

**Valparaiso City Utilities  
Board of Directors  
September 23, 2008**

The Board of Directors of the Valparaiso City Utilities met at the Valparaiso Department of Water Works Board Room, 205 Billings Street, Valparaiso, Indiana on Tuesday, September 23, 2008 at 5:00 P.M.

Board Members present were: President Brad Dolezal, David Bengs, Lori Ferngren and Kathy Luther. Also present were staff members: Utilities Director John Hardwick, Controller Dick Freeman, Administrative Assistant Cathy Fejer, Distribution Manager Chuck McIntire, Water Operations Manager George Brown, Customer Service Manager Shaun Shifflett, Water Reclamation Manager Steve Poulos, Stormwater Engineer Matt Kras and Time Reporter Phil Wieland.

The minutes of the August 26, 2008 were reviewed and approved.

The Board reviewed and approved the claims submitted.

**August Financial Statements – WD & WRD** – Controller Dick Freeman presented the August Financials for Water and Water Reclamation. The Board approved the August Financials.

**State Road 2 Tuscany Lift Station Upgrade** – In December of 2007 the Tuscany Subdivision's Sewage Lift Station was accepted by the VCU Board of Directors. The plan was to convey the Tuscany sewage to the Utilities Water Reclamation Department's (VWRD) State Road 2 Lift Station. To accommodate this capacity to the VWRD's State Road 2 Lift Station, the station needed to be upgraded. The upgrade includes two new 30 horsepower pumps with appurtenances. The pumps will be connected to an 8 inch force main that was originally constructed to accommodate future development. It was agreed by the City Engineer's Office and the developer of Tuscany (Ms. Terry Weiland) that the developer (Ms. Weiland) would absorb the cost of this upgrade to the State Road 2 Lift Station via the sewer permit fee mechanism. At that time, it is my understanding that the City Engineer's office had issued 10 sewer permits that had been released with no fees collected. Per City Engineer, the cost would be paid as a pro rata share with each sewer permit. The development has 78 lots, therefore the cost to upgrade the State Road Station \$25,092 was divided out by 68 lots (\$369 per sewer permit).

Steve Poulos, VWRD is requesting approval to proceed with this work. Gasvoda who is the manufacturers' representative for the Smith & Loveless pumping system will be providing the equipment and labor for this installation. The Board of Directors approved the State Road 2 Tuscany Lift Station Upgrade.

**September 13 & 14 Storm Events (Informational)**

- a. **Review of Flooding** – Matt Kras reported that there was a little over eleven inches of rain September 13<sup>th</sup> through the 15<sup>th</sup>. The storm was declared a disaster. The Mayor has been working with Matt through the storm events has been assessing all the problem areas and prioritizing them. The problem areas are as follows: This is just a list and not in any order: Lake Point, Cumberland Crossing, Calumet Ave, Hawthorne Estates, Greenfield Creek, Washington

Highlands, Porter's Vail, Brentwood, Wall Street, Schultz Floral, Chicago and Silhavy detention pond backup, Silhavy & Evans and Task Force Tips. Steve Poulos reported the treatment plan faired OK. There was an overflow of 700 million gallons at Salt Creek. Poulos reported that they had 168 sewer calls, 67 were basement backup and 101 were flooding calls. Out of the 168, 106 of them were FEMA related and they were directed to the fill out the FEMA form that was on our website.

- b. **FEMA Assistance** – Representatives were here last Friday from FEMA doing assessments of the problem areas.

**Horseprairie Culvert (Informational)** – Matt Kras reported back in 2001 this culvert was washed out and noted to be repaired. Because of budgetary problems this culvert was not repaired. This area is getting worse and will be revisited for repair. The approximate cost for repair is \$125,000. Matt will keep us posted as he has the information.

**Update of Pipe Panel** – Utilities Director Hardwick reported that the first Pipe Panel meeting will be October 7, 2008 at 4:00 p.m. at the 205 Billings location.

**Utilities Director Hardwick Report:**

**Agenda Schedule (Resolution 2008-04) Informational:** Utilities Director Hardwick presented a "draft" of Resolution 2008-04 – A RESOLUTION ADOPTING A POLICY AGENDA PREPARATION AND DEADLINES for review of the Board and Board Attorney, Mike Langer. The Resolution will be on the agenda at the next meeting for approval.

**Reverse 911 Mass Call:**

Office Manager Shaun Shifflett reported the Utility has in place a program that will allow us to alert residents of Valpo in emergency as well as non-emergency situations. In the past we have used this program to notify residents of boil orders, the recently completed smoke testing program in the Green Acers subdivision, our on-going flushing program and have even used it to notify residents of the Mayor's Town Hall meetings. With the rain event that occurred between September 12<sup>th</sup> and 15<sup>th</sup>, the Utility got to actually see what this system offers. Saturday September 13, 2008, the Utilities created a Geo-Zone that covered Greenfield Creek Area. This Geo-Zoned queued 208 phone numbers: With answering machines and calls answered, we were at 77.4% Success rate. However, Sunday September 14, 2008 the Geo-Zone was citywide. The time parameters were from 2:00 p.m. to 9:00 p.m. The system queued 34,533 telephone numbers. In the 7 hour time period it took to make the phone calls only 5112 calls were made. Of the 5112 calls placed, 72.4% were answered by an answering machine, 25.6% were answered and listen to and 2.1% were hang ups. Since only 14.8% of the calls were made, the Utility does not believe that we can say this is a viable option for citywide notification. The Option to upgrade our system would cost for a Mass Call Module and set up is \$2500 plus .20 per phone call which includes the first year support and every year thereafter the cost is \$1000 plus .20 per call. If we currently had that module it would have cost us \$6,906.60 on the citywide call on the 14<sup>th</sup>. Utilities Director

Hardwick said it is something we are looking into, but not right away. It may come up again at another meeting.

**FTC “Red Flag” Rules:**

The Federal Trade Commission has issued regulations requiring financial institutions and creditors to develop and implement written identity theft policy and procedures as part of the Fair and Accurate Credit Transactions Act of 2003. These policies and procedures also known as “Red Flag Rules” must be in place by November 1, 2008.

While the regulations do not mention Utilities specifically, the FTC has determined that the Utility falls under their definition as a “Creditor.” Any entity that allows a consumer to open an account and get services and be billed after the fact. The key objective of these policies and procedures will be to detect, prevent and mitigate identity theft. Utilities Director Hardwick said they just notified us and are not giving us much time, so we will be working on this in the very near future.

**Water History Hand Out:** Utilities Director Hardwick passed out an article from E-Main Stream marking a century of disinfection. One hundred years ago this week, the residents of Jersey City, N.J., became the first customers in the United States to get chlorinated water from their taps.

The Next Board Meeting is October 14, 2008 at 5:00 p.m.

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Brad Dolezal, President

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Lori Ferngren, Secretary