynes states the end of the project is getting closer to being completed. An assessment of being behind by an estimate of \$165,000 due to redesigns along the way to accommodate property owners with one of the biggest rerouting a Force Main around a property. There have been various meetings with Brompton Court (near Victoria), which has necessitated bidding this project twice and have been difficult with negotiations.

Utility Chair, Steve Shoemaker

No report.

Utility Committee Member, Leanna Hughes

No report.

Town Manager, Christy Powell

Forest Park Project, Phase 1 – Change Order

Ms. Powell stated this project involves a large Drainage project, Pavement project, Utility Coordination, and Sewer Manhole Rehabilitation with new lines. The project will cost an estimate of \$80,000. This is a CCMG project that we have leveraged 75% of the drainage and pavement costs with the grant program. Ms. Powell is requesting that the Sewer Department pay for the reconstruction costs of the road excluding \$25,000, which she will request be paid by the Finance Committee.

Motion: Christy Powell moved to recommend to Council to approve to split the Change Order for Forest Park 69% sewer and 31% Civil Town.

Motion seconded: Leanna Hughes

Discussion: None

Motion passed unanimously.

Town Attorney, John Thomason

No report.

Utility Manager, Susan Helms

Financial Report

Mrs. Helms provided a Preliminary Financial Report which states the Sewer Operating Account balance is \$6,776,698.90. A separate account for Cash Reserve has been established requested by the auditor and for 2021 \$750,000 and for 2022 \$775,000 in which the \$775,000 will be in the account by July of every year to show as a reserve for the Town's ROI for their budget. Improvements fund balance is \$7,198,709.18 which can pay for Green Springs Valley that is not covered by the 2020 bond. Ms. Helms stated she will move \$2M to Improvements Fund to obtain a higher interest rate. An CD Investment of \$1.4M for Debt Reserve at People's Bank was completed in June for an interest rate of 0.654.

Motion: Christy Powell moved to adjourn the meeting.

Motion seconded: Leanna Hughes

Discussion: None

Motion passed unanimously.

Mrs. Powell adjourned the meeting at 10:56 a.m.

Respectfully submitted,
Cindy Adams