

# NOTICE

THE GREENVILLE TOWN COUNCIL WILL CONDUCT A PUBLIC MEETING  
AT THE GREENVILLE/WATER UTILITY OFFICE ON MONDAY, OCTOBER 3, 1994  
AT 12:00 NOON.

GREENVILLE TOWN COUNCIL

Harold Hall  
Robert J. Williams  
Patricia Sappenfield

POSTED: September 28, 1994

U.S. POST OFFICE

TOWN/UTILITY OFFICE

GREENVILLE MINI MARKET

MINUTES OF TOWN COUNCIL MEETING OF OCTOBER 3, 1994.

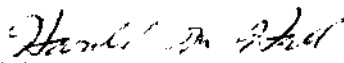
President Harold Hall called the meeting to order at 12:00 noon with Councilmember Robert Williams and the Clerk Treasurer in attendance. Also in attendance are those listed on the attached transcript taken by Janet Riggs.

The transcript presented by Ms. Riggs are a part of these minutes.

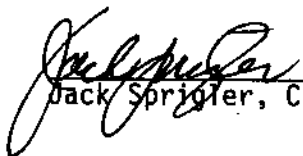
Council approved claims presented by Ms. Janice Gibson, Water Utility.

President Hall noted that another meeting should be held to get necessary answers on the Project Improvements and suggested this meeting be held on Wednesday Oct. 5, 1994; this meeting not being a formal meeting thereby no advertisement is needed.

No further business coming before the Council, Councilman Robert Williams motioned for adjournment, seconded by President Hall.

  
\_\_\_\_\_  
Harold Hall, President of the Council

ATTEST:

  
\_\_\_\_\_  
Jack Sprigler, Clerk of the Council

MINUTES - Town Board Meeting

**Meeting Date:** October 3, 1994  
**Location:** Town Hall  
**Attendance:** Harold Hall, President; [unclear] Town Members;  
**Attorneys:** Virgil Deley; Julie Gosenwieser, [unclear]; Gary  
Getrost and Janice Gibson, Water Company employees; [unclear] Citizens;  
Janet Riggs, Water Advisory Committee member; [unclear].

The meeting was called to order at 12:00 p.m. by Harold Hall.

CONSTRUCTION PROJECT

Virgil gave a packet with copies of information regarding the construction project to be kept on file at town hall.

Bob G. spoke to Fred of CEICO and Fred advised he was waiting to hear from Allen of I-AWW, so Bob called Allen who informed him that Richard was working on it. A fax came in from I AWW over the weekend. The highlight of their recommendations are as follows:

- \*Change 10" water line to 12"
  - \*Change 150,000 tank to 200,000 and locate in Greenville in lieu of Mt. St Francis since this is a less desirable location.
- It was also mentioned that the tank in Greenville & Galena would be full all the time since the flow is so high. This question was previously posed to IAWW and it was thought that this can be done with controls.

It was noted by Bob G. that these changes would bring the cost back up to the original cost that the IURC didn't approve.

Virgil clarified that the way he saw it there were 3 options;

- 1) Go with the project as is.
- 2) Scrap or Defer the project (since the bid would be higher).
- 3) Change the project.

COSTS

In order to make a decision, costs were looked at:

Amount already spent and Paid	45,152.67
Amount due (not yet paid)	37,763.96

(This includes amounts to CEICO and Joe Nisler - 25,500.00 for Bonds)  
Town has about \$70,000 available for payment of these bills and a \$30,000 CD that can be cashed in if necessary, and we are holding our own on rates right now.

If the project were delayed, what part of the already money would have to be respent? It would depend upon the length of the delay. If it goes beyond the October 24 bid deadline, the bids would have to be rebid at a considerable cost. The other major project cost (besides the construction itself) is inspection.

There were way too many unanswered questions and the engineers were not there to answer them, so it became impossible to make a decision to sign contracts today for the construction. The 18,000 increase in the bid was insignificant compared to cost of signing with unanswered questions.

### DESIGN

There was concern that there was a need to get some help from all of the engineers. Everyone concurred that all of the conditions had more or less 5 different opinions.

The current proposed project is supposed to support up to 4,000 customers and if more tanks were added, up to 5,000 could be put on the system.

In regard to delay, could we get through in one year if the project is NOT done? Last year we thought we would run out of water, which fortunately the weather improved and there was not a problem.

Since the smaller lines are a possibility for a main water, Board suggested just doing the line portion of the project and not installing the tanks right now since there was so much question on that. Maybe IAWW would be willing to foot the cost of approx. \$45,000 to increase line 10" to 12" line.

Junie and Virgil noted that their feelings were that IAWW would not want to buy the Water Utility if the project were put in as originally planned without their upgrades. IAWW's attorney, Bill Hays, gave Junie the impression.

It was also noted that IAWW suggested putting in a 12" main line a cheaper stand pipe.

In order to get answers, another meeting was set up for Wednesday, 10/5/94 at noon if everyone can get there. If everyone unable to make the noon meeting, the alternate time would be 7:00 pm. Bob G was to contact CEIUC, Harold Hall was to contact IAWW, and Janet was to contact the Water Advisory Committee.

### APPRAISALS

Since there was so much question on the appraisal and it was most important to get that resolved by October 31, everyone present will concentrate on the construction project, and take the appraisal till after the project is resolved.

### OPTING OUT

Virgil talked to Rita at the consumer council of the IURC and she felt the intent of the public was to have it put on the ballot, even if proper procedures were not followed. She said she would bring it up before the IURC, which could cause further problems that we must avoid now. Therefore the town board voted to accept the appraisal by ballot on the ballot. Virgil will follow up to be sure to do so.

It was also noted that the IURC would not be too happy if only part of the rate increase were put into effect. They probably wouldn't be happy if they knew the rate increase has not been put into effect.

It was also mentioned that it was not a sure thing that IURC would approve the sale.

### ADJOURNED

Next regular town board meeting will be on Tuesday, Tuesday night.

DISBURSEMENTS

FUNDS

	AMOUNT BUDGETED	DISBURSED THIS MO.	TO DATE	BALANCE IN BUDGET
<u>GENERAL:</u>				
Salaries: Councilmembers	\$ 1,920	\$ 160.-	\$ 1,390.-	\$ 530.00
Clerk Treasurer	1,080	90.-	790.-	290.00
Employees	1,680	140.-	1240.-	440.-
Marshall/Deputy	4,200	-	-	4200.-
FICA/Med Taxes-Employer	700	27.84	261.63	438.37
Stationery & Supplies	TRF OLD 2,500 300	622.58	893.33	1,906.67
Garage & Motor	600	22.99	28.77	571.23
Legal	2,200	-	1900.-	300.-
Communication & Travel	400	-	187.50	212.50
Printing & Adv. - Legal	600	67.56	343.57	256.43
Insurance - Property	1,700	-	-	1700.-
Utility Services -Electric	4,000	-	-	4000.-
Trash Removal	800	-	391.80	408.20
Repairs/Maint - Auto	600	-	-	600.-
Hydrant Rental	5,470	-	1653.68	3816.32
Indemnities	TRF OLD, < 2,500 > 6,200	-	-	3700.-
Bond Premiums	300	-	-	300.-
Organization Dues	650	-	507.-	143.-
Fire Protection	3,000	-	1500.-	1500.-
Education	-	-	-	-
<b>TOTALS - GEN. FUND</b>	<b>36,400</b>	<b>1134.77</b>	<b>11087.28</b>	<b>25312.72</b>
<u>LOCAL ROADS &amp; STREETS:</u>				
Engineering	1,000	-	-	1000.-
Repairs-Streets/Alleys	24,000	-	-	24000.-
<b>TOTALS- L.R. &amp; S.</b>	<b>25,000</b>			<b>25,000.-</b>
<u>MOTOR VEHICLE (MVH):</u>				
Salaries	1,000	-	-	1000.-
FICA/Med Taxes-Employer	80	-	-	80.-
Clothing Allow. - Marshall	320	-	-	320.-
Supplies - Garage	500	-	-	500.-
Supplies-Materials	500	-	-	500.-
Supplies - Other	500	-	-	500.-
Legal Services	1,000	-	-	1000.-
Engineering Services	1,000	-	-	1000.-
Comm. & Trans. Travel	500	-	-	500.-
Adv. - Legal	300	-	-	300.-
Insurance	700	-	-	700.-
Utility Services - Electric	5,000	287.37	2006.84	2993.16
Trash Removal	300	-	-	300.-
Repairs - Auto	300	-	-	300.-
Repairs-Streets/Alleys	30,000	-	-	30,000.-
Snow Removal/Right of Way Maint.	3,000	-	585.-	2415.-
<b>TOTALS - MVH</b>	<b>45,000</b>	<b>287.37</b>	<b>2591.84</b>	<b>42408.16</b>

D I S B U R S E M E N T S

<u>FUNDS:</u>	<u>AMOUNT BUDGETED</u>	<u>DISBURSED</u>		<u>BALANCE IN BUDGET</u>
		<u>THIS MO.</u>	<u>TO DATE</u>	
<u>VEHICLE INSPECTION:</u>				
Travel & Trng.	\$ 75	-	-	75.-
<u>ACCIDENT REPORT:</u>				
Travel & Trng.	300	-	-	300.-
<u>GUN PERMIT:</u>				
Travel & Trng.	60	-	-	60.-
<u>CUMULATIVE CAPITAL IMPROVMENT:</u>				
Transfer to Gen. Fund	-	-	-	-
TOTAL BUDGETED & ACTUAL	\$ 106,835	\$ 1422.34	\$ 13,679.12	\$ 93,155.88

R E V E N U E

<u>Bank Balance @</u>	<u>CASH</u>	<u>INVESTMENTS</u>	<u>TOTALS</u>
<u>9-30-94</u>	\$ 119,560.67	\$ 41,000.00	\$ 160,560.67
<u>FUNDS:</u>			
General	11,526.30	10,000.-	21,526.30
L. R. & S.	39,283.11	10,000.-	49,283.44
M.V.H.	58,678.21	21,000.-	79,678.21
Vehicle Inspection	75.81	-	75.81
Accident Report	314.33	-	314.33
C.C.I.	8,620.94	-	8,620.94
Gun Permit	30.00	-	30.00
E.D.I.T.	1,231.64	-	1,231.64
<u>TOTALS</u>	\$ 119,560.67	\$ 41,000.-	\$ 160,560.67

and the job cuts.

"I think there's cuts we can make before we lay off people," Meyer said, and he said he didn't want to wait until the salary ordinance next month to make them.

The public debate included a heated exchange between Cooper and County Clerk Dick Jones, who said the layoffs in some county offices were a payback for opposing Cooper's plan for a job-classification study last year.

## GREENVILLE

# Town lays groundwork for sale of water system

By JOHN PILLOW, Staff Writer

The Greenville Town Council approved a resolution last night to begin negotiations to sell its troubled water utility to Indiana-American Water Co.

The council also reached an agreement that calls for Indiana-American to become the funding and construction agent of the utility's expansion project, regardless of whether it buys the utility.

Greenville received approval from the Indiana Utility Regulatory Commission last month to raise water rates 28.4 percent and to issue up to \$770,000 in bonds to pay for a much-needed expansion, which includes building a new water tank and installing new lines. Last night's action means the bonds won't be issued and the rates will not be raised.

In fact, if the council approves the sale, water rates would drop by 27.9 percent to bring the utility in line with what Indiana American charges New Albany residents. A customer served by the Greenville utility who uses 5,000 gallons of water a month now pays \$19.45.

"I just think selling the utility will be much better for the town," council member Pat Sappenfield said.

The town, in essence, has virtually agreed to sell the utility, but details of the contract still have to be worked out.

Indiana-American serves 18 towns and cities and has more than 156,000 customers.

Greenville's water utility is too small to adequately serve its 1,100 customers and can't handle the town's rapid expansion of recent years. This summer residents were plagued by low water pressure.

Richard Hargraves, president of Indiana-American, said his firm has the expertise to run the utility. Hargraves said that if all goes well, the sale could be completed by April.

...personally introduce an income tax, Kraft said. "But I'll need your support."

Earlier, the council defeated Cooper's proposal to have county workers sign a formal petition saying whether they would prefer a raise or give it up to prevent layoffs, with the majority determining what would be done.

Opponents said that the petition would be divisive, that workers shouldn't be asked to make such a decision publicly, and that making the decision is the council's job.

"We didn't know Greenville had water problems until we saw articles in the paper and the approval of the rate increase," Hargraves said. "We'll work with the community to keep up water demand, and at the present I know of no reason why the expansion project should not go forward as planned."

That is good news to the two dozen residents who packed Town Hall last night.

Ervin Rickard, a member of the water utility advisory board, welcomed the proposed sale.

The Town Council doesn't "have the money to run it. If I ran a business like they ran the utility, I would have been bankrupt a long time ago," Rickard said.

The Greenville utility's woes began two years ago when the town's reservoir was closed by the U.S. Environmental Protection Agency because the water didn't meet federal standards.

Greenville had to buy water from neighboring utilities, and the Indiana Utility Regulatory Commission granted the town a 34 percent rate increase to cover those costs. But that still wasn't enough, and the Town Council went back to the commission in May for a 46 percent rate increase.

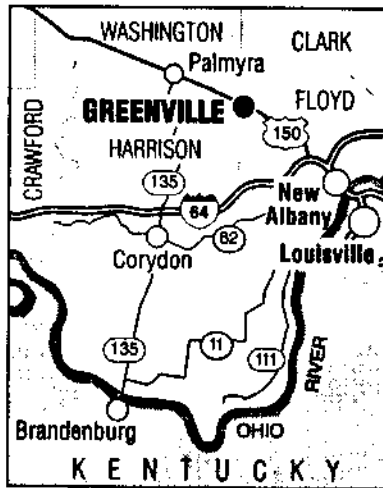
In June the Town Council voted to remove the utility

from the purview of the regulatory commission, as has been done with many non-profit utilities like Greenville's, since that became possible five years ago.

That move was challenged by a coalition of residents and was to be on the November ballot. In the meantime the state commission granted a 28 percent rate increase.

Wayne Martin, who has led the fight against the rate increase, said the Town Council should have tried to sell the utility years ago.

"It was obvious a long time that this was the direction things were going to take. It is the only feasible solution," Martin said.



STAFF MAP BY STEVE DUBBIN

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By THOMAS Associated Pr

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# Greenville hopes to sell water company

By MATT STONE  
Tribune Staff Writer

The Greenville Town Board gave initial approval last night to selling its water utility to Indiana-American Water Co., indefinitely postponing a 28 percent rate increase the board voted for earlier this year.

Selling the water utility will also allow the town to avoid selling \$770,000 in bonds for renovation of water lines and a water tower in the Greenville area.

Indiana-American — a public utility that serves 18 other small towns with more than 150,000 customers — would assume the renovation expenses.

The resolution approved last night is the first step toward selling the utility.

Three appraisers — costing the town from \$5,000 to \$15,000 — will assess the value of the Greenville water utility and give their findings in 30 to 45 days. Indiana-American president Richard Hardgraves said his company could purchase the utility by April.

Poor water pressure has been a problem for the town's 1,100 water utility customers this summer.

In June, the town board voted to leave the Indiana Utilities Regulatory Commission, a step that would have exempted the utility's rates from state control. Some residents opposed to the move gathered signatures on a petition calling for a vote on it in November.

Wayne Martin, one of the residents against the town leaving IURC jurisdiction, said the decision to sell the utility is "the best thing to happen."

"We've been trying to push them to sell," Martin said. "It's definitely going in the right direction."

Martin said he's glad Indiana-American is part of the IURC, which regulates water rates.

The proposed sale could actually reduce rates by 28 percent, said Bill Fender, advisory committee chair for the town board, saving the town "a potential \$93,000."

"That's certainly in the best interest of the town," Fender said.