



TIPTON MUNICIPAL UTILITIES
Tipton Utility Service Board Meeting
September 3, 2019

The Tipton Utility Service Board meeting was held at 4:30 p.m. at the City of Tipton Council Chambers, 216 South Main Street, Tipton, Indiana. Chairman Mark Raver presided. The members present included Barb Cardwell, Steven Thompson, Don McElfresh and Utility Manager Rex Boyer. Dick Klein was not present. Rick Chandler, City Council Liaison, was also present.

GUESTS

Matt Smith
Jeff Heard

MINUTES

Minutes of the previous meeting were reviewed:

MOTION: It was moved by Barb Cardwell, and seconded by Steven Thompson:
"That the previous minutes of the August 19, 2019 meeting be approved."
Motion carried.

CLAIMS

Claims were reviewed.

MOTION: It was moved by Don McElfresh and seconded by Steven Thompson:
"That claims #17992-18053 totaling \$449,196.67 be approved." Motion carried.

CHARGE OFFS

None submitted.

DELINQUENCY REPORT

None submitted.

BLENDED INTEREST RATE REPORT

None submitted.

FINANCIAL STATEMENTS

Financial Statements for the month of July were presented and reviewed by the Board. A copy of the Cash Funds Report is made a part of these minutes

RESOLUTIONS

Resolution 2019-06 was approved as discussed below for the Phase III Large Interceptor Sewer project.

IMPA COMMISSIONER REPORT

None Submitted

PROJECTS

None Submitted

UTILITY MANAGER REPORT

Matt Smith with Strand Associates was present to review his findings as to the possibility of moving the Phase III Large Interceptor Sewer to the north side of the creek to avoid the high cost of the creek crossings. After investigating further, the original projected cost of boring the 60" pipe went from \$1,500.00 per foot to \$3,500.00 per foot due to the length of the bores. Special equipment and material are required for this type of bore and this coupled with the repairs which would be necessary to the Needlers and Dan Young parking lots moved the best route back to the south side of the creek as originally planned. A second issue had been discovered by our Attorney while reviewing the proper procedures for developing a change order to the project which lowers the overall cost. Indiana Code requires the project to be under construction before a change order can be made unless an emergency has been declared. Boyer then presented Resolution 2019-06 which addresses the issue and allows us to move forward with the project. A motion was made by Barb Cardwell and seconded by Steve Thompson to approved Resolution 2019-06. Motion carried.

Mr. Smith then reported on the Wet Weather Disinfection project at the East Plant which also needs to move forward. Smith reported that the cost has been trimmed as much as possible and is now estimated at 1.2 million. Of this amount, funds were set aside from the Phase II project in the amount of 760,000 for this project. The balance will be paid from cash reserves. A motion was made by Barb Cardwell and seconded by Steve Thompson to move forward with the project. This motion was made subject to specific design plans being reviewed and approved at the next regular meeting. Motion carried.

Utility Manger Boyer informed the Board that he and Mr. Smith would be meeting with IDEM officials at Indianapolis on Wednesday morning to bring them up to date on the projects and discuss any issues of concern.

Utility Manager Boyer reported that IMPA continues to wrap up the South Loop Project and is currently transferring customers over to the new conductors.

Superintendent Jeff Heard was present to bring the Board up to date on a recent water leak and boil water order he had issued at a local trailer court. This is a private water system and currently, the owner is working on a plan to replace all the lines in the court. Superintendent Heard assured the Board he had taken all necessary steps to

protect the Utility and the boil water order would not be lifted until two satisfactory water tests have been received.

DEPARTMENT HEAD REPORTS

Electric – Nothing reported.

Wastewater Treatment – Nothing reported.

Water – Nothing reported

Administrative – Nothing reported

COMMITTEE REPORTS

Nothing presented.

NEW BUSINESS


Nothing presented

OLD BUSINESS

Nothing presented

ADJOURNMENT

A motion was made by Barb Cardwell to adjourn and seconded by Steve Thompson. The meeting was adjourned at approximately 5:15 p.m.



Rex A. Boyer, Utility Manager



Mark J. Raver, Chairman

I hereby certify that each of the above listed vouchers and the invoices, or bills attached there to, are true and correct and I have audited same in accordance with IC 5-11-10-1.6.

September 3, 2019

Fiscal Officer

ALLOWANCE OF ACCOUNTS PAYABLE VOUCHERS

TIPTON MUNICIPAL UTILITIES
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We have examined the Accounts Payable Vouchers listed on the foregoing Register of Accounts Payable Vouchers consisting of 12 pages and except for accounts payables not allowed as shown on the Register such accounts payables are hereby allowed in the total amount of \$ 449,196.67.

Dated this 3rd day of September 2019

Signatures of Governing Board

TIPTON MUNICIPAL UTILITIES

CASH FUNDS AS OF JULY 2019

WATER DEPARTMENT - EAST PLANT

Total Operational Funds as per Report: 739,498.65
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 322,996.22
 Total Restricted Investments as per Report: 10,000.00
 Total Funds: 1,072,494.87

WATER DEPARTMENT - WEST PLANT

Total Operational Funds as per Report: 70,984.81
 Total Investments as per Report: -
 Total Restricted Funds as per Report: -
 Total Restricted Investments as per Report: -
 Total Funds: 70,984.81

WASTEWATER DEPARTMENT - EAST PLANT

Total Operational Funds as per Report: 2,298,346.64
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 552,861.57
 Total Restricted Investments as per Report: -
 Total Funds: 2,851,208.21

WASTEWATER DEPARTMENT - WEST PLANT

Total Operational Funds as per Report: 131,059.72
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 233,908.98
 Total Restricted Investments as per Report: -
 Total Funds: 364,968.70

ELECTRIC DEPARTMENT:

Total Operational Funds as per Report: 5,623,988.68
 Total Operational Investments as per Report: 50,000.00
 Total Restricted Funds as per Report: 254,851.38
 Total Restricted Investments as per Report: 95,000.00
 Total Funds: 6,023,840.06

STORM WATER DEPARTMENT:

Total Operational Funds as per Report: 728,860.35
 Total Investments as per Report: -
 Total Restricted Funds as per Report: 486,435.68
 Total Restricted Investments as per Report: -
 Total Funds: 1,215,296.03

TOTAL FUNDS:

11,598,792.68

RESOLUTION 2019-06

TIPTON UTILITY SERVICE BOARD CITY OF TIPTON, INDIANA

WHEREAS, the Tipton Utility Service Board (“TUSB”) received bids for its Phase III Large Interceptor Sewer Project on July 11, 2019. Two (2) bids were received from Atlas Excavating in the amount of \$5,861,488.00 and from Lykins Contracting in the amount of \$7,210,281.00. Both bids were complete and were greater than the original projected amount. Since the bids were received, the engineering firm of Strand Associates has been re-evaluating the project in an effort to minimize the rate impact on the rate payers of the community. As a result of Strand’s efforts, a creek crossing will be removed, and another creek crossing relocated with an estimated savings of \$500,000.00. Strand has been in contact with the apparent low bidder and they concur with the change. However, Indiana Code 36-1-12-18(c) states: “A change order may not be issued before commencement of the actual construction, reconstruction, or repairs except in the case of an emergency. In that case, the board must make a declaration, and the board’s minutes must show the nature of the emergency.” A determination has been made by the TUSB and its legal counsel that an “emergency” does exist for the following reasons.

1. The TUSB’s funding has committed to a closing with SRF no later than October 22, 2019. If this date is missed, the TUSB could lose its favorable interest rate or funding availability altogether.
2. IDEM has notified the TUSB that the project has been delayed long enough and the TUSB may be subject to fines if the project is delayed further with a second public bidding.
3. This change is being done to save the storm water rate payers of the community at least \$500,000.00 on the project cost as well as future interest on those funds. If the project were re-bid, and with only two (2) bidders showing interest as before, it is possible the re-bid could come in higher than the original amount and offset the efforts of the TUSB to minimize the project cost, thus harming the rate payers as opposed to helping them.


THEREFORE, BE IT RESOLVED, that the Tipton Utility Service Board as per I.C. 36-1-12-18(c) hereby declares that an emergency does exist for this project and further tentatively awards the construction contract to Atlas Excavating subject to a change order revising the scope of the project for re-alignment due to the removal of one creek crossing as well as any other changes recommended by our Engineer to reduce construction costs. This tentative award is also subject to final approval by IDEM and the Indiana Finance Authority.

Signed this 3 day of September, 2019, in Tipton, Indiana.

TIPTON UTILITY SERVICE BOARD



Mark J. Raver - Chairman




Steven Thompson

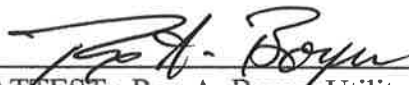
George R. Klein



Barbara A. Cardwell



Don McElfresh



ATTEST: Rex A. Boyer, Utility Manager