

**UTILITIES SERVICE BOARD MEETING  
1/27/2025**

***Utilities Service Board meetings are available at CATSTV.net.***

**CALL TO ORDER**

Board President Debro called the regular meeting of the Utilities Service Board to order at 5:01 p.m. The meeting took place in the Utilities Service Boardroom at the City of Bloomington Utilities Service Center, 600 East Miller Drive, Bloomington, Indiana.

**Board members present:** Megan Parmenter, Kirk White, Jim Sherman, Jeff Ehman, Seth Debro, Molly Stewart, Amanda Burnham

**Board members absent:** Matt Flaherty, David Hittle

**Staff present:** Katherine Zaiger, Matt Havey, James Hall, Phil Peden, Dan Hudson, Nolan Hendon, Chris Wheeler, Kelsey Thetonia, Hector Ortiz Sanchez, Daniel Frank

**Guests present:** None

**PETITIONS AND COMMUNICATIONS FOR ITEMS OR TOPICS NOT FOUND ON THE AGENDA:** None

**MINUTES**

Debro noted that Board President was listed as Parmenter and that a T was missing in Matt Flaherty's first name. Debro requested both be corrected.

***White moved, and Sherman seconded the motion to approve the minutes of the 1/13/2025 meeting, pending corrections. Motion carried, seven ayes.***

**CLAIMS**

**Payable Claims Question**

Board member Sherman noted the charges for liability insurance were over \$500,000.00 and noted that it seemed like a lot of money. CBU Assistant Director - Finance - Havey agreed, adding that the City's Risk Department has warned that the charges will likely continue to increase next year as well. Parmenter questioned if CBU was shopping for better rates. Havey advised that the insurance decisions are handled by Civil City. Zaiger advised that Risk is exploring other options to ensure that CBU is getting the best rate. Board member Burnham questioned if this would be the last round of payable invoices for this year. Havey advised that there would likely be one more round at the next meeting. Parmenter questioned the process for how insurance charges are allocated. Havey is still waiting for an explanation from Risk and will provide that once available.

***White moved, and Sherman seconded the motion to approve the Payable Claims:***

Invoices included \$142,174.37 from the Water Fund and \$4,168.00 from the Water Construction Fund, \$108,330.23 from the Wastewater Fund, \$605,752.66 from the Wastewater Construction Fund, and \$14,353.58 from the Stormwater Fund.

***Motion carried - seven ayes. Total claims approved: \$874,778.84.***

***Sherman moved, and White seconded the motion to approve the Standard Claims:***

Invoices included \$513,698.26 from the Water Fund, \$725,095.64 from the Wastewater Fund, and \$65,460.48.

***Motion carried - seven ayes. Total claims approved: \$1,304,254.38.***

***White moved, and Sherman seconded the motion to approve the Utility Bills:***

Invoices included \$86,105.99 from the Water Fund, and \$96,494.87 from the Wastewater Fund.

***Motion carried - seven ayes. Total claims approved: 182,600.86.***

***White moved, and Sherman seconded the motion to approve the Wire Transfers, Fees, and Payroll for \$516,330.33. Motion carried - seven ayes.***

***White moved, and Sherman seconded the motion to approve the Customer***

***Refunds:*** Customer Refunds included \$2,472.24 from the Wastewater Fund and \$96.25 from Sanitation.

***Motion carried - seven ayes. Total refunds approved: \$2,568.49***

**CONSENT AGENDA**

CBU Director - Zaiger presented the following items recommended by staff for approval:

- a. Etica Group, \$7,840.00, Completion of a No-Rise Certification for north section of Winston Thomas
- b. Wessler Engineering, Inc., \$15,500.00, Engineering studies evaluating best methods of ventilation for belt press room at Monroe Treatment Plant
- c. MacAllister Machinery Co., Inc., \$10,464.60, Control panel for generator at Blucher Waste Plant
- d. Substation Electrical Testing Company, \$8,245.00, Repair high service pump #4 at Monroe Plant
- e. Polydyne, Inc., \$1.60 per pound, 2025 Supply of Polymer - Praestol K144 at Blucher Waste Plant
- f. Polydyne, Inc., \$1.60 per pound, 2025 Supply of Polymer - Praestol K275 at Dillman Waste Plant
- g. Polydyne, Inc., \$1.1495 per pound, 2025 Supply of Polymer - Praestol K110 at Monroe Water Plant
- h. Polydyne, Inc., \$.73 per pound, 2025 Supply of Polymer - Robin 120 at Monroe Plant

**Consent Agenda approved as presented. Total approved: \$42,049.60**

Parmenter questioned the difference in chemicals being used by the wastewater and water treatment plants. Assistant Director - Operations - Ortiz explained that the wastewater sludge that is processed at the Dillman and Blucher Poole Wastewater Plants already contains certain chemicals, so it requires a different type of chemical than what is used to treat the sludge at the Monroe Water Treatment Plant.

**REQUEST APPROVAL OF 2023 INTERDEPARTMENTAL AGREEMENT BETWEEN THE CITY OF BLOOMINGTON CIVIL CITY AND THE CITY OF BLOOMINGTON UTILITIES DEPARTMENT.**

Havey presented the agreement, noting that the numbers were arrived at using the same process used for the 2021 and 2022 Interdepartmental Agreements (IA) that were approved in 2023. Havey noted that CBU incurred charges related to expediting the Clear Creek Culvert and Civil City agreed to pay a portion of that which amounted to \$140,000.00 credit. Havey also noted that after reviewing records for Sanitation billing that CBU has been handling it was determined that CBU incurred \$79,000.00 in charges from credit card fees which was credited back to CBU. The other changes reflected in the IA were simply adjustments based on 2023 cost. Havey added that CBU plans to revisit the allocation of cost process with the Controllers office for 2024. Burnham questioned the Sanitation billing credit card fees credit, specifically what date range it covered. Havey advised that it covered the charges incurred for the entire time that CBU has managed billing for Sanitation. Burnham questioned the credit for Control 24x7. Havey advised that CBU has an operator available 24x7, 365 days a year that handles calls for other city departments. Burnham questioned which department. Havey noted CBU, Street, Parks, and Animal Control. Burnham questioned if the credited amount was enough to cover the services that CBU is providing to the other departments. Havey explained that the credited amount accounts for half of the yearly budget for the control office. Burnham questioned why CBU is not paying a quarter of the budget since it is providing the service for four separate departments. Havey indicated he was charging Civil City one amount and leaving the allocation of those charges to the specific departments up to them. Burnham questioned if the charges for Sanitation billing were for the 2023 calendar year. Havey confirmed. Burnham questioned why the credit card fee charge for Sanitation billing went through 2024. Havey explained that since CBU will no longer be paying these fees, it made more sense to cover all the charges once and not have to account for it next year. Ehman questioned the percentages used to allocate charges and how often those were being updated. Havey advised that the same percentages used for the IA in 2021 and 2022 were used for this year, adding that CBU plans to reevaluate the percentages with the Controllers office and potentially make adjustments. Ehman questioned if there was a way for CBU to calculate the total number of kilowatts and apply some assumptions regarding the value of that energy production compared to the \$224,000.00 expense to determine if CBU is benefiting from this program. CBU Data Analyst - Hendon advised that CBU could analyze the total kWh generated at each site and determine what CBU is being charged per kWh to determine the overall cost savings and see how that total compares with the yearly expense. Hendon added that ESG should be monitoring these numbers as well as part of the service they provide and he will reach out to the company representative to request that information. Ehman questioned if the analysis could also be performed in-house. Hendon advised that it would be simple to collect the data. Ehman noted that he does not see a credit from Civil City for a portion of the streetsweeping services that CBU is now providing that should be funded by taxes rather than ratepayer funds. Ehman emphasized that these costs should be covered by tax revenue rather than utility funds, noting this is the fifth time raising the concern and sought a clearer method to categorize street sweeping benefits. To support the argument, Ehman consulted AI, which identified nine key benefits of street sweeping, categorized into safety, environmental, and general municipal advantages. They outlined that two of these benefits—protecting waterways (preventing pollution and flooding) and improving drainage (ensuring stormwater systems remain unobstructed)—are clearly utility-related. However, the remaining seven benefits, including accident prevention, pedestrian and cyclist safety, air quality improvement, litter reduction, improved road aesthetics, extended pavement lifespan, and cost savings from reduced

infrastructure damage, are responsibilities of the Civil City. These benefits, Ehman contended, align with public safety, health, and aesthetics—areas that should be funded by taxpayer revenue rather than utility fees. Ehman further explained that Bloomington residents pay both city taxes and stormwater fees, meaning the same group of people funds both sources. While the total revenue collected does not change, Ehman asserted that reallocating some costs to tax-based funding would be more legally appropriate. Ehman advocated for developing a defensible methodology to determine the percentage of street sweeping costs that the Civil City should cover and proposed collaborating with staff and the board to establish a formal allocation system. Ehman expressed his willingness to continue pressing the issue, but hoped for a resolution in the upcoming year through cooperative efforts rather than continued reiteration of the concern. Sherman questioned if CBU incurred any cost from Civil City for the benefits it gained from the City run street sweeping program, emphasizing that this argument cuts both ways. Zaiger highlighted the overlap and collaboration between city departments, particularly CBU and DPW, in handling street sweeping and related responsibilities. Zaiger recognized that both receive benefits from the work performed, but explained that CBU's street sweeping is primarily designed around MS4 compliance, aiming to protect waterways and clean curb lines, whereas DPW continues to handle tasks like clearing debris after accidents and responding to road obstructions. Zaiger also pointed out that some street sweeping benefits, such as preserving pavement integrity, extend beyond aesthetics and contribute to MS4 goals by preventing crumbling pavement from polluting waterways. Zaiger suggested further evaluation of whether labor contributions are appropriately aligned with each department's mission and whether the division of responsibilities is equitable. While CBU's street sweeping routes are determined by land use, traffic patterns, and pollution levels rather than aesthetic concerns, Zaiger acknowledged that some overlap in benefits is inevitable. Zaiger cited a recent example of interdepartmental cooperation, where BPD and DPW assisted during a water main break by salting affected areas to ensure public safety. Recognizing the legal and financial concerns regarding payment for services, Zaiger emphasized the need for further discussion to determine whether it is justified for CBU to contribute financially to street sweeping. Zaiger concluded by suggesting that this issue be revisited during the next interdepartmental process to assess the validity and necessity of such contributions. Ehman acknowledged that he may be the only one advocating for this issue but maintained that the city still benefits from street sweeping, even if those benefits are not the primary intent of CBU's work. The city previously covered these costs and, while past practices may not dictate current policies, there should still be a fair accounting of expenses. Ehman noted that the primary concern is ensuring that charges are correctly allocated—utilities should only pay for what falls under their responsibilities, and city expenses should not be shifted onto the utility. While progress has been made in addressing these historical funding issues, Ehman identified this as a remaining loose end that warrants further attention and urged the board to consider revisiting this topic and determining whether the city should contribute a portion of the costs in the next interdepartmental agreement. Zaiger noted the ongoing work with Second Nature, a consultant assisting in designing street sweeping routes and program development. The final phase of their contract includes delivering a technical memo outlining recommended next steps for maintaining or expanding the program. Since the memo is still being completed, there may be an opportunity to request an additional analysis to determine how much of the program's benefits contribute to MS4 compliance versus broader city benefits. Ehman advised that if CBU plans to take this argument to the City it will need a defensible proposal, so he would advocate this study be done. Sherman questioned how the percentages used in the interdepartmental were determined, specifically related to Human Resources and ITS, and noted that he wasn't sure if the USB ever received any answers. Havey advised that these questions are what will be looked at during the revaluation of the agreement for 2024. The last time the percentages were adjusted was over five years ago and much has changed since then. Parmenter suggested searching for other cities where the water

utility provides street sweeping services for the city and determine if the city shares the cost in any way. Zaiger agreed to the idea. Parmenter questioned when the USB would likely see the 2024 IA. Havey advised he was uncertain of a timeline but noted that it would be nice to have it completed within the first half of the year.

***White moved, Sherman seconded to approve the 2023 Interdepartmental Agreement. Motion carried - seven ayes.***

#### **REQUEST APPROVAL OF PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH WESSLER ENGINEERING, INC.**

CBU Capital Projects Manager - Hudson presented the agreement noting that in the previous year CBU experienced a failure in one of the alum tanks at the Monroe Water Treatment Plant and upon inspection it was determined that the other two tanks need to be replaced as well. Monroe plant is operating at  $\frac{2}{3}$  capacity on alum and IDEM requires a 30 day supply be kept on-hand and the plant is currently out of compliance. Hudson advised that this contract provides for engineering design assistance in determining how to install the tanks in the building. Burnham requested an estimate of the construction cost to replace the tanks. Hudson estimated between \$800,000.00-\$1,000,000.00 for the replacement, depending on the final plan for tank installation which poses challenges because of the size of the tanks. Ehman questioned if there was any downside to CBU being out of compliance, or if because CBU was acting on the issue, everything is okay. Hudson confirmed. Parmenter noted the expense of the project and questioned if there are similar projects at Monroe that could benefit from this engineering contract. Hudson noted that another major project that will soon take place at the Monroe plant is the chemical feed line replacement, but it is in another building. Parmenter noted that there isn't necessarily a cohesive plan for the plant updates, but multiple individual projects that take place at different times. Hudson confirmed.

***White moved, Sherman seconded to approve the agreement with Wessler Engineering, Inc. Motion carried - seven ayes.***

#### **REQUEST APPROVAL OF AMENDMENT NO.1 TO ON CALL AGREEMENT WIT WESSLER ENGINEERING, INC.**

CBU Utilities Engineer- Menefee presented the amendment noting that Wessler Engineering provides maintenance and repair for data control systems and CBU needs to add \$15,000.00 to the agreement for a total of \$40,000.00.

***White moved, Sherman seconded to approve Amendment No.1 with Wessler Engineering, Inc. Motion carried - seven ayes.***

#### **REQUEST APPROVAL OF AGREEMENT FOR SERVICES WITH MACALLISTER MACHINERY CO., INC.**

Ortiz presented the agreement noting that a transfer switch at the Dillman plant was not operating correctly and maintenance techs were being forced to operate it manually. The amount of voltage that passes through the switch made this process unsafe, so an emergency repair was completed and this is the contract for the associated work. Parmenter noted that the contract was not on the consent agenda, and questioned why given the dollar amount. Assistant City Attorney - Wheeler advised that because of the special process being used for the contract, it was placed as a separate agenda item to provide the opportunity to answer any questions from the board. White noted that the Dillman plant can not run at full capacity while on generator, and questioned what this specific transfer switch controlled. Ortiz advised that this switch controlled the generator responsible for the pumps that would push wastewater to the

equalization (EQ) basin. White clarified that the generator operates the pumps that push wastewater coming to the plant into the EQ basin for storage in the event of a power outage at the plant. Ortiz confirmed. White questioned the storage capacity of the EQ basin given average daily flow to the plant. Ortiz advised that with average flow conditions the EQ basin could store roughly 3 days worth of wastewater.

**White moved, Sherman seconded to approve the agreement with MacAllister Machinery, Co., Inc. Motion carried - seven ayes.**

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**SUBCOMMITTEE REPORT:** Board member Stewart advised that the Administrative Subcommittee met to discuss the appeals process, particularly whether appeals should be handled within subcommittee meetings. During the discussion, it was noted that these meetings were not being recorded or documented with meeting minutes. Wheeler will investigate whether that is required. Until this is clarified, appeals will not be addressed in subcommittee meetings. Given the current number of appeals, the recommendation is to continue reviewing them on a case-by-case basis at board meetings. If possible, legal information on appeals will be gathered before the next board meeting to aid in decision-making. Additionally, if an appeal pertains to a broader issue, the subcommittee may consider discussing it in a separate session. Zaiger noted that Title 13 might be influencing different types of appeals, so board members may choose to familiarize themselves with it in advance.

**STAFF REPORTS:** Zaiger took a moment to commend the crews who successfully repaired two major water main breaks on Friday - one at College Mall and the bypass, and the other on Bloomfield Road. Despite difficult traffic conditions, inclement weather, and the complexity of the repairs, the crews managed to complete the work quickly and safely. Special appreciation was also given to the Bloomington Police Department for redirecting traffic and closing streets, as well as to Public Works for salting the area and providing additional assistance to ensure crew safety. Zaiger expressed gratitude for the teamwork that made these repairs possible. Zaiger announced the appointment of Kelsey Thetonia as the new Assistant Director of Environmental Programs.

**PETITIONS AND COMMUNICATIONS:**

**ADJOURNMENT:** Debro adjourned the meeting at 5:49 pm

  
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Seth Debro, President

2/10/2025  
Date