

ORDINANCE 2025-34

**TO ESTABLISH A FUND FOR THE PROCEEDS OF THE SURETY BOND SECURED FOR
WORK ON FIBER OPTICS NETWORK
FOR THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA**

- WHEREAS, the City of Bloomington (City) entered a public-private partnership with Meridiam Infrastructure North America Corporation (Meridiam) to build an open-access fiber network in Bloomington; and
- WHEREAS, Meridiam created an entity called Hoosier Networks LLC (Hoosier Networks), to construct, install and manage their networks in Indiana; and
- WHEREAS, on June 22, 2022, the City entered into a Master Development Agreement with Hoosier Networks (now d/b/a mStreet Fiber Indiana) to construct, maintain and operate an open-access Fiber-to-the-Premise (FTTP) network within the City that would provide substantial community coverage including to low income residences; and
- WHEREAS, Hoosier Networks identified Atlantic Engineering Group, LLC, later known as Trueline (AEG) as the contractor to perform the infrastructure work; and
- WHEREAS, in accordance with Bloomington Municipal Code 12.08.060, AEG was required to file a bond payable to the City with the City Engineer prior to receiving a permit to work in the right of way; and
- WHEREAS, AEG field Bond Number 1160465, in the amount of One Million Dollars (\$1,000,000), issued by Lexon Insurance Company of Louisville, Kentucky, with the City Engineer and was conditioned to hold the city harmless from any loss, cost or damage by reason of such proposed work, and that the same shall be done in all respects in conformity with the requirements of all laws regulating the same; and
- WHEREAS, during the course of AEG operating in the right of way, the City of Bloomington Engineering Department issued notice of violations (“NOVs”) against AEG for noncompliance with Title 12 of the Bloomington Municipal Code which remained unanswered and unresolved by AEG; and
- WHEREAS, AEG eventually left the job site and has since commenced a corporate dissolution, leaving the NOVs unresolved which necessitated the City’s decision to call Bond Number 1160465; and
- WHEREAS, the City has received payment from Bond Number 1160465 in the amount of One Million Dollars (\$1,000,000) due to AEG’s failure to resolve issues noted in the NOVs and/or to pay fines associated with NOVs.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

- SECTION 1. The City Controller (“Controller”) shall create a specific, non-reverting Fund to hold the entire surety payment from which distributions shall be made to cover any loss, cost or damages caused by AEG while operating in the right of way, pursuant to Bloomington Municipal Code 12.08.060, or for any other lawful purpose. The Council authorizes the Controller to take all necessary steps to effectuate this Section and to create the Fund.
- SECTION 2. The City Controller will return to Council to appropriate said funds to specific City departments as needed for recovery of any loss, cost or damage caused by AEG’s work in the right of way in keeping with Bloomington Municipal Code 12.08.060, or for any other lawful purpose.
- SECTION 3. If any sections, sentence or provision of this ordinance, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 4. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 17 day of September, 2025.


HOPI STOSBERG, President
Bloomington Common Council

ATTEST:


NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 18 day of September, 2025.


NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 23 day of Sept., 2025.


KERRY THOMSON, Mayor
City of Bloomington

SYNOPSIS

This ordinance establishes a dedicated non-reverting fund to hold the One Million Dollars (\$1,000,000) received when the surety bond payment on Bond Number 1160465 was called due to failure by Meridiam Infrastructure North America Corporation’s subcontractor (AEG) to properly install fiber within the City limits. Damages were incurred by the City and certain Notice of Violations were issued by the City of Bloomington Engineering Department against AEG, who was working on Meridiam’s behalf, for violations of Title 12 of the Bloomington Municipal Code regarding work performed in the right of way. Appropriations of the funds will be requested by the City of Bloomington Controller to the City Council at a later date.

Distributed to: Clerk, Council Attorney, Controller, Legal, and Mayor.