Utilities Service Board Regular Meeting

7/13/2026

Utilities Service Board meetings are available at CATSTV.net.

Call to Order

Board President – White 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: Kirk White, Molly Stewart, Seth Debro, Amanda Burnham, Jim Sherman, Megan Parmenter, Graham McKeen

Board members absent: Matt Flaherty

Staff present: James Hall, Matt Havey, Kelsey Thetonia, Chris Wheeler, Daniel Hudson, Breanna Hume, Steven Stanford, Rachel Gray

Guests present: None.

Petitions and Communications: None.

Minutes

Stewart moved, and Sherman seconded the motion to approve the minutes of the Regular Meeting held on 6/29/2026. Motion carried, seven ayes.

Claims

Stewart moved, and Sherman seconded the motion to approve the Standard Invoices:
Invoices included $232,051.16 from the Water Fund, $1,120.00 from the Water Construction Fund, $228,935.38 from the Wastewater Fund, $118,703.75 from the Wastewater Construction Fund, and $26,741.74 from the Stormwater Fund

Motion carried, seven ayes. ***Total claims approved: $607,552.03***

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

Invoices included $97,149.11 from the Water Fund, $97,091.01 from the Wastewater Fund, and $86.76 from the Stormwater Fund.

Motion carried, seven ayes. ***Total revised claims approved: $194,326.88***

Stewart moved, and Sherman seconded the motion to approve the Wire Transfers, Fees, and Payroll:

Motion carried, seven ayes. Total claims approved: *$662,312.11*

Stewart moved, and Sherman seconded the motion to approve Customer Refunds:

Invoices included $2,841.78 from the Water Fund, $1,669.28 from the Wastewater Fund, $15.34 from the Stormwater Fund and $9.28 from the Sanitation Fund.

Motion carried, seven ayes. Total claims approved: *$4,535.68*

Consent Agenda:

Assistant Director - T&D – Hall presented the following items recommended by staff for approval:

a. Siemens Industry, Inc., $17, 459.00, VFD maintenance at Dillman Wastewater Plant
b. Koorsen Fire & Security, $4,922.00, Customer Service intercom upgrade with three-year subscription for two devices
c. Young Trucking, Inc., $500.00, Lead paint disposal at Dillman Wastewater Plant

Consent Agenda was approved as recommended by staff. Total approved: $22,881.00 (non-chemical contracts)

Request Approval of Settlement Agreement between CBU and Milestone Contractors, LP

City Legal – Wheeler presented a request for approval of a settlement agreement (originally drafted as a memorandum of understanding) between CBU and Milestone Contractors regarding damage to CBU sewer infrastructure associated with a City engineering road project.

Wheeler explained that after Milestone completed road reconstruction work, CBU conducted video inspections of the affected sewer lines and identified several areas of damage consistent with heavy construction activity. Wheeler said that, because CBU had not completed a pre-construction inspection and the infrastructure is older, CBU could not conclusively prove when the damage occurred. Wheeler went on to say that, likewise, Milestone could not definitively establish that it was not responsible. Wheeler said that rather than pursue costly and time-consuming litigation, the parties negotiated a settlement under which CBU will complete the repairs and Milestone will reimburse approximately one-half of the anticipated repair costs and provide specified construction materials.

Wheeler noted that the agreement includes a provision requiring 15 days' advance notice before work begins. Because repairs were scheduled to begin the following day, Wheeler explained that Milestone had indicated it did not object to waiving the notice requirement in practice, although final confirmation from its attorney had not yet been received. Wheeler requested approval of the agreement as written.

Board Member – White asked about the original relationship between CBU and Milestone. Wheeler clarified that Milestone's contract was with the City's Engineering Department for roadway improvements, not with CBU. Wheeler added that CBU's concern is that removal of the roadway surface followed by heavy construction traffic likely damaged the sewer line beneath. Board Member – Sherman asked how the damage was identified. Wheeler explained that post-construction video inspections revealed sections of pipe that had become dimpled or deformed to the extent that inspection cameras could not pass through, indicating the potential for future flow restrictions. Sherman asked whether the damage had been discovered because of operational problems. Assistant Director - T&D – Hall responded that there had been no active blockage or failure; the damage was identified through a routine post-construction inspection. Hall also explained that CBU is implementing a practice of evaluating sewer infrastructure before major construction projects involving roadway excavation or significant heavy equipment activity, particularly where inspection records are outdated. Hall also noted that CBU coordinates regularly with the City's Engineering and Public Works Departments through recurring meetings to identify upcoming projects that may affect utility infrastructure. Board Member – Debro asked whether CBU crews would perform the repairs. Hall confirmed that CBU personnel will complete the sewer work, while the Street Department will mill and repave the roadway. Hall further explained that because the roadway is less than three years old, City standards require milling and repaving the full roadway after utility cuts. Hall added that the settlement includes Milestone providing the necessary paving materials, while CBU will provide the labor.

Stewart moved, Sherman seconded to approve Settlement Agreement between CBU and Milestone Contractors. **Motion carried, seven ayes.**

Old Business:

Assistant Director - T&D – Hall announced that the approved water rate increase will take effect August 1, with customers seeing new rates based on their customer class. Hall noted that the additional revenue will support planned capital improvements and infrastructure investments throughout the utility. Board Member – White encouraged staff to communicate clearly with customers about how the additional revenue will be used. Board member suggestions included

- Including a bill insert or message explaining the purpose of the rate increase.
- Highlighting major capital improvement projects, including upgrades at the water treatment plant and improvements to the transmission and distribution system.
- Providing a concise summary in mailed billing materials with additional project information available on the utility's website.
- Ensuring communication reaches customers who may not regularly access online news releases or social media.

CBU staff agreed to develop a customer communication explaining the planned investments funded by the rate increase.

New Business:

Board Member – Parmenter recognized the departure of David Hittle, former City of Bloomington Planning and Transportation Director, who recently accepted a position in North Carolina. Board members expressed their appreciation for his more than two years of service on the Utility Service Board and thanked him for his contributions to both the Board and the City.

Parmenter asked whether cyclosporiasis is monitored through CBU's wastewater testing program. Board Member – McKeen explained that the illness is reportable in Indiana but is not currently monitored through CBU’s wastewater. The Board noted the value of CBU's wastewater monitoring efforts in supporting public health by tracking other infectious diseases within the community.

Subcommittee Reports:

Board Member – Sherman reported that the Finance Subcommittee met immediately prior to the Board meeting and reviewed two agenda items:

- An initial presentation of the proposed 2027 budget, which will be presented to the City Council later in the summer. The largest anticipated revenue change is the implementation of the newly approved water rates.
- Preliminary operating results for the first and second quarters of 2026. Revenues were reported to be approximately 1% above projections in both quarters. Expenses were below budget by approximately 25% in the first quarter and 16% in the second quarter, although staff expects expenditures to increase later in the year as planned projects move forward.

The committee also discussed anticipated expense increases in 2027, including higher fuel and energy costs.

Staff Reports:

Hall reported the hiring of Ted Prince as a new Heavy Equipment Operator, noting that he brings many years of experience to the department. Hall also announced the upcoming retirements of two long-serving employees:

- Paul Chasteen, Engineering Field Technician, will retire after more than 50 years of service. Hall recognized Mr. Chastain's role in establishing CBU's CCTV sewer inspection program and his decades of work inspecting sewer infrastructure.
- Kevin Housel, Assistant Superintendent, will retire after more than 40 years with the utility, including nearly 20 years as Assistant Superintendent. Hall thanked Mr. Housel for his many years of leadership, service, and commitment to the utility and the community.

Hall noted that recruitment is underway to fill the Assistant Superintendent position following Mr. Housel's retirement.

Petitions and Communications: None.

Adjournment:

White adjourned the meeting at 5:27 pm.

Signed by:
Kirk White
0DAD16ADB35049F...

7/28/2026

Kirk White, President

Date