

UTILITY MANAGER'S REPORT

MONDAY, APRIL 21, 2003

FIELD PROJECTS

Ron Marion, Foreman

Terry Elliott, Field Crewmember

Jeff Maddux, Field Crewmember (& Wastewater Asst.)

Paul Trapp, Field Crewmember (90 days on May 16, 2003)

Part-time Meter Readers

Tina Hammond (& cleaning)

Billie Jean McCollum

RECENT ACTIVITY

- ✓ **Focus:** The cold-weather challenges were just wrapping up at the beginning of this reporting period. Since then, the field crews have been fully involved in maintaining the vacuum sewer system, repairing sewer and water leaks, making facility improvements and were able to begin the meter pit improvements project with part-time staff. A new summer schedule was initiated in April to reduce start-up and down time on larger projects. Currently, three full-time workers have begun working four ten-hour workdays while the fourth works a normal five-day workweek. Part-time staff are splitting the week but overlapping their twenty-four-hour workweeks on Wednesdays. Additionally, part-time staff will free up full-time crews by reading all the water meters during the summer months; if weather and schedules allow.
- ✓ **Facility Improvements:** Crews have spent a considerable amount of time moving furniture; plumbing, wiring, removing old materials from floors and walls, and putting everything back in its place after improvements were made. A local contractor was used to construct a new wall, install new doors, hang/finish drywall, patch drywall, paint walls, build shelving (in lieu of purchasing new/used), tile floor, build staircase to loft for storage, etc...
- ✓ **Repaired three (3) water leaks and three (3) sewer leaks.**
- ✓ **Completed one (1) water tap and one (1) sewer tap.**
- ✓ **Assisted weekly with WWTP operations and maintenance**
 - Ultra Violet (UV) units: Installed for April disinfection requirements
 - SBR No. 2 Decant Valve: Repaired malfunctioning decant valve by adjusting mounting bracket for limit switches.
 - EQ Basin Floats: Raised for summer operations
- ✓ **Miscellaneous**
 - Purchased Used 1989 F700 Dump Truck: \$8,500
 - New Service Truck: Reviewing *informal* quotes and evaluating finance/budget options.
 - Oil/Fuel Recovery System (IDEM)
 - Purchased concrete containment structure to accommodate a 500-gallon used oil container, which will eliminate the stockpile (eyesore) of 50-gallon drums behind the office building and meet IDEM's containment requirements.

- [REDACTED]; County Rd 300N:
 - Repaired leaking joints in culvert; and
 - Repaired catch basin
- ✓ **Truck Repairs**
 - F-350 Service Truck:
 - Tested and replaced alternator
 - Replaced spark plugs
 - 2000 Ranger:
 - Repaired slipping transmission, shift indicator and dome light switches.
 - 1989 Dump Truck:
 - Replaced broken windshield
- ✓ **Work orders completed**
 - February.....237
 - March.....223
- ✓ **Disconnects for non-payment**
 - February.....48
 - March.....51
- ✓ **Training Sessions**
 - All full-time field crewmembers (BMV):
 - Commercial Drivers License (CDL): Began in March
 - Jeff Maddux attending seminar outlined below:
 - Spring class for IDEM WW certification:March-May, 2003

Daily/Monthly Routine Tasks: Performed daily maintenance inspections of all vacuum/lift stations, which frequently require the inspection of vacuum lines in troublesome areas, perform work orders and respond to customer concerns. Monthly, we do non-payment disconnects on the 10th, begin reading meters around the 17th, which generally takes 4-5 days depending on the weather, and perform station maintenance.

UPCOMING ACTIVITY

- **Repair water leaks (2 currently on the schedule; one advisory required)**
- **Station Repairs**
 - Station No. 2:
 - *Replace floats w/ probes*: Hoosier Electric has been rescheduled to install probes.
- **Truck Repairs**
 - F-350 Service Truck:
 - Valve cover gaskets replaced
 - Rear brake noise inspected
 - Engine rattle and smoke on acceleration to highway speed???

- 1989 Dump Truck:
 - Repair paint on drivers side door

- **Training Sessions**
 - TECHPRO Pump & Seal School:
 - “PUMP School”: June 2, 2003
 - “SEAL School”: June 3, 2003
 - AWWA drinking water certification course:
 - Spring class for IDEM DW certification: CANCELLED

- **Scheduled Field Crew Vacations:**
 - Ron Marion:
 - Two days (Turkey hunting): April 23-24, 2003

- **2003 Field Projects/Priorities; Goals/Status**
 - Inventory: Not Started
 - Facility Improvements: Ongoing
 - Meter pit improvements: Ongoing
 - WWTP Concrete Work: Next on list
 - Preventative Maintenance Program: Preparing/reviewing documentation
 - Pressure Reducing Valve: Reviewing technical information
 - Smoke sewers: Drafting procedures and training staff
 - Pressure testing sewers: Will determine need after smoke tests
 - Install/Replace water and sewer valves: Summer Project
 - Meter pit valve replacement: Summer project
 - Stations-Gravel for driveways: Summer Project
 - Stations-Replace plug valves: Fall Project

- **Prior Reports Continued**
 - *Hach DR700 Colorimeter*: Have calibrated for chlorine tests

WASTEWATER TREATMENT PLANT (WWTP)*Mike Ruby, Wastewater Operations Supervisor***RECENT ACTIVITY****✓ Monthly Reports:**

- Completed the *Discharge Monitoring Report (DMR)* and *Monthly Report of Operations (MRO)* for February and March. There were *NPDES violations!* (Presidents Signature Required; DMR/MRO; March attached)
- Completed Land Application report for February and March.

✓ NPDES VIOLATIONS:

- **VIOLATION:** Violations were reported to IDEM as each was encountered. The bypass ended on March 4, 2003 when the No.2 SBR was put back into service. The SBR came back into compliance with Winter limits within a few weeks but is still borderline on the Summer limits for ammonia that begin on May 1. We continue to use polymer to aid in settling.
- **MEETINGS:** An initial meeting was held at the WWTP in March with three board members, the Wastewater Operations Supervisor and myself to discuss the current status of the plant, review potential solutions identified to date and to schedule follow-up meetings as a Plan-of-Action is developed. This process is ongoing.
- **AQUA-AEROBICS:** Aqua-Aerobics has provided additional information for correcting winter operating problems at the plant. This information is being reviewed/evaluated as well as other options/proposals being discussed. (Attached)
- **CONSULTING:** Mike is consulting with National Rural Water Alliance members in northern regions to collect information from other plants that have SBRs and similar collection system configurations, which may help to identify potential solutions to the winter operating problems being experienced.

✓ Equipment Repairs & Maintenance:

- **Limitorque Control Valves:** Field staff made repairs to No. 2 SBR decant valve
- **Effluent Modulating Valve:** Watts Electric inspected/tested valve and found parts of a bucket had physically blocked the valve from fully closing.
- **Mixer:** Watts Electric tested wiring to the mixer in the No. 2 SBR; wiring tested fine, appears to have something wedged in the mixing blades, which is preventing rotation. A crane will be necessary to inspect the mixer for the blockage
- **Generator:** New fuel barrel on site with concrete containment; need to pour concrete base pad before final plumbing can be completed.

✓ Miscellaneous:

- **Training Part-Time Laboratory Assistant:** Personal safety concerns halted training of part-time staff. Training will be attempted at a later date after safety issues are remedied.
- **Operator Training:** Assisting Jeff Maddux with his studies for IDEM's wastewater certification exam.

✓ **Training Sessions:**

- AIRW seminars attending by operators are outlined below:
 - Annual Conference:April 15, 2003

UPCOMING ACTIVITY

□ **Normal operations and maintenance: (Seasonal transition)**

- Compliance monitoring and corrective measures being investigated

□ **Scheduled Operator Vacations**

- Mike Ruby:
 - Two Weeks..... May 13-24, 2003

□ **2003 WWTP Projects/Priorities; Goals/Status**

- Solve Winter Operations Problem:Ongoing
- Preventative Maintenance Program:Preparing/reviewing documentation
- Inventory:..... Not Started
- Training Lab Tech: Halted due to safety concerns
- WWTP Sidewalks/safety projects: Spring/Summer Project
- Generator Fuel Barrel: Spring/Summer Project
- MLSS Sample Pump:Investigating Design
- DO/ORP Incorporated into PLC:Investigating
- WWTP Improvements (Shop):Getting cost estimates/quotes

□ **Prior reports continued:**

- Preventative Maintenance Program:
 - Assist field staff with the initial setup and documentation of a comprehensive “Preventative Maintenance” program. (Winter Project)
- DMRQA; Study 23: Required Annual EPA Quality Assurance testing administered by IDEM.
- Equipment, Repairs & Maintenance:
 - Heliosieve: Replace heat tracing
- Reduced Monitoring: Follow up with IDEM as soon as possible.
- IDEM/Safety/Design concerns: Again, the April 25, 2002 report identified IDEM/Safety/Design concerns and comments that will remain a topic of serious concern. Monthly updates will outline the status of these concerns and identify progress being made to resolve them. (*Updated each month under Recent/Upcoming Activity.*)

UTILITY OFFICE

Dan Wooton, Office Manager

Valerie Dixon, Lead Clerk

Kim Fugate, Front-Desk Clerk (Resigned February 28, 2003)

Cindy Summerfield, (Went F/T after Kim's resignation)

(90-days on May 25, 2003)

RECENT ACTIVITY

✓ **Financial snapshot, Three-month summary: (Sewer BAN Transfers estimated at \$22,667 are not being made yet, and therefore are not calculated into the summary)**

	<u>January 2003</u>	<u>February 2003</u>	<u>March 2003</u>
○ Sewer			
▪ Revenue:	\$67,564	\$77,896	\$92,697
▪ Expenses:	\$42,636	\$57,776	\$54,967
○ Water			
▪ Revenue:	\$44,553	\$54,031	\$79,738
▪ Expenses:	\$49,245	\$52,479	\$54,236

✓ **Financial, Account Balances for March**

○ Sewer:		
▪ Checking: \$212,775.41 – OSC (\$3,587.95).....		\$209,187.46
▪ Bond & Interest:		\$29,556.76
▪ Debt Service Reserve:		\$108,259.08
○ Water:		
▪ Checking: \$65,009.98 – OSC (\$4,021.62).....		\$60,988.36
▪ Bond & Interest:		\$45,724.35
▪ Debt Service Reserve:		\$152,242.24

✓ **Billing; collections**

Three-month review:

	<u>January 2003</u>	<u>February 2003</u>	<u>March 2003</u>
○ Customers billed in Dollars:			
▪ Current Availability		\$151,956	
▪ Customers w/active service:	\$116,146	\$109,512	\$115,136
▪ Arrears & Closed Acts.	\$221,893	\$220,245	\$308,401
▪ Total billed:	\$338,039	\$481,713	\$423,537
○ Number of Customers billed:			
▪ Current Availability		1644	
▪ Customers w/active service:	1435	1404	1461
▪ Arrears & Closed Acts.	585	254	1308
▪ Total customers billed:	2020	3302	2769

✓ **Accounts in Arrears, progress:** The totals outlined below represent collections progress made in February and March 2003. This two-month period the total balance of 90-day accounts has dropped \$3,923 due to both the “100” and “200” account balances dropping. Current balances are outlined below:

Billed on 90-day plus accounts

○ “100” accounts (388)	\$49,931
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○ “200” accounts (441)\$128,407
 Total, currently unable to collect without pursuing collections:.....\$178,338

- Mortgage Foreclosures: Legal remedies include filing an appearance in the foreclosure proceeding and continue with eventually bidding on the foreclosed property. For this reason, collections become too costly to pursue by responding to a foreclosure. Small claims court is probably our last remedy, but could also be very costly in time and effort with little chance of collecting the debt.
- Collection letters: Collection efforts included sending “Final Notice” letters to 90-day plus accounts that totaled \$20,389 and the release of five property liens.
- “200 Accounts”: Availability Accounts/Multi-lot Agreements totaled
 - Availability Accounts (Total): 1,644
 - Multi/Double Lot Agreements: 182

✓ **Bookkeeping**

- Ledger: CY 2002 should be closed out within a few weeks; the monthly “Balance Sheet” and “Profit & Loss” reports will still take a few months to get current.

✓ **Miscellaneous**

- Clerk Hired: Kim Fugate resigned on February 28, 2003. Cindy Summerfield assumed the role of Front-Desk Clerk soon after Kim’s departure.

✓ **Training Sessions:**

- AIRW seminar attended by Dan:
 - Annual Conference:April 15, 2003

UPCOMING ACTIVITY

□ **Normal operations**

- State Audit of CY 2000-2002: Awaiting Final Audit Report

□ **Facility Improvements**

- Office: Office improvements are ongoing and include replacing the carpet with ceramic tile, building shelving units to accommodate the needs of each office, painting walls, etc... Office staff was put out of their work areas for a week or so while improvements were in progress.

□ **Software/Equipment Purchases**

- Ledger/Billing Software & Hand-held Meter Reading Device: Collecting quotes and evaluating competing systems (*Financed purchase*):
 - Estimated cost:.....\$20,000
- Telephone System: The current telephone system is missing three telephones (all damaged by storms at different times but were never replaced) and is very limited on capabilities. We are currently accepting proposals from multiple telecommunications companies. (*Proposals will include surge protection!*)

- Time Clock (ADP): Electronic time clock that uses plastic card swipe technology. Cost savings will be seen as Dan’s time is freed up to work on other priority tasks. He typically spends a couple hours per week processing payroll paperwork; payroll time will be reduced to approximately half an hour per week. *(Dan’s consistently accruing overtime or comp time in an effort to correct bookkeeping problems accumulated from the utilities inception or to stay current with ongoing activity)*
 - Initial Costs:
 - Software License/Setup Fee:\$200
 - Upgrade to Electronic Submittal:\$150
 - Cable (250’):.....\$50
 - Total Initial Costs:.....\$400
 - Monthly Costs:
 - Time Clock Rental:\$39
 - EZLabor Manager (Software):\$29
 - Total Monthly Costs:\$68

- **Training Sessions**
 - Dan, Valerie and Cindy:
 - Computer Classes at Jennings County Library:.....April/May

- **2003 Office Projects/Priorities; Goals/Status**
 - Inventory:..... Not Started
 - Complete Audit Related Work:..... June 13, 2003
 - Purchase Accounting software:Specs. Evaluated /Quotes Requested
 - Collections: Monthly process by years-end
 - Budget Updates:Monthly to Department Heads

- **Prior reports continued**
 - State and Federal tax refunds: The IRS is now using a collection agency to send letters in an attempt to collect approximately \$15,000 in payroll taxes. Utility figures show that the IRS owes the utility a refund; paperwork was submitted to the IRS last year. This is the first response received from the IRS regarding the issue and telephone messages are never returned. We continue to follow up on this item of concern.
 - Office documents in drafting stage:
 - Sewage adjustment form
 - Standard Operating Procedures (SOPs)
 - Payroll Attestation
 - Customer Deposit – Guarantor Deposit Register.
 - Summer Watering Program – Application *(After policy is drafted and approved)*

GENERAL**RECENT ACTIVITY****✓ Sewer Rate Ordinance 2002-3**

- CSL appealed the court ruling.
- Ice Miller filed the "APPELLEE'S VERIFIED MOTION TO EXPEDITE APPEAL AND TO SHORTEN TIME" (Attached)

✓ New Policies

- Non-Payment Disconnect Date Change: The non-payment disconnect date change will take effect in May for the first time. Preliminary work included changing printed information on bill cards and delivering a written notice to *all* customers. Bill cards are ready and a notice prepared for board review is attached. (Attachment)
- SUMMER WATERING PROGRAM: This program provides a benefit to the customers while generating more water utility revenues. This month I would like for the board to establish a "Summer Watering Program" that would allow customers to sign up for a three month watering credit (sewer credit) for board specified months; typically June, July and August are the heaviest water use months. I will draft program language and forms around the board's decisions.
- Employee uniforms: Full-time field staff has always worn utility uniforms. A new policy will require that every hourly employee wear utility uniform shirts each day. This will look more professional in the office and in the field and will make it easier for customers to identify utility staff members, by organization and by name, who work on private property and face-to-face with customers on a daily basis.

✓ State Audit

- Drafted a letter addressing the auditors questions about the following:
 - Names of each Treasurer and the dates of their terms in office during the audit coverage period.
 - Names of each Office Manager (Bookkeeper) and the dates of their employment during the audit coverage period.
 - Provided a plan for the sewer utility to repay \$70,000 back to the water utility.
 - Provided short statement saying that the BAN holders had not initiated receivership.

✓ Quarterly Budget Review

- The most noticeable items of interest and expense appearing in the first quarter financial reports are some of the planned capital purchases and facility improvement projects; the bulk of this years capital purchases and improvement expenses will appear in the first and second-quarter financial reports. Please feel free to ask questions and to visit the utility office for more detailed discussion. (Attachment)

✓ **Financial Planning Meetings**

- Meeting with H.J. Umbaugh:
 - Dave Brinkman and I met with John Seever and Deen Rogers to bring parties, the utility and its financial advisors, current on ongoing financial matters with significant regard to current utility plans and needs. We gave a complete visual and documented presentation with much discussion pertaining to financial matters. Umbaugh provided the most recent refinancing plan for the 1999 BANs
- Meetings with Board (3x):
 - The *first* meeting was an initial discussion of the current financial status with discussions on upcoming capital improvement purchases and facility improvement projects. *(Three members attended)*
 - The *second* meeting was additional discussion focused on the ongoing capital improvement purchases and facility improvement projects. *(Treasurer only; two members were unable to attend but were consulted via telephone and at another meeting the next day)*
 - The *third* meeting was a presentation and discussion of the first quarter financial reports and progress of CY 2003 projects. *(Three members attended)*

✓ **Mowing Season**

- Roger Morgan has submitted a quote for mowing again this year. I have requested mowing bids for the past two years in which Mr. Morgan has been the successful bidder each year with no significant issues of concern. His price has remained the same, as our mowing work schedule has also remained the same. I see no reason why we should not continue with Mr. Morgan's lawn service for the CY 2003. He will begin mowing this week or next.

✓ **Customer Complaints**

- Sewers backing up: I could generate another list of these complaints this month; however, it all reflects back on the need for major collection system infrastructure improvement projects. We recognize this problem and have minor improvement projects on the schedule for CY 2003.

✓ **Training Sessions**

- AIRW seminars:
 - Annual Conference:April 15, 2003

UPCOMING ACTIVITY

□ **Annual Meeting**

- Scheduled to be held at the Jennings County public Library on Saturday, May 3, 2003 at 1:00p.m.

- **Policies and Rules:** Each month we hope to address some of the policies outlined in February's report and other policies as they become necessary or desirable. The list below is currently in draft and review stages.

- Property owner (w/deed) responsibilities:

- Deposit Rules:
 - Non-Payment Disconnect Date:
 - Payment Extension/Agreement Policy
 - Availability Fee Dates of Coverage
 - Bad Check Policy
 - Write-Off Bad Debt
 - Purchasing limits set by board
 - Capitalization
 - Board Authorization of Claim Payments
 - Authorization of Credit Card Use
 - Water Leak Credit
 - Designation of miscellaneous fees
- **Miscellaneous**
- Country Squire Lakes Association: Still pending discussions between CSL and JNRU boards.
 - Reynolds Inc.; Jim Wells:
 - Mr. Wells and I discuss scheduling the expansion project pipe capping and testing; whether or not they can complete work out of the roadway; and whether or not Reynolds provided a maintenance bond. He assured me that Reynolds would return to perform work and coordinate efforts to preserve integrity, but would need to check on the performance bond.
- **2003 Management Projects/Priorities; Goals/Status**
- Complete Audit Related Work:.....Ongoing
 - WWTP Improvements: Preliminary Planning
 - Water /Sewer System Improvement Projects: Preliminary Planning
 - Budget Updates: Quarterly to Utility Board
 - Update All Policies/Ordinances:Ongoing
 - Establishing Short/Long-Term Goals:Ongoing
 - Establishing Short/Long-Term Financial Plan:Ongoing
 - Maintain Compliance Communication with IDEM:Ongoing
 - Create Job Descriptions (All): Back Burner
 - EPA Required: Vulnerability Assessment: Before June 30, 2004
 - EPA Required: Emergency Response Plan: Before December 31, 2004
- **Prior Reports Continued:**
- Monitor WWTP Operations:
 - *IDEM Compliance for BYPASS EVENT*
 - Country Squire Lakes Association; Items still pending. The CSL board's current position remains the same on each issue as outlined in the August 15, 2002 Manager's Report.
 - *Fire hydrant fees not being paid (Update under Recent Activity)*
 - *CSL Association dues being charged to the utility (Last month to report)*
 - *Sewer problems at the CSL pool (Last month to report)*
 - *Lot No. 2152 (CSL owns this lot and owes penalties)*

- [REDACTED]; County Road 300 North: Field crews were finally able to perform the work described in previous reports.
- [REDACTED]; Lot [REDACTED] & [REDACTED]:
 - Multi-lot agreement; (Same as in October Manager's Report)
- Broadacres Restaurant; [REDACTED]: (*Not Updated*)