

UTILITY MANAGER'S REPORT

MONDAY, OCTOBER 20, 2003

FIELD PROJECTS

Ron Marion, Foreman

Terry Elliott, Field Crewmember

Jeff Maddux, Field Crewmember (& Wastewater Asst.)

Paul Trapp, Field Crewmember

Part-time / Meter Readers

Tina Hammond

Billie Jean McCollum

RECENT ACTIVITY

- ✓ **Focus:** Water leaks repairs, normal operations and maintenance and a few new service taps have filled the past three months for the full-time field crews. Part-time employees have mostly read meters, worked on meter pit improvements and assisted with nonpayment disconnects and work orders. Field crews will work through the fall months in much the same way but will focus additional effort on preventative maintenance for winter operations; winter working hours returned on October 6, back to five (5) eight-hour work days.

- ✓ **Miscellaneous Repairs, Maintenance & Operational Tasks**
 - Repaired twenty-two (22) water leaks
 - Additional system repairs
 - One (1) leaking eight-inch (8") forced sewer main
 - Eight (8) leaking meter pit valves
 - Five (5) plugged sewer lines *snaked* clean
 - Completed six (6) water taps and four (4) sewer taps
 - Inspected all hydrants for proper operation and drainage
 - Installed two (2) eight-inch (8") gate valves; one valve was installed in each of two converging sewer mains near the dam. *These isolation valves will allow either side of the sewer system to continue to operate while the other side is being repaired.*
 - Formed and poured concrete
 - WWTP fuel barrel pad and short piece of sidewalk
 - Shop wash pad
 - Built a farm-style wire fence: The fence was built between the shop and County RD 300N in order to prevent vehicles from driving around the utility's fenced in compound and entering CSL.
 - Leak detection with AIRW representatives: Two Alliance employees spent part of a day (August 20, 2003) working with their leak detection equipment identifying the location of several water leaks; *greatly appreciated by the utility.*
 - Lead & Copper Sampling:
 - Collected twenty (20) samples from customers' home taps and submitted for testing; *all sample results were reported to IDEM below the Action Levels.*
 - Utility line locates and inspections: including INDOT project and Broad Acres Restaurant grease trap installation
 - Spread gravel on vacuum station driveways

✓ **Station Repairs/Maintenance**

- Station No. 3
 - Tore down and rebuilt the vacuum pump: *The high-level shut-off failed to operate properly and flooded the vacuum pump with sewage water. No significant damage apparent; level-sensing probe being inspected and repaired by staff and electrical contractor*
- Station No. 4
 - Rebuilt vacuum pump with overhaul kit
- Station No. 8
 - Cleaned leaking oil from pump body and tightened oil filter, oil leak stopped.

✓ **Truck Repairs**

- 1989 S-15 Pickup
 - Replaced serpentine belt

✓ **Work orders completed**

- July 285
- August..... 192
- September 194

✓ **Disconnects for non-payment (part of total W.O.s completed)**

- July 120
- August..... 53
- September 67

✓ **Assisted weekly with WWTP operations, maintenance and repairs**

- Detailed list under the “Wastewater Treatment Plant” section of this report.

✓ **Training Sessions**

- Bureau of Motor Vehicles (BMV) (Ron & Jeff):
 - Commercial Drivers License (CDL):Ongoing
- American Water Works Association (AWWA) (Ron & Swan):
 - Drinking Water Certification Course(12 weeks):.....6 hours each Saturday
- Indiana Rural Water Association (IRWA) (Ron & Swan)
 - IDEM DW Update Conference (Columbus):..... October 8, 2003

✓ **Scheduled Field Crew Vacation**

- Terry Elliott:
 - Two weeks:..... July 14-25, 2003
- Jeff Maddux:
 - One week: August 11-15, 2003
 - One Week: September 8-12, 2003
- Ron Marion:
 - One week:October 13-17, 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 begin reading meters around the 17th which generally takes 4-5 days depending on the weather, do non-payment disconnects on the 23rd and perform station maintenance.

UPCOMING ACTIVITY

- **Planning for the 2004 Budget:** Attend and participate in Budget Committee meetings
- **Repair water leaks (3 currently on the schedule)**
- **Station Repairs**
 - Station No. 6
 - Setup spare vacuum pump bench test
 - Spare Vacuum Pump
 - Rebuild with overhaul kit and run on test bench
- **Truck Repairs** (*All trucks need safety lighting for traffic control purposes*)
 - 1988 Ford F250 Service Truck
 - Weld rear bumper to frame
 - 1989 Case Backhoe
 - Complete service including fuel injectors cleaning
- **Purchase 1,000-gallon storage tank:** Used for transporting sewage from flooded stations or sewer piping repair sites; Campbell's Petroleum has proposed a wagon chassis mounted tank for \$1,100.
- **Training Sessions**
 - American Water Works Association (AWWA); (Ron & Swan):
 - Drinking Water Certification Course:Ends November, 2003
- **Scheduled Field Crew Vacations:**
 - Ron Marion:
 - 42 hours:By years end
 - Terry Elliott:
 - 36 hours:By years end
- **2003 Field Projects/Priorities; Goals/Status**
 - Meter pit improvements:Ongoing
 - Meter pit valve replacement:Ongoing
 - Preventative Maintenance Program:Ongoing
 - Install/Replace water and sewer valves:Ongoing
 - Stations-Replace plug valves: Winter Project
 - Inventory:..... Winter Project
 - Smoke sewers:..... Summer/Fall 2004

- Pressure testing sewers: Will determine need after smoke tests
- Pressure Reducing Valve: Reviewing technical information

- **Prior Reports Continued**
 - *Hach DR700 Colorimeter*: Have calibrated for chlorine tests
 - *New Service Truck*: Reviewing *informal* quotes and evaluating finance/budget options.
 - *Truck Repair Status (Same as reported July 2003)*
 - 1988 F-350 Service Truck
 - 1989 Dump Truck
 - 1988 Chevrolet Pickup
 - 1989 S-10 Pickup

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 July, August and September. There were *NPDES violations* in July and August! (Presidents Signature Required; DMR/MRO; September attached)
- Completed Land Application report for July, August and September.

✓ **NPDES VIOLATIONS:**

- **VIOLATIONS:** Again, all violations were reported to IDEM as each was encountered and all violations were associated with meeting summer limits for ammonia removal. As forecasted in the July 2003 Manager's Report, the No.1 SBR was put back into service; unfortunately a floating aerator damaged the SBR's rubber liner when a cable clamp (*cables are used to maintain the floating position of equipment in the SBRs*) failed to hold the aerator in place shortly after the startup, which completely eliminated this option for improving the treatment process. Without delay, after determining that the damaged liner would require extensive repairs, *carbonaceous bacteria* were purchased and fed into the No. 2 SBR; this should have improved treatment in a relatively short period of time but still had not brought the finished ammonia level within NPDES limits prior to the third week of August (*this feeding process had lasted three (3) weeks at this point*). Nitrifying bacteria were then purchased and fed into the No. 2 SBR; ammonia limits were being met within a week and September went by without violations.
- **IDEM NOTICE OF VIOLATIONS:** As was mentioned in the July report, IDEM did write the utility a "Notice of Violations" letter on August 1, 2003; the utility received it on August 6, 2003. The letter required a response from the utility within twenty (20) days of receiving it; this initiated the response actions outlined below:
 - **August 12, 2003** – Meeting with Commonwealth Engineers, Inc.
 - Initial meeting to discuss IDEM's "Notice of Violations" letter, review wastewater treatment plant's historical operational/treatment data and status, possible solutions and the utility's initial response.
 - **August 21, 2003** – Letter written to IDEM requesting two (2) things; first, additional time to respond to the *Notice of Violation*, and second, a meeting with IDEM to review our situation and how best to proceed.
 - **September 3, 2003** – Meeting with IDEM's Compliance and Enforcement Sections
 - This meeting was arranged prior to the utility's initial response in order to acquaint the utility and IDEM with each others perspective on the wastewater treatment plant's status and potential for workable remedies. After a considerable amount of constructive discussion, it came to the point that three letters would need to be drafted to address notification requirements and treatment plant modifications.

✓ **Scheduled Operator Vacations**

- Mike Ruby: September 15-26, 2003

UPCOMING ACTIVITY

- **Planning for the 2004 Budget:** Attend and participate in Budget Committee meetings
- **DMRQA; Study 23**
 - Test samples were ordered in June, sample testing will occur in July and the test results will be submitted thereafter for grading.
- **Equipment Repairs & Maintenance:**

Multiple items to be completed by Field staff:

 - Heliosieve: Replaced posts holding the control panel (the original metal posts were corroding due to there proximity to the raw influent channel).
 - Generator: Repair battery charger.
 - Pump Maintenance: Waste and lift station pumps.
- **2003 WWTP Projects/Priorities; Goals/Status**
 - Solve Winter Operations Problem:Ongoing
 - Preventative Maintenance Program:Ongoing
 - MLSS Sample Pump: Floating docks???
 - Inventory:..... Winter Project
 - WWTP Improvements (Shop): Winter Project
 - WWTP Sidewalks/safety projects: Summer/Fall 2004
 - DO/ORP Incorporated into PLC:Investigating
- **Prior reports continued:**
 - 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. Quarterly updates will outline the status of these concerns and identify progress being made to resolve them. (*Updated each quarterly under Recent/Upcoming Activity.*)

UTILITY OFFICE

Dan Wooton, Office Manager

Valerie Dixon, Lead Clerk

Cindy Summerfield, Office Clerk

RECENT ACTIVITY

- ✓ **Financial snapshot, Three-month summary: (Sewer BAN Transfers estimated at \$25,000 are being made, and are being calculated into the summary)**

	<u>July 2003</u>	<u>August 2003</u>	<u>September 2003</u>
○ Sewer			
▪ Revenue:	\$75,394	\$77,813	\$74,664
▪ Expenses:	\$88,195	\$76,553	\$78,707
○ Water			
▪ Revenue:	\$52,051	\$57,617	\$53,067
▪ Expenses:	\$65,766	\$55,530	\$56,573

- ✓ **Financial, Account Balances for September**

○ Sewer:	
▪ Checking: \$83,501.25 – OSC (\$2,704.71).....	\$80,796.54
▪ Bond & Interest:	\$12,109.25
▪ Debt Service Reserve:	\$111,271.86
▪ 2000 Bond & Interest (BANs).....	\$300,000.00
○ Water:	
▪ Checking: \$102,460.14 – OSC (\$2,767.52).....	\$99,692.62
▪ Bond & Interest:	\$18,664.69
▪ Debt Service Reserve:	\$169,086.87
○ Water/Sewer Clearing Account	\$5,602.32

- ✓ **Billing; collections**

Three-month review:

	<u>July 2003</u>	<u>August 2003</u>	<u>September 2003</u>
○ Customers billed in Dollars:			
▪ Customers w/active service:	\$121,854	\$119,908	\$108,007
▪ Arrears & Closed Acts.	\$224,569	\$216,212	\$209,515
▪ Total billed:	\$346,424	\$336,120	\$317,522
○ Number of Customers billed:			
▪ Customers w/active service:	1524	1506	1487
▪ Arrears & Closed Acts.	786	725	662
▪ Total customers billed:	2310	2231	2149

- ✓ **Accounts in Arrears, progress:** The totals outlined below represent collections progress between July and September 2003. This three-month period the total balance of 90-day accounts has dropped by \$10,714 due to collection efforts. Current balances are outlined below:

Billed on 90-day plus accounts

○ “100” accounts (400)	\$46,642
○ “200” accounts (483)	\$165,458
Total, currently unable to collect without pursuing collections:.....	\$212,100

- Property Liens: Liens research is still ongoing but a significant number of liens should be applied within the next thirty (30) days.
- Collection letters: Ongoing process

✓ **Bookkeeping**

- Ledger: CY 2003 transactions are currently being entered into the Greentree ledger software; the new ledger software should be producing 2003 reports by years end.
- Availability Fees (2000-2003): We recently became aware of the fact that the availability fees charged for the water and sewer departments were inverted (reversed), affecting revenues from 2000 through 2003. Therefore, the payments received were being posted to the opposite departments revenues. These revenue posting will need corrected/reconciled between the two departments before completing the 2004 Budget. Not necessarily apparent by these comments, but in part, this has helped the sewer department payback the water department approximately \$70,000 in borrowed funds.

✓ **Software/Equipment Purchases**

- Ledger/Billing Software & Hand-held Meter Reading Device: The utility has entered into a purchase agreement with Greentree Inc. for the purchase of Ledger & Billing software, hand-held meter reading devices and all the training pertaining to each. Ledger software is already installed and training begun. The first billing cycle on the new software will be at the end of December 2003 or the end of January 2004. Remaining software installations, data conversions, and training will follow the schedule outlined below:
 - Ledger Software: September 18-19, 2003
 - Radix Hand-Held Meter Reading Device:..... November 12-13, 2003
 - Billing Software: December 3-5, 2003
- Danner Business Solutions: New *bill cards* and *bank checks* are being printed by Danner Solutions
- Lexmark Laser Printer: Purchased for printing new billing/ledger software generated bill cards, reports, checks, etc...

UPCOMING ACTIVITY

- **Planning for the 2004 Budget**: Attend and participate in Budget Committee meetings
- **Accounting/Billing Software**: Installation, training and startup completed prior to years end
- **Collections**
 - High priority: Researching several hundred accounts and trying to maintain a monthly collections routine.

- **Taxes:** Preparing a brief outline of *actions* taken to date to address tax related issues outlined below:

 - Internal Revenue Service (IRS); Federal employee income tax withholdings: The IRS is attempting to collect payroll taxes that were already paid in 2000. In 2001, the 941 reporting forms were *not* filed with payments, which have created a records discrepancy.
 - Indiana Department of Revenue; Sales tax on sold water: The State is incorrectly billing for and charging penalties on sales tax billed from 2000 and 2001.
 - Social Security Administration; W-2 form reporting: The Social Security Administration is requesting information pertaining to unreported social security tax payments for all of the utilities employees CY 2000 W-2s; the previous bookkeeper did not file the necessary reports.

- **2003 Office Projects/Priorities; Goals/Status**

 - Accounting software: Setup ongoing
 - Collections:Ongoing, Monthly process by years-end
 - Budget Updates:Monthly to Department Heads
 - Inventory:..... Winter Project

- **Prior reports continued**

 - Office documents in drafting stage (Unchanged):
 - Sewage adjustment form
 - Standard Operating Procedures (SOPs)

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

- The utility won the appeal, however, the Country Squire Lakes (CSL) board has voted to request another hearing from the State Supreme Court; the Supreme Court should be forthcoming with a response to CSL's request
- Ice Miller: Buddy Downs, per Ed Tinkle, says this could take a long time as a Landmark case.

✓ WWTP: IDEM Notice of Violations

- The WWTP violations will require a lot of attention and time as the utility works toward meeting NPDES permit requirements and maintains IDEM compliance. The utility will be working with Commonwealth Engineers, Inc., IDEM representatives, and funding sources such as the Southeastern Indiana Regional Planning Commission (SIRPC) and Rural Development (RD) for grants and with the State Revolving Fund (SRF) for low interest loans in order to plan improvement projects and the funding thereof. The next few months will have a considerable learning curve for all parties involved and the next few years will pass with this project being a work in progress.

✓ Quarterly Budget Review

- I've provided a third-quarter Finance Report for your review and discussion. You will notice that the unexpected downward trend in the number of customers is still a major focus of the report followed by discussion on the planned capital purchases and facility improvement projects. Please feel free to ask questions and to visit the utility office for more detailed discussion. ([Attachment](#))

✓ Jennings County School Superintendent; Mike Bushong:

- Committee Appointments: Mr. Mike Bushong, the Jennings County School Superintendent, has asked if any utility board members would be interested in sitting on a school committee that will perform a "facilities feasibility study" that would include evaluating the Hayden school's septic system problems. He expressed the opinion that a board member living inside of CSL *could* have a more representative perspective due to all the children living within the gated community. Please respond directly to Mr. Bushong if you have an interest at (812) 346-4483. The committee meeting timetable is as follows:
 - No more than two meetings per month
 - No more than two hours long; typically 1 to 1½ hours long.
 - The committee will end after 4 to 6 weeks

✓ State Audit

- Received the Final Audit Report and distributed to board members at the September 2003 board meeting; it read similar to the draft audit report. All remaining issues are being addressed through software upgrades and internal procedures.

✓ **Theft/Criminal Mischief**

- Stolen water service: On five more occasions; customers have broken locks and stolen water service from meter settings that were locked out for non-payment. The State Police were notified and made a report of each incident. However, the increase in water service **theft** and **criminal mischief** has caused the utility to respond with preventative measures including removing meters from *all* disconnected services as they are disconnected, prosecuting aggressively when able, and initiating awareness in the community by writing a brief article for the CSL Chatter newspaper addressing theft of the water and sewer utility services; the article will appear in the next issue and is displayed below:

*The Utility has recently responded to an increasingly apparent trend in utility service **theft** and **criminal mischief**. In recent months, several reports were filed with the Indiana State Police and the Jennings County Prosecutor's office. Although some persons caught tampering with and/or stealing utility service have already begun making restitution to the utility, the utility maintains a policy of prosecuting all criminals and recovering losses as a result of criminal activity; further investigations are still pending prosecution.*

Utility theft and tampering affects all customers; when one person steals utility service, all the other customers pay for it through the cost of repairs to damaged property, lost water and collection efforts.

Utility customers should report any suspicious activity involving utility service meters, piping, buildings or property to the utility office, Jennings County Sheriff's Department or the Indiana State Police.

Utility Office:.....(812) 346-5500
Jennings County Sheriff's Department(812) 346-5111
Indiana State Police:.....(812) 346-1006

✓ **Customer Complaints**

- High water bills!!!: Especially around non-payment disconnect dates; although the complaints are diminishing, some customers are still having a problem understanding how their bill could be so high (in their minds), which typically translates into their having a leak that they are not aware of.
- Water pressure too high!!!: Several customers are realizing that their water lines are not rated for the high water pressure on the water system; these customers have been advised to purchase and install pressure regulating valves for their service lines.

✓ **Broad Acres Restaurant; [REDACTED]:**

- Grease Trap: Mr. [REDACTED] has recently installed an approved grease trap in his sewer lines for the restaurant. The next step is to coordinate the installation of a low-pressure grinder pump as previously discussed with Environmental One.

✓ **Scheduled Vacations**

- Manager
 - One day:.....August 25, 2003
 - One day (granddaughter Emma Dawn): October 14, 2003

UPCOMING ACTIVITY□ **Monitor WWTP Operations:**

- **IDEM Compliance:** Ongoing involvement as we plan operational strategies, corrective actions and construction funding. Outlined in more detail under the Wastewater Treatment Plant (WWTP) section of this report.
- **DOC Grants:** Board President, Ed Whitaker, along with other board members, attended the Jennings County Commissioner's meeting on September 22, 2003 to request their sponsorship of a DOC planning grant to investigate solutions to the problem with the freezing wastewater treatment plant. They decided to discuss the matter with their legal council between meetings then vote at their next meeting.
 - Potential to borrow up to \$30,000/utility for a planning grant; if we perform a PER inclusive of Hayden the maximum amount would be \$40,000. A \$4,000-\$5,000 match must be set aside upon submittal of the application.
 - PER would include alternatives such as using North Vernon sewers, gravity sewers, and low-pressure sewers, etc...
 - County should perform the "Needs Survey" through the County Health Department.
- **Chaffee Damages: Joseph Leone, Attorney:** Investigating whether or not pursuing damages against Kevin Chaffee or his insurance company would be feasible.
 - **Letter to Mary Ann Gay (Attached):** Brief overview of Mr. Leone's review to date and request for additional information that might indicate a previous complaint to Chaffee's lapsed insurance policy carrier.
 - **Engagement Agreement (Attached):** For review and approval
 - **Claim for Services Rendered:** \$1,569.70
- **Jennings County Health Department:** Provided Mary Wilkerson, County Health Officer, with an original project map showing the entire district and the original planned phases. Mrs. Wilkerson will be overlaying this map with identifying marks showing failed septic systems for preliminary studies of the districts potential expansion area.

□ **Board Appointments for terms ending December 31, 2003; Tom Trulock, Mary Kuntz and Bill Collins:** Board appointments, per the original order creating the district and the most recent order modifying the original order, will represent the district according to the characteristics that follow:

- **Two (2) members:** appointed from the Country Squire Lakes area
- **Two (2) members:** appointed from the Country Squire Lakes area as at-large members
- **Three (3) members:** appointed from outside of Country Squire Lake's area representative of the Green Acres, Queensville and Hayden communities.

□ **Taxes:**

- Schedule a meeting with Mary Ann Gay to discuss the best method of resolving the utility's tax-related problems. A brief explanation of each problem is outlined in the Office section of this report.

- **Budget Committee Meetings** (Dave Brinkman, Mary Kuntz & Kent Cardinal)
 - Tuesday, October 28, 2003 from 1:30-3:30PM: This will be the initial meeting for the 2004 Budget Committee to discuss the current year's status and trends and to begin looking at the needs and plans for 2004.
 - Tuesday, November 11, 2003 from 1:30-3:30PM: This will be the second meeting where the Budget Committee will review a nearly complete Preliminary 2004 Budget. Details will be talked through and revised as necessary in order to prepare the Preliminary 2004 Budget for presentation to the full board at the November 17, 2003 board meeting.
 - Tuesday, December 9, 2003 from 1:30-3:30PM: This will be the last planned meeting for the 2004 Budget Committee. The Committee members will be able to address board concerns and make final revisions prior to presentation of the Final 2004 Budget to the full board at the December 15, 2003 board meeting.

- **Personnel Committee Meetings** (Ed Whitaker, Tom Trulock & Mary Kuntz)
 - Tuesday, November 11, 2003 from 4:00-5:30PM: This will be the initial meeting for the 2004 Personnel Committee to discuss changes to the employee benefits, handbook and wages. Annual appraisals will also be reviewed. Initial recommendations will be outlined and proposed to the full board at the November 17, 2003 board meeting.
 - Tuesday, December 9, 2003 from 4:00-5:30PM: This will be the last planned meeting for the 2004 Personnel Committee to finalize employee related changes before submitting final recommendations to the full board at the December 15, 2003 board meeting.

- **Annual Appraisals**
 - All employees will receive an annual appraisal before the years end.

- **Scheduled Vacations**
 - Manager
 - 16 hours:By years end

- **Training Sessions**
 - Indiana Regional Sewer District Association (IRSDA)
 - Fall Conference (Noblesville, IN): October 29, 2003

- **2003 Management Projects/Priorities; Goals/Status**
 - WWTP Improvements:Planning w/ Commonwealth & IDEM
 - Budget Updates: Quarterly to Utility Board
 - Establishing Short/Long-Term Goals:Ongoing
 - Establishing Short/Long-Term Financial Plan:Ongoing
 - Maintain Compliance Communication with IDEM:Ongoing
 - Update All Policies/Ordinances:Ongoing
 - Water /Sewer System Improvement Projects:Preliminary Planning
 - 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:**

- 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. (Nothing to Update)

- 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
- Designation of miscellaneous fees
- Water Leak Credit