



Marion Utilities

1540 N Washington St.

Marion, IN 46952

www.marionutilities.com

Service Board

BOARD MINUTES OF THE JULY 11, 2024 MEETING

The Marion Utility Service Board held their meeting on Thursday, July 11, 2024 at 5:30 p.m. in the L.E.A.D. Center, Building 101, at Marion Utilities, 1540 N. Washington Street, Marion, Indiana.

Roll was called and those board members present were: Robert Logan, Chairman; Doug Carl; Bill Dorsey; Al Green; Von Jackson; Herschel Lewis; and Jayda Monteiro.

Also present at the meeting were: Robin Shrader, Director; Pat Pinkerton, Assistant Director for Engineering & Solid Waste; Tiffany Snyder, Accounting/Billing Coordinator; Mike Conner, Attorney; Erika Devine, Council Liaison; Misty Humphries, Secretary; and Chuck Herriman.

CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS

Mr. Lewis moved, seconded by Mr. Carl, add Update of Job Description as Item G under New Business. All board members present voted aye. Motion carried unanimously.

APPROVAL OF MINUTES

Mr. Dorsey moved, seconded by Mr. Lewis, to approve the minutes of the June 6, 2024 meeting. Dr. Monteiro abstained as she was not present. All other board members present voted aye. Motion carried by majority.

FINANCIALS

Mrs. Snyder presented the May 2024 financials. She stated that sales data was trending similarly to last month. Water sales continued to show growth over 2023, attributed to the rate increases experienced and the timing of billing. Wastewater sales and Stormwater sales remained flat over last month which was in line with 2023's performance. Solid Waste again showed an increase for May. Mrs. Snyder stated that overall, sales were consistent with the results from April. On the expense side, operations and maintenance expense was lower or in line with 2023 for all utilities except Wastewater, which saw a slight increase over both 2022 and 2023. Water expenses were in line with 2023 expenses but saw an increase in contractual services in the month of May compared to the prior months of the year. The accruals saw a cash outflow with the payment of utility insurance. Mrs. Snyder summarized that Water saw a negative cash in-flow as total receipts exceeded disbursements, due to an increase in capital expenditures and contractual expenses. Wastewater, Stormwater, and Solid Waste all had a positive net cash in-flow during the month of May. Mr. Carl asked if the \$590,000 was transferred for the meter purchase. Mrs. Snyder answered yes it was the reimbursement to Water. Mr. Lewis moved, seconded by Mr. Carl, to approve the May 2024 financials. All board members present voted aye. Motion carried unanimously.

UPDATE ON PROJECTS

Mr. Pinkerton reported that the SRF Distribution Projects were moving along. At the last



meeting, Mason Boulevard was in. Now 7th Street was in as well. Crews were working on service lines to reconnect Mason Boulevard. Crews could be putting concrete in within the next two weeks. Mr. Pinkerton said next week there were plans to put the boring in at 7th Street under the by-pass. There had been some surprises, but nothing that couldn't be overcome. Mr. Pinkerton said when crews were doing the tie-in at 12th Street and Upton Court lost water. It turned out that the maps had been wrong for at least the last 35 years before Mr. Pinkerton was even employed. As for the Lead Service Line project, it saw a 10% declination mostly because the service line to the house had already been replaced. 50% of owners were unresponsive with multiple attempts made. Mr. Pinkerton reported that the preconstruction meeting with the contractor was held this morning. The start date should fall within the next 30 days. Mr. Logan asked if what area of the community was being contacted. Mr. Pinkerton said that the Cardinal Greenway was the southern border and Webster to 20th Street was the northern. The eastern and western borders were Adams and Nebraska. Mr. Pinkerton said there was about 160 homes in the area. Mr. Dorsey asked what had been done as far as talking with owners. Mr. Pinkerton said Kayla Johnson and several other employees have been out physically knocking on doors, leaving door hangers, mailings have been sent, owners' letters have been sent, and Ms. Johnson has been looking up property records to ensure that the correct owners had been contacted. Mr. Dorsey asked if a second pass would be made in order to contact residents and homeowners. Mr. Pinkerton said that there had been at least four attempts at contacting owners. Dr. Monteiro asked if only the home owners were sent letters. Mr. Pinkerton said letters had been sent to residents as well as the home owners. Mr. Jackson asked what marketing efforts had gone into trying to contact residents/home owners. Mr. Pinkerton said that social media posts were made, but unfortunately, responses were from people outside of the area who don't have lead but were now concerned about it. Mr. Jackson asked if messages could be put on the bills. Mr. Pinkerton stated that messages on bills would be sent out to the entire customer base. Messages couldn't be directed specifically to one area. Dr. Monteiro asked what Council District that was. Council Liaison Devine said that she thought it might be the 5th District. Council Liaison Devine also stated that there was a new Neighborhood Association Coordinator at the City and contacts for Neighborhood Associations were being updated. Mr. Dorsey said he thought that there still needed to be more attempts at communication. Dr. Monteiro said that she agreed with Mr. Dorsey. As far as educating customers and the community, when do you stop. You don't. Dr. Monteiro asked what the duration of Ms. Johnson's contract was. Mr. Pinkerton and Mrs. Shrader said a year. Mr. Pinkerton explained that the goal was to get all of the houses done in one area, get the work done, and then the contractor would move to the next area. The contractor doesn't want to keep jumping back and forth especially to neighborhoods where work has already been done and completed. Mrs. Shrader said that she would reach out to Council President McKinley and ask if an announcement could be made at the next meeting.

In other projects, Mr. Pinkerton explained that the Butler Street Tank project was moving along. Because federal funds were received for the project, we are required to hang a banner that stated, "Project Funded By President Joe Biden's Bipartisan Infrastructure Law." Mr. Pinkerton said that the only other project was the new meter installation project. There was some coordination between the software company, our Accounting Assistant, and the contractor happening now.

CSO TANK UPDATE

Mrs. Shrader reported that there has been some slow movement on the case over the last year. Recently, Mrs. Shrader was asked to get some updated costs by the attorney. Hopefully, there would be some more and faster movement soon.

BLUFF'S BASIN REQUEST

Mr. Herriman said that he had been working with Mrs. Shrader, Mr. Pinkerton, and Mr. Janak on the main extension agreements. He said in his opinion things had gone very well. Mr. Herriman said that he believed the next step was to gain authorization of the agreements. Mr. Herriman said he was happy to answer any questions. Mr. Dorsey and Mr. Jackson said that they needed an update. Dr. Monteiro read from the unapproved minutes of the June 6th meeting. The minutes read:

Mr. Pinkerton said that a couple of years ago Mr. Chuck Herriman with Bluff's Basin asked that the Utilities to consider taking over the Water and Sewer system at Blue Heron. Mr. Herriman explained that he owned a private utility, Bluff's Basin, for public purposes. The Utility at the time had utilities out to Val Lane. The agreement was that Bluff's Basin would extend the Utilities to Blue Heron. Mr. Herriman's partner Mr. Braun passed away three years ago. Prior to his passing, Mr. Braun held the same designation as Mr. Pinkerton. Mr. Herriman shared some photos of the subdivision. He explained that unfortunately the subdivision did not develop as thought due to the economic situation of Marion after several companies left the community. Mr. Herriman explained that he would like Marion Utilities to take over the private utility. Mr. Herriman said he had always had a great appreciation and respect for Marion Utilities and believed Marion Utilities to be a great governmental division. He also shared that he had worked with Bill McElhaney, Chuck Binkerd, Mrs. Shrader, and Mr. Pinkerton as well as the Utility attorney Chris Janak on this matter. Mr. Herriman said he would appreciate it if the Utilities would take over Bluff's Basin. Mr. Logan asked if there were any questions. Mr. Lewis asked about the subdivision being undeveloped. Mr. Herriman explained that the services were installed at each lot, but there were 19 lots without homes on them. Mr. Carl asked how the rates there compared to those of Marion Utilities. Mr. Herriman said that the rates were lower as they had not been raised since its inception. Mr. Herriman shared that his bill on 4th Street was approximately \$90 and those at Bluff's was closer to \$78. Mr. Herriman thanked the Board for their consideration. Mrs. Shrader said that next steps would be to work on the agreements. Mr. Logan asked if Solid Waste services would be provided. Mr. Pinkerton said yes, that residents had actually signed up for solid waste services approximately four months ago. Mr. Carl asked if the new meters would be installed there. Mrs. Shrader said yes. Mr. Lewis asked if the water source now was Marion Utilities. Mrs. Shrader answered in the affirmative. Mr. Logan thanked Mr. Herriman for his presentation.

Mrs. Shrader asked Mr. Pinkerton if he could review the numbers again. Mr. Pinkerton explained that when Blue Heron was developed, the water and sewer mains were installed according to Marion Utilities' specifications. Because of this there wasn't any issues with the installation or materials used. Mr. Pinkerton explained that the way the reimbursement would work followed the Three Year Rule which was calculated by three years' worth of the anticipated revenue. There were 16 water users and 19 sewer users. Based upon the average user rates the reimbursement to Mr. Herriman for sewer was \$27,810 and for water \$24,741 which totaled approximately \$52,000. Mr. Pinkerton said this was a fraction of what Mr. Herriman and his

partner had invested. Mr. Herriman said he had invested \$460,000. Mr. Jackson asked if residents were already using Solid Waste services. Mr. Pinkerton said yes, however, residents were out of the City and could switch back to another carrier if they would so desire. Mr. Jackson asked if there were other areas outside of the City receiving services. Mr. Pinkerton said yes, Quail Hollow and Stonecrest. Mr. Jackson asked if Bluff's Basin would be annexed. Mr. Pinkerton said no that this would not annex them. Mr. Pinkerton explained that right now there was a master meter and one bill. In the future, each resident would receive their own individual bill. Dr. Monteiro thanked Mr. Logan for the time for added discussion Mr. Dorsey moved, seconded by Mr. Lewis, to approve the agreement. The members present voted as follows: Mr. Carl, abstain; Mr. Dorsey, aye; Reverend Green, aye; Mr. Jackson, aye; Mr. Lewis, aye; Mr. Logan, abstain; and Dr. Monteiro, aye. Motion passed by a majority. Mr. Herriman thanked the Board.

TRANSFERS & PAY REQUESTS

There were no transfers or pay requests.

CUSTOMER REQUESTS: 4313 MIDDLETON COURT; 3607 S WESTERN; 3056 MONTPELIER PIKE

Mrs. Humphries stated that there were three requests before the Board. The first request was from 4313 Middleton Court. The customers at this address had an unknown toilet leak in the back bathroom. The bathroom was one that went unused. At the time of the leak, the family was on an extended vacation, and because they were only on vacation, they did not want to discontinue services. Mrs. Humphries stated that there were two previous requests that were similar in nature so she requested that the issue be assigned to Committee for review. Dr. Monteiro asked what the bill was and what the adjustment may be. Mrs. Humphries answered that the bill was currently \$1,027.43. Normally, bills would have the sewer adjusted back to the normal bill and half of the water charges would be adjusted off. The customer's normal bill was approximately \$107. Mrs. Humphries stated that a previous adjustment similar in nature to this was made but the terms were slightly different.

Mrs. Humphries said the second and third requests were similar in nature. The request from 3607 S Western made by Mr. & Mrs. Robert Monroe who has owned the property since 2013. This property used to be on a well so there weren't any service lines installed. Mrs. Monroe stated that the tap to the service lines runs under Western Avenue, and all of the contractors the Monroes have spoken to either don't or won't dig under Western Avenue. Mrs. Monroe stated that to her recollection there was some discussion about tapping into a line by the Dodge dealership or the small engine repair company. The last request came from 3056 E. Montpelier Pike. The customer at this address were paying for sewer, solid waste, and stormwater services. The owner would like to receive water services as well but states that she could not have services. The owner states that her neighbor to the east of her has services and wants to know why she can't. The other part of the request was to have an adjustment of sewer charges from the time that her house burnt to current. Mrs. Humphries requested that all three requests be assigned to Committee for further review and discussion. Mr. Logan assigned the requests to Committee.

APPROVAL OF BL ANDERSON PROPOSAL

Mrs. Shrader said the proposal was for some plugged valves. These were part of the water treatment process in the claricone building where the lime softening occurs. On a daily basis, a blown down of the cone is done to send some spent lime to the lagoons. Mrs. Shrader explained

that in order to do that there was a series of valves that had to be opened and closed. The ones that had to be closed were leaking to the point where the actuator had been gone for some time and so the process has been done manually. Mrs. Shrader said that there was some leaking so now would be the time to replace the valves. BL Anderson was the only one to do this type of work so there was no competition. The cost for the valves for both claricones was \$20,240. Mr. Logan asked if this was budgeted. Mrs. Shrader stated that it was not budgeted, however, there was a certain amount of money budgeted each year for repairs and this would fall within the budgeted amount. Dr. Monteiro moved, seconded by Reverend Green, to approve the proposal submitted by BL Anderson. All board members present voted aye. Motion carried unanimously.

COMMONWEALTH CSO-009

Mr. Pinkerton said the Board might remember the map with the pretty colors. Mr. Pinkerton said that he thought it was time to move forward with the CSO-009 project which was part of the Long Term Control Plan. Due to issues with the new tank and the previous consultant's modeling there was some delays in moving forward. Originally, this project was scheduled to be completed in January. Mr. Pinkerton said engineering was ready to move onto design. He stated that a 0.93 million gallon tank so basically a 1 million storage tank was needed. The tank would be underground. Its projected cost was approximately \$11 million. Mr. Pinkerton received a proposal from Commonwealth. The proposal includes updating the models, design, permits, field work, utility coordination, bidding, negotiation, construction, engineering, resident property representation during the construction phase, post construction monitoring, and dealing with IDEM for \$2,157,974. Mrs. Shrader said this was in the budget under the Long Term Control Plan Reserves. Mr. Carl asked if this would have to be bonded. Mrs. Shrader said that a bond was anticipated. Mr. Carl asked how Commonwealth would be paid as in what was the schedule for payment. Mr. Pinkerton said that some of it would be based upon completion date and some would be based on hourly charges. Mr. Lewis moved, seconded by Mr. Carl, to approve the Commonwealth proposal. All board members present voted aye. Motion carried unanimously.

COMMONWEALTH TREATMENT PROCESS INVESTIGATION

Mrs. Shrader said this involved the same engineering group with a slightly different focus. She explained that there were some concrete and potential structural issues in the south plant. Mrs. Shrader said she didn't know for sure that there were structural problems, but this would be a complete analysis of the structure to determine if there were problems. The hydraulics and the treatment process assessment in conjunction with the new CSO tank. Mrs. Shrader stated that the impact that it could have on the plant along with possibility of managing additional overflow with some of the excess storage space at the wastewater treatment plant. Mrs. Shrader said that dewatering bio-solids was being researched. If it were decided that digesters were no longer needed for bio-solids, they could be considered for the CSO project. Mrs. Shrader said that this contract was significantly less. The contract came in at \$115,036 which consisted of three tasks: structural assessment, hydraulic and process assessment, and the project management. 115,036. Mr. Carl asked if this was budgeted. Mrs. Shrader said that this was part of the Long Term Control Plan and the funds could be taken from the reserves. Mr. Lewis moved, seconded by Mr. Carl, to approve the contract. All board members present voted aye. Motion carried unanimously.

GILEAD MINISTRY SPONSORSHIP REQUEST

Mrs. Humphries presented a sponsorship request from Gilead Ministries for their annual golf outing. Mrs. Humphries said that this event had been sponsored in the past. She recommended sponsoring the event at the \$250 level. Dr. Monteiro said that she thought it would be good to sponsor the event since it had been sponsored in the past. Mr. Lewis moved, seconded by Dr. Monteiro, to approve the sponsorship request at \$250. All board members present voted aye. Motion carried unanimously.

UPDATE OF JOB DESCRIPTION

Mrs. Shrader explained that the Personnel Committee met earlier this week to discuss the search for an Assistant Director for Operations & Maintenance. The hiccup seemed to lie within the job description as the job description currently required a candidate to possess a valid Indiana Class IV Wastewater Treatment Operation Certificate, Indiana WT3 Drinking Water Operation Certificate, and an Indiana DSL Distribution System Operation Certificate. There were not a lot of individuals that hold all three certificates. Mrs. Shrader suggested changing the language in the job description under the licensure requirements from “must possess” to “strong preference for possession of” and strike out the language about obtaining the certificates within one year of employment. Mrs. Shrader stated that this had been done in the past with other job descriptions. This would mean that the process would start from scratch. The current candidate would not be disqualified. The candidate has been spoken with and he was interested in staying on the list for consideration. The posting would be done internally and externally for two weeks. Dr. Monteiro moved, seconded by Mr. Lewis, to approve the proposed changes to the job description. All board members present voted aye. Motion carried unanimously.

SENIOR LEADERSHIP REPORTS

P. Pinkerton, Assistant Director for Engineering & Solid Waste

Mr. Pinkerton reported that June was the third lowest month on record for Solid Waste. Mr. Dorsey asked if the City Clean-Up event had anything to do with the low numbers. Mr. Pinkerton said he wasn't sure if the City Clean-Up had anything to do with this or not.

R. Shrader, Utility Director

Mrs. Shrader stated that she had been in contact with IDEM. IDEM would like to see some changes for the stormwater runoff at the Water Utility. Mrs. Shrader said this would involve shoring things up a bit. On another topic, Mrs. Shrader stated that there were five Thursdays in August. On August 15th, the IWEA conference would be concluding. Mrs. Shrader suggested moving the August 15th meeting to August 22nd.

BOARD MEMBERS' COMMENTS

Dr. Monteiro said it had been a pleasure serving with everyone. Mr. Logan thanked Dr. Monteiro and Mr. Jackson for their service.

CHAIRMAN'S REMARKS

Mr. Logan thank everyone for their attendance. Mr. Logan said that he appreciates everyone showing up and staying for a longer meeting.

The next meeting was scheduled for 5:30 p.m. on Thursday, August 1, 2024.

There being no further business before the Board, Mr. Lewis moved, seconded by Dr. Monteiro, to adjourn the meeting. All board members present voted aye. Motion carried unanimously.

Meeting adjourned at 6:27 p.m.

Robert Logan, Chairman
Marion Utilities Service Board

ATTEST

A handwritten signature in cursive script that reads "Misty D. Humphries". The signature is written in black ink on a light-colored background.

Misty Humphries
Its Secretary