Utilities Service Board Regular Meeting

11/2/2026

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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, Lynn Coyne

Board members absent: Matt Flaherty

Staff present: Katherine Zaiger, Daniel Hudson, Liz Carter, Phil Peden, Matt Dabertin, Matt Havey, Katherine Liu, Carson Swofford, Tonia Ikediashi, Kelsey Thetonia, Chris Wheeler, James Hall (via Zoom), Hector Ortiz Sanchez (via Zoom)

Guests present:

Petitions and Communications:

Barry Lemming – Bloomington Resident and Business Owner addressed the Board regarding an unusually high water bill resulting from approximately 70,000 gallons of water usage at a condominium he and his wife recently purchased in Peppergrass through a sheriff's sale. Lemming explained that when he initially arranged to have the water service connected, he heard a toilet running and shut off the toilet's water valve. Approximately a month and a half later, after allowing the previous owner to retrieve belongings from the property, he returned and discovered the toilet running again. He subsequently received a water bill exceeding $1,120, which increased to approximately $1,200 with late fees. Lemming submitted an adjustment request but was denied because the water had entered the sewer system. He also met with Assistant Director - Finance – Havey and Accounts Receivable Manager – McGregor, who explained that they did not have the authority to adjust the bill.

Lemming requested that the Board consider an adjustment to his bill but also raised concerns about CBU's water usage notification system. Drawing on his experience as a former software developer, he advocated for an automatic enrollment system for high-usage alerts, with customers given the option to opt out rather than requiring them to create an account and manually enroll. He noted that many other utility providers automatically enroll customers in emergency notification programs. Lemming argued that the current opt-in process leaves property owners, landlords, investors, and customers with vacant properties vulnerable to

undetected leaks and excessive water usage. He emphasized the environmental consequences of wasting approximately 70,000 gallons of treated water, including the energy and resources required for water purification and wastewater treatment. He suggested that automatic enrollment would help prevent unnecessary water and energy waste while protecting customers from unexpectedly high bills.

Board President – White thanked Lemming for bringing both concerns to the Board and stated that staff would review the applicable regulations regarding bill adjustments and provide a definitive response at the next meeting. White also expressed interest in researching the automatic enrollment suggestion. White noted that establishing an appropriate usage threshold could be challenging for new customers because CBU would not initially have a baseline for their normal water consumption. However, he acknowledged that the proposal had merit, particularly given Bloomington's transient rental population and the potential for property owners to be unaware of problems occurring at vacant or tenant-occupied properties.

Board Member – Burnham expressed strong support for researching automatic enrollment, stating that CBU should be proactive rather than relying on customers to recognize and respond to optional notifications. She acknowledged that implementing the system could initially generate additional customer service inquiries but believed those conversations would help educate customers about the program. She also suggested that historical usage information and rental property data might help establish reasonable thresholds for excessive consumption.

White further discussed the importance of establishing usage baselines and noted that he personally receives alerts when household consumption exceeds his established threshold, such as when family members visit and use additional water. He agreed that the proposal should be researched before the next meeting.

Lemming clarified that he had received an email when the water service was established but had not opened it because he already knew the water had been connected. He explained that he did not recall whether notifications were offered separately or only through the paperless billing enrollment process. Lemming stated that he prefers receiving paper bills because he maintains physical records for each of his properties and reiterated that automatic enrollment with an opt-out option would be preferable.

Board Member – Sherman explained that the USB generally cannot authorize adjustments to the water portion of a bill when the water has passed through an accurately functioning meter. He noted that wastewater charges may sometimes be adjusted when customers demonstrate that water did not enter the sewer system.

City Legal – Wheeler clarified that metered water must be paid for regardless of how it was used. Wastewater adjustments may be considered when customers demonstrate that water was lost through a break in a line outside the home and did not enter the wastewater system. However, because the water in Lemming's case ran through a toilet and entered the sewer system, neither the water nor wastewater charges could be adjusted. Wheeler also noted that

CBU has provisions allowing customers to establish payment arrangements to pay outstanding balances over time without becoming delinquent.

Lemming explained that he believed the previous owner had turned the toilet back on when she returned to retrieve her belongings without notifying him.

Board Member – Stewart shared her own experience with a water line break and suggested that CBU supplement door hangers with direct notifications to customers through email or telephone calls. She emphasized that customers may not be present at a service address, particularly when the billing address differs from the property address. She suggested that CBU could use reports identifying unusually high usage and have customer service contact affected customers before the problem continues.

CBU Director – Zaiger explained that the department had previously worked with Tyler Technologies to implement Tyler Notify text message alerts for delinquent accounts. Zaiger indicated that a similar system might be adaptable for excessive water usage notifications, although additional research would be necessary. Staff confirmed that current high-usage alerts are delivered through email rather than text messages.

The Board thanked Lemming for his comments and agreed that staff would research automatic enrollment and alternative notification methods before the next meeting.

Minutes

Stewart moved, and Sherman seconded the motion to approve the minutes of the Regular Meeting held on 10/19/26. Motion carried, six ayes.

Claims

Stewart moved, and Sherman seconded the motion to approve the Standard Invoices:
Invoices included $1,198,009.04 from the Water Fund, $7,610.00 from the Water Construction Fund, $1,302,450.06 from the Wastewater Fund, $96,882.18 from the Wastewater Construction Fund, $130,726.90 from the Stormwater Fund, and $10,226.25 from the Stormwater Construction Fund.

Board Member – Parmenter asked about the status of outstanding interdepartmental agreements and payments owed for 2025. Havey explained that the remaining 2025 obligations would be paid over the next couple of months, after which CBU would be caught up. Havey indicated that the payment schedule was primarily due to cash flow considerations and the substantial amount involved. The goal was to complete the 2026 payments during the first half of 2027.

Motion carried, six ayes. ***Total claims approved: $2,745,904.43***

Stewart moved, and Sherman seconded the motion to approve the Utility Bills for 10/22/2026:

Invoices included $2,326.99 from the Water Fund, $3,285.08 from the Wastewater Fund, and $591.70 from the Stormwater Fund.

Motion carried, six ayes. ***Total revised claims approved: $6,203.77***

Stewart moved, and Sherman seconded the motion to approve the Utility Bills for 10/29/2026:

Invoices included $97.73 from the Water Fund.

Motion carried, six ayes. ***Total revised claims approved: $97.73***

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

Motion carried, six ayes. Total claims approved: ***$565,444.10***

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

Invoices included $2.48 from the Water Fund, $7,502.10 from the Wastewater Fund, $2.00 from the Stormwater Fund, and $4.53 from the Sanitation Fund.

Board Members asked about the sewer installation fee being refunded to Dora Dialed Properties. Havey explained that the refund involved two single-family residences that had initially paid sewer installation fees to eliminate their septic systems. After making the payments, the properties qualified for a program that waived the fees, making the original payments eligible for reimbursement.

Board Members expressed appreciation that customers were utilizing the reimbursement program and that additional properties were being converted from septic systems to the public sewer system.

Motion carried, six ayes. Total claims approved: ***$7,511.11***

Consent Agenda:

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

a. Groomer Construction, Inc., $24,987.00, 4th Street cub and concrete installation
b. Neo Water Treatment, LLC, $10.72 per gallon, 2027 supply of Neo Water FX 300 Phosphorus Remover at Blucher Poole WWTP
c. Electric Plus, Inc., $3,800.00, Diagnostics for low service drive #4 at Monroe Water Treatment Plant

Consent Agenda was approved as recommended by staff. Total approved: $28,787.00 (non-chemical contracts)

Request for Approval of Resolution 2026-19 to Recommend Amendments to Title 10 of Bloomington Municipal Code Titled “Wastewater” at Chapter 10.17 - Food Service Establishment Wastewater Dischargers

City Legal – Wheeler presented Resolution 2026-19, recommending amendments to Title 10, Chapter 1017 of the Bloomington Municipal Code concerning wastewater discharges from food service establishments. Wheeler explained that House Enrolled Act 1348, passed by the State of Indiana in July 2026, established new statewide requirements addressing fats, oils, and grease (FOG). Because CBU already had local FOG regulations in place, several provisions needed to be amended to ensure compliance with the new state law.

Wheeler explained that the proposed amendments primarily involved updating definitions, providing greater flexibility in the types of grease detention and interception devices that developers and property owners could install, and revising requirements for maintenance, pumping intervals, and reporting. The state requirements allow greater flexibility in selecting equipment, potentially allowing developers to use smaller and less expensive detention devices rather than larger grease interceptors.

Wheeler also explained that the amendments would change requirements for developments in areas zoned for food service establishments. Previously, CBU generally required these developments to install grease interception facilities unless the developer entered into an agreement and deed restriction acknowledging that the facilities would be installed if the property later became a food service establishment. Under the new state requirements, developers may demonstrate that a proposed development will not involve food service or activities that generate grease and may therefore avoid the upfront expense of installing unnecessary equipment.

Board Member – Burnham complimented staff on the comparison chart included with the materials, noting that the presentation clearly explained the previous requirements, proposed changes, and reasons for the amendments. She asked how the new requirements would apply to developments already underway that had received approvals and submitted plans under the previous local regulations.

Pretreatment Program Inspector –Swafford explained that CBU updated its processes effective July 1, 2026, to comply with the new state requirements. Since that date, staff have applied the state requirements to plan reviews and ensured that proposed grease traps were appropriately sized under the new regulations. Developments reviewed before July 1 remained subject to the previous local requirements.

Board Members asked whether the state reviewed local ordinances to ensure compliance and whether CBU could face liability if its interpretation of the new requirements differed from the state's interpretation.

Wheeler explained that the state does not routinely review local ordinances or provide municipalities with an official review process. Local governments are responsible for interpreting and implementing state requirements. He acknowledged that differences in interpretation could arise between municipalities and developers, potentially resulting in disputes or litigation. Ultimately, a court would determine whether a local ordinance conflicts with state law. Wheeler expressed confidence that the proposed amendments adequately addressed the new requirements.

Board Members discussed concerns that the new state standards could reduce some of the oversight previously exercised by CBU, particularly regarding maintenance schedules and the frequency of pumping grease detention and interception devices. They expressed concern that less frequent maintenance could allow more fats, oils, and grease to enter the wastewater system, potentially increasing downstream treatment costs that would ultimately be borne by ratepayers.

Wheeler acknowledged that the new state requirements were not as rigorous as CBU's previous local standards in certain areas. He noted that manufacturers' recommendations and industry best practices would still provide guidance regarding appropriate maintenance schedules.

Board Members recognized that although the state requirements might be less stringent than CBU's previous standards, establishing statewide FOG requirements would benefit municipalities that had not previously regulated the issue. Members also discussed the possibility that Bloomington could serve as an example for other municipalities in developing compliant FOG regulations once the amendments were finalized and recodified.

Stewart moved to approve Resolution 2026-19. Debro seconded. **Motion carried, six ayes.**

Request Approval of Amendments to Section 17 of Title 10 in CBU Rules and Regulations (Backflow)

Environmental Program Coordinator – Dabertin presented proposed amendments to Section 17 of Title 10 concerning CBU's backflow prevention rules and regulations. Dabertin explained that the existing language predated the backflow prevention program established through the 2018 ordinance and contained several inconsistencies with both the ordinance and state law.

One significant proposed change would remove the requirement for written 24-hour notice before CBU conducts an inspection. Neither the existing ordinance nor the Indiana Administrative Code requires this notice, and removing it would provide CBU with greater flexibility to inspect backflow prevention devices and ensure they are properly tested and functioning to protect the drinking water supply.

Another proposed change would authorize CBU to reject test results submitted by backflow testing contractors when the results are inaccurate or falsified. Dabertin explained that CBU had recently encountered instances in which contractors reported devices as passing despite installation deficiencies that should have resulted in a failed test under state requirements.

Board Members asked what types of customers typically experience backflow testing issues.

Dabertin explained that backflow devices are commonly installed in commercial water systems, including fire sprinkler systems and domestic water systems at restaurants, as well as residential lawn irrigation systems. Issues have occurred across all three categories. He noted that Indiana backflow testers receive lifetime licenses, meaning individuals licensed many years ago may not always remain familiar with current installation requirements.

Board Member – Sherman asked whether backflow testing was difficult to perform, noting the annual expense associated with the testing program.

Dabertin explained that the actual test is relatively simple and quick, but contractors must complete a 40-hour state-approved course covering installation requirements and testing procedures. They must also pass written and practical examinations to obtain their licenses.

***Stewart moved, Sherman seconded to approve the amendments to Section 17 of Title 10 in CBU Rules and Regulations*. Motion carried, six ayes.**

Board Member – Sherman left the meeting at 5:50pm.

Request Approval of Amendments to Section 26 of CBU Rules and Regulations (Stormwater)

MS4 Program Coordinator – Carter presented proposed amendments to Section 26 of CBU's rules and regulations concerning privately owned driveway culverts. Carter explained that CBU had historically followed an informal policy regarding driveway culverts but had not formally documented the policy, creating confusion about maintenance responsibilities and replacement costs.

Under the previous practice, private property owners were responsible for maintaining the culverts running beneath their driveways, including clearing leaves and other obstructions. However, this created challenges when CBU undertook neighborhood ditching projects that required new or larger culverts. In some instances, residents could not afford to replace their culverts, preventing CBU from completing necessary drainage improvements.

Carter explained that CBU had previously used cost-sharing arrangements in which property owners paid for materials while CBU provided installation labor. The proposed policy would establish clearer expectations regarding responsibility for culverts, the circumstances under

which CBU would pay for replacement or installation, and the standards for restoring driveways following the work.

Under the proposed approach, CBU would cover both materials and labor when culvert replacement or installation is necessary as part of a CBU ditching project. This would allow projects to proceed without being dependent on individual residents' ability to contribute financially. Property owners would remain responsible for ongoing maintenance after installation.

Board Members asked whether CBU had an enforcement mechanism for property owners who failed to maintain their culverts.

Carter explained that an amendment to Title 13, presented the previous summer by Assistant Director - Environmental – Thetonia, clarified private property owners' maintenance responsibilities and established CBU's authority to enforce those requirements when neglected culverts negatively affect neighboring properties or the drainage system.

Board members expressed support for the policy, noting that it would improve stormwater management and allow necessary neighborhood drainage projects to move forward regardless of residents' financial circumstances.

Stewart moved, Debro seconded to approve the amendments to Section 26 of CBU Rules and Regulations. **Motion carried, five ayes.**

Request Approval of Resolution 2026-18 to Designate Surplus Property for Auction or Worthless Surplus

Assistant Director - Finance – Havey presented Resolution 2026-18, identifying surplus property for auction or disposal. The primary items included a nonfunctioning camera truck that CBU intended to sell, concrete forms that were no longer needed because the Streets Department had assumed most concrete work, and obsolete pipe that CBU no longer anticipated using. Havey indicated that selling the equipment and materials would generate some revenue while also freeing up storage space.

Stewart moved, Debro seconded to approve Resolution 2026-18. **Motion carried, five ayes.**

Request Approval of First Amendment to Agreement with GAI Consultants, Inc.

Assistant Director - Engineering – Peden presented a request for approval of the First Amendment to the agreement with GAI Consultants. Peden explained that the amendment was necessary because an Army Corps of Engineers permit required additional review under Section 106 of the National Historic Preservation Act of 1966.

The historic review requirement involved an underground stone arch structure associated with the project near Sixth Street and the B-Line. Peden explained that the historic review had initially been included as a contingent component of the original contract but was removed after the Controller determined that the contract could not include a contingency. Once the permit requirements were confirmed, CBU obtained a proposal for the additional work and returned to the Board for approval.

Board Members asked about the location and historic significance of the structure. Peden clarified that the structure was an underground stone arch that met the criteria for historic review.

Stewart moved, Debro seconded to approve the first amendment to the agreement with GAI Consultants, Inc. **. Motion carried, five ayes.**

Request Approval of On-Call Service Agreement with Ken's Westside Service & Towing, LLC

Havey presented a request for approval of an on-call service agreement with Ken's Westside Service. He explained that the company has specialized equipment capable of transporting CBU's larger pieces of equipment, which is not readily available from many other towing companies. The agreement would allow CBU to contact the company when transportation of larger equipment is necessary.

Stewart moved, Debro seconded to approve an on-call agreement with Ken's Westside Service & Towing, LLC. **Motion carried, five ayes.**

Old Business:

Burnham raised concerns regarding the vacant position on the Utility Services Board, which had remained unfilled since approximately the end of the summer. She also noted that the terms of three current Board members, including the President and Vice President, were scheduled to expire December 31. Burnham emphasized the importance of beginning the appointment process promptly, particularly because council appointments generally require additional time due to the interview process. She noted that the existing vacancy was also a City Council appointment and urged the Board's leadership to bring the matter to the administration's attention.

Zaiger confirmed that council appointments generally take longer and explained that she had been checking on the status of the appointment process. Burnham also reminded the Board that its membership must maintain political party balance as required by state law, which can make appointments more challenging.

White agreed that the matter needed attention, noting that the December 31 deadline was approaching. Burnham acknowledged that some flexibility had been allowed in previous years,

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with appointments sometimes extending into February or March, but emphasized the importance of ensuring that the Board could continue operating and fulfilling its responsibilities to ratepayers.

New Business: None.

Subcommittee Reports: None.

Staff Reports:

Zaiger congratulated MS4 Inspector Cason Page on successfully passing the Certified Erosion, Sediment, and Stormwater Inspector (CESSWI) examination.

Petitions and Communications: None.

Adjournment:

Board Member – Stewart adjourned the meeting at 6:03 pm.

Signed by:
Kirk White
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11/17/2026 | 11:36 AM EST

Kirk White, President

Date