

SYRACUSE TOWN COUNCIL

REGULAR MEETING

SEPTEMBER 21, 2010

Brian Woody, President, called the Regular Meeting of the Syracuse Town Council to order at 7:00 p.m. Other council members present were Jeff Morgan, Bill Musser, Larry Siegel, and Paul Stoelting. Town Manager Henry DeJulia, Town Attorney Mike Reed, and Clerk Treasurer Julie Kline were also present.

The meeting opened with the Pledge of Allegiance.

Brian asked for public comment on agenda items; there were no comments.

The minutes from the August 17 and August 30 meetings were presented for approval. Paul moved to approve the August 17 minutes; Larry seconded. Four voted for the motion; none against. Bill abstained. The motion carried. Paul moved to approve the August 30 minutes; Brian seconded. Three voted for the motion; Bill and Larry abstained. The motion carried.

Claims #958 through #1076 were presented for payment. Larry moved to approve the claims; Brian seconded. Five voted for the motion; none against. The motion carried.

The Public Hearing for the 2011 budget was held. The floor was opened for public comments; there were none. Paul moved to adopt the 2011 budget as advertised; Bill seconded. Five voted for the motion; none against.

Ordinance 10-05, An Additional Appropriation of \$31,000.00 from the Rainy Day Fund, and Ordinance 10-6, An Additional Appropriation of \$5,000.00 from the Riverboat Fund, were introduced. A Public Hearing was held; there were no comments from the public. Paul moved to adopt Ordinance 10-05 and Ordinance 10-06; Jeff seconded. Five voted for the motion; none against. The motion carried.

Transfer Ordinance 10-07 was introduced. Paul moved to adopt Ordinance 10-07; Larry seconded. Five voted for the motion; none against. The motion carried.

Ordinance 10-08, the Salary Ordinance for 2011, was introduced. Paul moved to approve the ordinance; Bill seconded. Five voted for the motion; none against. The motion carried.

Jeremy Sponseller, Public Works Superintendent, explained he was asked a few months ago to give direction for the wastewater plant. Jeremy stated he and Tom Miller approached Severn Trent Technical Services and asked for their assistance. Technical Services has prepared a Site Energy Management Plan (SEMP) as well as an Asset Management Report. Jeremy introduced Tom Gordon, Director of Severn Trent Technical Services. Tom Gordon presented his report on the wastewater plant and wastewater operations. Tom explained Severn Trent has developed a Site Energy Management Program that evaluates their client's facilities. The goal of the program is

to reduce operating costs, especially energy, make sure we are getting the best possible treatment plant performance, and to train the operators to become more aware of the energy component of the operations. The intent is that this would be an ongoing program. Severn Trent looks at all processes, chemicals, sludge disposal, utility bills, etc.

Tom Gordon went over the current performance summary in the SEMP. He noted we are in compliance in all areas. He pointed out several areas in the report and discussed the power usage for the different wastewater processes. Tom Gordon suggested an energy saving expenditure in the future would be putting in some inexpensive automation on the oxidation ditches. We could also do some smart rehabilitation of some pumps and dewatering equipment.

Tom provided more information on Severn Trent's recommendations. He noted half of the energy is used by the sludge plant; 85% of that horsepower is for the equipment to keep the oxidation ditches aerated. He showed a graph of wasted power; this is due to not having staff on duty 24 hours per day to address the demands. The recommendation is to look at adding automation to automatically throttle the aerators and modulate them when needed. The cost to implement this is about \$12,000.00 to \$15,000.00, and the estimated power savings is \$7,500.00 per year. We can use the SCADA system already in the water plant. Another recommendation is to replace the bar screen. That has already been implemented and will show savings down the line. Also, putting variable frequency drives on the influent pumps will help; the next step will be to continue to replace the motors on pumps.

Tom discussed the Asset Management Report. He explained the report includes all key elements of the plant. The assets are shown with the replacement cost today, life span, year purchased, etc. Assets are also rated as to criticality, and each asset is assigned an "at risk" rating. He referred to page 4 on the asset management report, which looks at a value based on that risk. The report looks at the last ten years of an asset's life cycle. 2010 is a catch up year, and the table continues through 2014. Tom stated the recommended improvements in 2010 are just under \$1,000,000.00 for high risk items, under \$100,000.00 for medium risk items, and just over \$100,000.00 for low risk items. Tom noted the numbers are based on standards of the industry; Syracuse does a very good job and may beat industry standards. This report gives clients an opportunity to plan for equipment replacement.

Brian stated he is impressed with the information. Larry stated we are at the end of 2010 and it shows we need \$1.2 million in 2010, obviously that isn't going to happen this year. Tom agreed. Larry clarified these aren't necessarily things that have to be replaced this year, but based upon industry standards for useful life, we should plan for their replacement. Tom stated this is a planning tool. From time to time, we have to look at things such as rate adjustments, Tom noted Syracuse also has debt that will end in the near future. Larry stated he spoke to Julie recently and was told there is a balance in the Debt Service Fund of \$212,000.00, and a bond that will mature in 2013.

That will free up the debt service balance of \$212,000.00 and a bond payment of \$160,000.00 a year. What we have to figure out is how to get from now until 2013. Tom Gordon added everything will be two years older in 2013. Larry went on and stated we have \$380,000.00 in depreciation and we add about \$12,000.00 a year to it. We have a \$12,000.00 expense to save \$7,500.00 per year and a \$175,000.00 cost for the bar screen. The council thanked Tom Gordon for his report.

TOWN MANAGER

Town Manager Henry DeJulia discussed the EDI grant; he explained a town representative needs to be named and shown in the minutes. Brian moved to name Henry DeJulia as the official liaison and authorized Henry to submit the EDI grant; Paul seconded. Five voted for the motion; none against. The motion carried.

Henry reported we expect delivery of the new decorative lights by the end of next month. Larry asked if we have brackets for the snowflakes for new decorative lights. Chad explained he ordered the snowflakes and the brackets are included.

Larry asked about the EDA grant; Henry advised we expect to hear by the end of this month. Larry would like to plan to break ground by the spring.

POLICE

Police Chief Tony Ciriello reported there were 410 calls for service last month. There were 14 criminal arrests; several were for drugs. The Meth Summit held last week was well attended. Discussion followed on the drug problem.

Tony announced Trick or Treat will be on Saturday, October 30, from 6:00 pm. to 8:00 p.m. Milford and North Webster will also have Trick or Treat at the same time.

Tony advised Day of Caring went very well. Nine projects were completed in the Syracuse area. He thanked the street department for their assistance, Cool Beans for the coffee, and the community for their support.

Tony presented an inter-local agreement with Kosciusko County for the licenses with CISCO for the computers in the cars. The cost for the air cards is \$100.00 per license, for a total cost of \$700.00. He asked council to approve and sign the inter-local agreement. Paul moved to approve the inter-local agreement and the \$700.00 cost; Jeff seconded. Five voted for the motion; none against. The motion carried.

PARK

Park Superintendent Chad Jonsson reported on three events. On October 2, there will be an indoor yard sale. The last day for the Farmer's Market will be October 16; on that day, there will also be pumpkin decorating, a cider mill, and live music. The

Halloween Haunted House will be on October 28, 29, and 30. This may be the last year for the Haunted House due to changes in the state regulations.

PUBLIC WORKS

Public Works Superintendent, Jeremy Sponseller, announced paving should begin during the first week of October. Hydrant flushing will be done during the next couple of weeks. The new backhoe was delivered today.

Jeremy discussed the bucket truck. He looked into a self contained unit; the cost is \$15,000.00 for the self contained unit plus \$2,000.00 to \$3,000.00 to modify the frame. Jeremy explained he also has a different option. Next year, one of the water trucks is scheduled to be replaced. The current truck is a four wheel drive truck with an extended cab. If we buy a new water truck and buy a self contained unit and place it in the old water truck, the cost for the lift unit will be about \$15,000.00 to \$20,000.00 for the unit and installation. It is another option and may cost a little bit more money, but the water truck only has 75,000 miles on it and we know the maintenance history.

Henry was asked to comment. He would like the council to decide on a option now; it is dangerous for our employees to be doing this work on step ladders. Larry suggested we could rent a bucket truck for a day. Discussion followed; Jeremy suggested if the council approves, we could purchase the truck this year instead of next year. Larry commented we would just be moving up the truck purchase by a few months. It was noted \$17,000.00 was appropriated for the lift, we may need up to \$3,000.00 more. Council members discussed whether Jeremy should report back next month or if it would be better to authorize a purchase tonight. Brian moved to approve the purchase of a $\frac{3}{4}$ ton four wheel drive truck for the water department not to exceed \$26,000.00; Paul seconded. Five voted for the motion; none against. The motion carried. Brian moved to approve the purchase of a lift not to exceed \$17,000.00; Larry seconded. Five voted for the motion; none against. The motion carried.

CLERK

Clerk Treasurer Julie Kline advised the closing for Vega Field has been completed. She asked for council direction on which department Vega Field should be assigned to for insurance purposes and fixed assets. Discussion followed. Brian expressed a couple of concerns, one concern was to give another board the authority to make decisions on the use of the property. That board could decide to use the property for something other than what the council intended, which is a ball field. Chad assured Brian this would not happen. Paul moved to list Vega Field as Park jurisdiction; Bill seconded. Five voted for the motion; none against. The motion carried.

Julie requested permission to apply for a town credit card from Farmer's State Bank. Paul moved to allow Julie to apply for the credit card; Bill seconded. Five voted

for the motion; none against. The motion carried. Once everything is in place, the current credit card will be canceled.

Julie announced the clerk's office will be closed on October 14 for training.

TOWN ATTORNEY

Town Attorney Mike Reed reported he filed suit against Turtle Bay as the council directed. He will keep the council posted.

DISCUSSION FROM THE FLOOR

Tammy Cotton, Executive Director of the Chamber, asked that the banners stay up through the month of October.

OLD BUSINESS

The council discussed the ordinance for deposits from utility customers. Brian stated he disagrees with refunding deposits; he noted if we would have had a deposit from Turtle Bay, we might not have lost all of that. Larry said 100% of our risk is when customers leave. He also disagreed with refunding deposits after six months. Henry noted life changes can occur at any time. Larry stated we get deposits to protect the other ratepayers. Bill questioned if we are going to keep a deposit for 23 years, for example. He was advised yes. Paul discussed the definition of a new customer. He feels a property owner with an established track record should not be required to pay a deposit. The landlord/tenant scenario was discussed. If a tenant moves out and the property is put back in the landlord's name for a few weeks until he has a new tenant, is the landlord considered a new customer. Julie suggested language that any tenant with a utility account or any property owner as of the date of this ordinance will not be required to pay a deposit. Larry agreed that someone who moves within town should not have to pay a deposit. New churches will be added to ordinance. Mike Reed recapped that the council would like no refund on deposits, and he will work on a new customer definition. Brian and Bill would like a \$75.00 deposit for residential. Discussion followed on what to charge new commercial accounts. It was pointed out commercial customers can range from an office where there may only be minimum usage, to a car wash that may have much higher bills. Mike Reed proposed a deposit for commercial customers of the greater of the highest one month's usage during the previous 12 months, or \$75.00. Mike will prepare an ordinance based upon council input.

Brian asked if there was any other Old Business. He reported he attended a meeting two weeks ago of the fire territory board that lasted five minutes.

NEW BUSINESS

None.

Paul moved to adjourn; Bill seconded. Five voted for the motion; none against.
The motion carried.

The Syracuse Town Council adjourned at 8:34 p.m.

ATTEST:

Brian Woody, President

Julie Kline, Clerk Treasurer