

**THE SEWER BOARD MEETING OF THE CIVIL CITY OF NEW ALBANY,
INDIANA, WAS HELD IN THE THIRD FLOOR ASSEMBLY ROOM OF THE
CITY-COUNTY BUILDING ON THURSDAY, JANUARY 12, 2017 AT 9:15 A.M.**

PRESENT: Ed Wilkinson, member, Nathan Grimes, member and Mayor Gahan,
president.

ALSO PRESENT: April Dickey, Rob Sartell, Linda Moeller, Shane Gibson, Larry
Summers and Vicki Glotzbach

CALL TO ORDER:

Mayor Gahan called the meeting to order at 9:15 a.m.

PLEDGE OF ALLEGIANCE:

APPROVAL OR CORRECTION OF THE FOLLOWING MINUTES:

**Mr. Wilkinson moved to approve the December 22, 2016 Regular Meeting Minutes
with corrections, Mr. Grimes second, all voted in favor.**

BIDS/CONTRACTS:

1. MAC Construction re: Contract Change Order No. 3

Mr. Sartell stated that this is a change order to the 110 Valve and Dump Station Project.
He said there are two deducts for a total of \$25,853.43 and this will also close out the
project.

Mr. Gibson stated that it is a change order but is also a deduct and will close it out. He
added that this wraps up everything that they were given authority to do.

Mr. Sartell stated that is correct.

Mr. Wilkinson stated that they agreed on all of it early and asked if this is just a paper
follow up.

Mr. Gibson replied yes and said this is the final piece of paper to finish it off.

Mr. Grimes moved to approve, Mr. Wilkinson second, all voted in favor.

2. Reline America re: Light Train Cable Replacement

Mr. Sartell stated that he needs to purchase cable for the light train for the lining crew
because we are under 500' and we need at least 800' on some of the manholes. He added
that the cables get nicks and cuts in them and have to be cut back.

Mr. Wilkinson asked if it is on the light train or the cutter.

Mr. Sartell replied it is on the light train.

Mr. Wilkinson moved to approve, Mr. Grimes second, all voted in favor.

COMMUNICATIONS - PUBLIC:

Mr. Tim Hunt stated that he wanted introduce himself and said that he is the

representative for HWC Engineering.

Mr. Dave Ruckman stated that he was present to get the Summit Springs plat approved and signed. He said that he is hoping to take it to the board of works next Tuesday and then have it recorded. He then reviewed the plat with the board. He explained that they are hoping to close on the first hotel within one week because they have to be under construction by the first of March in 2017 in order to make completion by the first of March in 2018 so that they are ready for the Kentucky Derby in 2018. He also presented a check for \$3,000.00.

Mr. Christmas explained that he is requesting credits in the amount of 57,200 for phase I that are required in the capacity certification from EPA. He also explained that the \$3,000.00 check is for that capacity certification. He said that when the capacity certification is completed it will include the full development.

Mr. Grimes asked if phase I is just the eight lots.

Mr. Ruckman replied yes.

Mr. Sartell asked if this project is for Mr. Kelly that has the dentist office on State Street.

Mr. Ruckman replied yes.

Mr. Sartell explained that he still has a cross connection on his dental practice property and hasn't gotten the storm sewer problem corrected.

Mr. Ruckman stated that he didn't know anything about that.

Mr. Gibson stated that he would reach out to him because he has to reach out to him on phase II anyway.

Mr. Wilkinson asked if we have all of the numbers and documents we need for the credit application.

Mr. Christmas replied yes and stated that if the board approves moving forward with the capacity certification then we will have everything needed to run the model, prepare a report and submit it to EPA.

Mayor Gahan asked what the turnaround time is on that.

Mr. Christmas stated that if we get our part done within two weeks and submit it to EPA, they typically respond within 60 days on these. He explained that doing the capacity certification doesn't formally grant credits but is really just doing the analysis to see if where they are proposing to put it in can handle the additional flow. He said that if everything checks out okay then he will make a recommendation that it will not cause any SSOs then EPA reviews that and they give approval or denial based on that. He also said that if EPA approves it then they can go to IDEM for their permit and that's when the credits officially get granted.

Mr. Summers stated that he reviewed the plat when it was before the plan commission and asked Mr. Ruckman if there were any substantial changes since it was before the commission. He said that Mr. Ruckman told him that they added an easement to take care of the sewer flow from the development into the State Street system. He said that he doesn't have any issues with it as presented.

Mr. Grimes asked where that will leave us on credits.

Mr. Sartell replied between 80,000 and 90,000.

Mr. Wilkinson moved to approve the request contingent upon it meeting the engineering requirements, capacity certification requirements and IDEM application requirements, Mr. Grimes second, all voted in favor.

Mr. Jason Copperwaite passed out a plat for the Stonecrest project by Mr. Steve Thieneman and reviewed it with the board. He explained that Mr. Thieneman wants to get started on construction and it is 216 apartment units with mini storage warehouse buildings in the back. He stated that he appeared before the board last fall and communicated that the project had decreased somewhat in size for the sanitary sewer need. He said that the original request was for 86,400 gallons per day and he asked to reduce that request to 65,380 gallons per day. He also said at that time they discussed that Stonecrest had been included in some negotiation with IDEM as part of their original credit approval so he knows the credits were approved long ago. He stated that the EPA study was also prepared and approved long ago. He said he just needs to know what the path would be going forward to get the sanitary sewer permit.

Mr. Sartell stated that back in 2006 the sewer board approved 86,400 credits and for some reason it never got sent to IDEM for approval. He sent a request to IDEM to reduce the number of credits to 65,380 and was informed that the 86,400 credits were never approved.

Mr. Christmas stated that EPA approved the capacity certification so now it needs to be approved by IDEM.

Mr. Copperwaite asked if the 65,380 would come out of the 80,000 or 90,000 that you have right now.

Mr. Sartell replied yes.

Mr. Copperwaite stated that if there was any way for him to request a portion of these he would but he thought they were approved long ago. He added that in order to get the IDEM project, he has to have credits for the whole project. He said that it is Mr. Thieneman's intention to build two buildings at a time so he may have a five year buildout period but he has to get a permit for the whole thing. He then said if it would help he could possibly permit the first four buildings only to a manhole or two back and just ask for credits for those first four but they will be back in another year probably to ask for more.

Mr. Grimes asked if there other projects that are going to require credits.

Mr. Copperwaite stated that he has a project for Ms. Ann Ragains and asked if they have been awarded yet.

Mr. Sartell stated that they have already been taken out.

Mayor Gahan asked if there are any projects pending that could be pulled back in.

Mr. Gibson stated that we could reach out to the owners on any pending projects and let them know that they have to come to the board and let us know what is up.

Mayor Gahan asked Mr. Summers if he knows of anything else coming.

Mr. Summers stated that he can't think of any off the top of his head.

Mr. Christmas stated that he doesn't know of any on the immediate horizon but there are some coming down the road next year or the year after.

Mr. Grimes asked if the Georgetown issue has been taken care of and taken out.

Mr. Christmas stated that they issued the credits to their satisfaction but not really to the city's.

Mr. Gibson stated that they did not give us one for one.

Mr. Christmas stated that they plan to go back and talk to them especially since the council passed the bond ordinance that was recommended by the sewer board to do additional improvements so that will give the city some leverage.

Mayor Gahan stated that we need to make sure that we are communicating with EPA so they know what the situation is.

Mr. Christmas stated that they are pretty much ready to do that. He said they would like to get the design under contract so they will be able to show that the bond ordinance was passed, the contract has been started and they have the schedule. He said they would then say that they would like to talk about how they can get through this construction implementation period in a way that works for both.

Mayor Gahan asked Mr. Copperwaite if he could possibly reduce the request.

Mr. Copperwaite stated that he would obviously rather have them all but the first four buildings would require 28,800 credits and requested those from the board.

Mr. Gibson asked what the timeframe is on those.

Mr. Copperwaite replied that he wants to start two building next spring and then two buildings next fall and that should get him through next year.

Mr. Grimes asked if he will do the storage units at the same time.

Mr. Copperwaite stated that he will do those at the end and they only require 40 credits.

Mr. Christmas stated that they have studied the entire development and confirmed that it is not going to cause any capacity related overflows and they are simply asking for credits for what they are going to build now.

Mr. Copperwaite stated that as soon as Mr. Sartell tells him they have the green light on IDEM he is submitting a sewer permit and in effect that uses the credits.

Mr. Wilkinson moved to approve 28,800 credits contingent upon those credits being used within the next 18 months, Mr. Grimes second, all voted in favor.

COMMUNICATIONS - CITY OFFICIALS:

Mr. Gibson passed out a draft of the sewer credit policy for the board to review. He said that it basically has a requirement to come back to the board if the project is not going and credits used within 18 months. He asked the board to review it and send him any changes they feel are appropriate and if no changes are needed then action can be taken at the next meeting.

Mr. Wilkinson stated that it looks good.

Mr. Grimes stated that he thinks it looks good as well and provides some flexibility.

Mr. Gibson stated that we will have copies for each developer when they come before the board so that they know when they get approval what they have to do.

Mr. Wilkinson stated that they are automatically returned if there is no action within 18 months and we don't have to do anything to get those credits back.

Mr. Gibson stated that is the way he has drafted it. He said he has it written as the sewer credits are revoked after 18 months of inactivity on that development unless the owner of the credits appear before the sewer board to ask for an extension.

Mr. Copperwaite asked if there is a clear definition of what started means and recommended that there is a clear trigger included in the policy.

Mr. Sartell suggested it should be 18 months of tapping into the system or installing a sewer extension.

Mr. Gibson stated that Mr. Copperwaite is right and we should probably nail that down and that he would like to fix that language in the policy.

SEWER ADJUSTMENTS:

FINANCIAL REPORT:

Mr. Wilkinson stated there was a resolution that was passed at the last meeting to reconcile the bank accounts so the entry of \$326,000.00 with a check out for \$175,000.00 leaves \$148,000.00 in the department which is exactly the numbers on the resolution that was passed. He then moved on to the budget versus actual and explained that on the user fees that come in every month we have been a little short and he made comment that at the end of the year when lien money comes in we will be right on the money. He stated that our budget was \$14,050,000.00 and our revenue came in at \$14,035,800.00 which is less than \$15,000.00 off and we forecasted that in September of 2015. He said that Mrs. Dickey and her department keeping up with the liens is critical to running properly cash flow wise because they recover the money and slow pays. He added that they collected 99.8%. He said that there are liens in the process that will be coming in the May installment. He also said that the operating \$14,370,000.00 and we spent \$13,919,000.00. He explained that the EPA projects that we completed was \$1,900,000.00 and total expenditures for the department were \$15,800,000.00 for the year. He stated that we lined close to five miles of pipe, handled an \$800,000.00 emergency repair on 5th Street, replaced equipment that was needed, purchased land that we needed and came in under budget with all bond payments made. He said that we had a great year.

NEW BUSINESS:

OLD BUSINESS:

1. Wes Christmas re: Clark Dietz Update

Mr. Christmas stated that the Grant Line Road Lift Station continues to progress well and is approximately 40% complete at this point. He said that the majority of underground work has been completed and now they are shifting over to work on the new electrical building so you will see some of that coming up out of the ground. He added

that everything is on schedule and the substantial completion date is in May and final completion date in June.

UTILITY REPORT:

Mr. Sartell stated that he will be getting a retainage release letter to Mrs. Moeller for the algae project as well as the launders project.

Mayor Gahan asked if they can see a big difference.

Mr. Sartell stated that it is like night and day and in the long run it will save money and labor.

CLAIMS:

Mrs. Moeller presented the following claims for the period of 12/22/16 to 01/11/17 in the amount of \$907,176.35:

Vendor Name	Amount	Departm
CITY OF NEW ALBANY	6 250.00	SEW
POSTMASTER	20 000.00	SEW
OFFICE SUPPLY COMPANY, INC	22.50	SEW
L&D MAILMASTERS, INC.	1 706.55	SEW
L&D MAILMASTERS, INC.	210.50	SEW
CROWN SERVICES INC	125.00	SEW
CROWN SERVICES INC	180.00	SEW
CROWN SERVICES INC	180.00	SEW
Total	20 682.55	
CITY OF NEW ALBANY	38 250.00	WWTP
BANK OF NEW YORK MELLON	200.00	WWTP
FLOYDS KNOBS WATER	137.00	WWTP
FLOYDS KNOBS WATER	10.10	WWTP
PRO4MANCE CONTRACTING SERVICES	2 276.57	WWTP
CARD SERVICES	151.05	WWTP
Total	41 124.02	
GIBSON LAW OFFICE, LLC	865.38	Thursday Utilities
VECTREN ENERGY DELIVERY	55.41	Thursday Utilities

VECTREN ENERGY DELIVERY	30.30	Thursday Utilities
VECTREN ENERGY DELIVERY	101.46	Thursday Utilities
VECTREN ENERGY DELIVERY	1,030.42	Thursday Utilities
VECTREN ENERGY DELIVERY	17.00	Thursday Utilities
VECTREN ENERGY DELIVERY	251.50	Thursday Utilities
VECTREN ENERGY DELIVERY	749.50	Thursday Utilities
AT&T	284.77	Thursday Utilities
AT&T	274.42	Thursday Utilities
DUKE ENERGY	14.84	Thursday Utilities
DUKE ENERGY	2,605.52	Thursday Utilities
DUKE ENERGY	48,564.10	Thursday Utilities
DUKE ENERGY	250.67	Thursday Utilities
DUKE ENERGY	485.26	Thursday Utilities
DUKE ENERGY	380.28	Thursday Utilities
DUKE ENERGY	5.93	Thursday Utilities
DUKE ENERGY	3.81	Thursday Utilities

DUKE ENERGY	4.29	Thursday Utilities
DUKE ENERGY	329.98	Thursday Utilities
CITY OF NEW ALBANY	175,277.69	Thursday Utilities
GIBSON LAW OFFICE, LLC	865.38	Thursday Utilities
INDIANA AMERICAN WATER	149.26	Thursday Utilities
INDIANA AMERICAN WATER	243.18	Thursday Utilities
INDIANA AMERICAN WATER	36.95	Thursday Utilities
INDIANA AMERICAN WATER	36.95	Thursday Utilities
INDIANA AMERICAN WATER	36.95	Thursday Utilities
INDIANA AMERICAN WATER	39.64	Thursday Utilities
INDIANA AMERICAN WATER	36.95	Thursday Utilities
INDIANA AMERICAN WATER	36.95	Thursday Utilities
INDIANA AMERICAN WATER	20.06	Thursday Utilities
INDIANA AMERICAN WATER	20.06	Thursday Utilities
INDIANA AMERICAN WATER	20.06	Thursday Utilities
NEW ALBANY MUNICIPAL UTILITIES	12.51	Thursday Utilities

NEW ALBANY MUNICIPAL UTILITIES	150.12	Thursday Utilities
NEW ALBANY MUNICIPAL UTILITIES	875.70	Thursday Utilities
NEW ALBANY MUNICIPAL UTILITIES	4.17	Thursday Utilities
NEW ALBANY MUNICIPAL UTILITIES	4.17	Thursday Utilities
NEW ALBANY MUNICIPAL UTILITIES	4.17	Thursday Utilities
NEW ALBANY MUNICIPAL UTILITIES	4.17	Thursday Utilities
GIBSON LAW OFFICE, LLC	865.38	Thursday Utilities
STORMWATER\DRAINAGE FUND	135,384.18	Thursday Utilities
DUKE ENERGY	23.07	Thursday Utilities
DUKE ENERGY	55.92	Thursday Utilities
DUKE ENERGY	291.33	Thursday Utilities
DUKE ENERGY	1,376.77	Thursday Utilities
DUKE ENERGY	584.97	Thursday Utilities
DUKE ENERGY	1,007.28	Thursday Utilities
DUKE ENERGY	21.38	Thursday Utilities
FLEETONE MSC 30425	3,519.32	Thursday Utilities

FLOYDS KNOBS WATER	308.35
BANK OF NEW YORK TRUST CO.	458,740.00
Total	459,048.35

Thursday
Utilities
Thursday
Utilities

Grand Total **459,048.35**

Mr. Wilkinson moved to approve the above claims, Mr. Grimes second, all voted in favor.

ADJOURN:

There being no further business before the board, the meeting adjourned at 10:00 a.m.

Mayor Gahan, President

Vicki Glotzbach, City Clerk