

UTILITIES SERVICE BOARD MEETING
5/20/2024

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CALL TO ORDER

Board President Parmenter called the regular meeting of the Utilities Service Board to order at 5:00 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, Amanda Burnham, Jim Sherman, Molly Stewart, Seth Debro, Jeff Ehman, Matt Flaherty, David Hittle

Board members absent: None

Staff present: Matt Havey, Kat Zaiger, James Hall, Kevin White, Mark Menefee, John Arbuckle, Nolan Hendon, Chris Wheeler, Dan Hudson, Hector Ortiz Sanchez, Jane Fleig, Holly McLaughlin, Garrett Towell, Kalei Klaassen, Phil Peden, Mel Ruszkowski, Daniel Frank

Guests present: Kelly Gardner

PETITIONS AND COMMUNICATIONS: Kelly Gardner, the Apprenticeship Program Coordinator for the Alliance of Indiana Rural Water, announced the graduation of CBU Assistant Superintendent - Dillman Plant - Klaassen from the registered apprenticeship program. Klaassen has completed 4,000 hours of on-the-job training, 288 hours of related technical instruction, and exceeded the requirement with 334 hours. Gardner praised Klaassen as an outstanding apprentice and presented her with a completion certificate from the Department of Labor Office of Apprenticeship, thanking everyone for their support. Klaassen thanked the City of Bloomington and CBU Superintendent - Dillman Plant - Towell for taking a chance on a 22 year old, recent college graduate, first entering into the Wastewater field. Towell thanked Klaassen for all her effort with the apprenticeship program and voiced appreciation for the AIRW and their efforts as well. Towell noted that a common issue for the utility industry for the last 20 years has been attracting younger people to the field, and that Klaassen's journey was definitely a successful example of just that.

MINUTES

Board member Burnham noted the need for a correction on page 5, in the sentence: "CBU is requesting to sell the parcel for a toilet cost of \$5,000.00". *Toilet* should be updated to *Total*
Board member Sherman moved, and Board member Debro seconded the motion to approve the minutes of the 5/6/2024 meeting pending correction of the noted error. Motion carried, seven ayes

CLAIMS

Standard Invoice Questions

Board member Stewart noted a duplicate entry on page two for Amazon with two different dollar amounts, but the same invoice number and description. Burnham questioned a charge on page four for a John Deere tractor expensed to Wastewater only. CBU Assistant Director - Finance - Havey advised that the tractor will be used to till the drying beds and will solely be used for Wastewater. Burnham noted on page seven there is a charge for M.E. Simpson company for a Swordfish service line testing tool. Burnham questioned if this was still being paid for with grant funding. Havey advised yes, but CBU will initially have to pay the vendor. Burnham requested a reminder on specifically what the Water Sinking Fund refers to. Havey advised that it is a specific account that CBU must maintain a certain amount of cash set aside to pay bond payments.

Sherman moved, and Debro seconded the motion to approve the Standard Invoices:

Vendor invoices included \$390,763.23 from the Water Fund, \$2,684.09 from the Water Construction Fund, \$13,100.00 from the Wastewater Sinking Fund, \$48,433.61 from the Stormwater Fund.

Motion carried, seven ayes. Total claims approved: \$801,793.58.

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

Invoices included \$91,364.66 from the Water Fund and \$122,207.49 from the Wastewater Fund.

Motion carried, seven ayes. Total claims approved: \$213,572.15.

Sherman moved, and Debro seconded the motion to approve the Wire Transfers, Fees, and Payroll for \$497,220.72. Motion carried, seven ayes.

Sherman moved, and Debro seconded the motion to approve the Customer

Refunds: Customer Refunds included \$694.13 from the Water Fund, \$1,951.04 from the Wastewater Fund, and \$4,102.00 from the Stormwater Fund

Motion carried, seven ayes. Total refunds approved: \$6,747.17.

CONSENT AGENDA

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

- a. Electric Plus, Inc., \$3,600.00, New electrical service for lift station upgrade
- b. Wessler Engineering, Inc., \$1,900.00, ammonia pump rental for Monroe Plant

Consent agenda was approved pending Controller approval. Total approved: \$5,550.00

OLD BUSINESS: Assistant Attorney - Wheeler provided an update on the property referenced in Resolution 2024-13 at Lake Lemon. A second appraisal valued the property at \$4,000, which is \$1,000 less than the first appraisal. Both appraisals reviewed comparable sales, ranging from \$100 to \$5,000, with the most relevant being a \$5,000 sale of a 0.12-acre property in 2022 and a \$4,000 Lake Lemon frontage property in 2022. The property in question is in a floodplain, landlocked, and has no developmental potential. Along with this, the home built on a large

portion of the property limits its market to one potential buyer. Wheeler suggests that to avoid litigation, which the board would likely win but be required to sell at fair market value, the property should be sold for \$4,000 to \$5,000. Wheeler noted that he was open to further instruction from the board, including tabling the decision for two weeks for further review. Burnham thanked Chris for his effort in the matter. Ehman noted that the appraisers used a similar metric to approach the valuation. Wheeler confirmed that the same set of factors were used by the appraisers independently, and noted that he is not an expert in the field so he defers to their assessment. Ehman noted that at the previous meeting he had questioned the availability of different methods to appraise the property and questioned if Wheeler had approached any of his colleagues to see if they had any suggestions on such alternative methods. Wheeler noted that there are different methods that an appraiser might use to arrive at a fair market value for a property, these are often enumerated in the appraisals, and lay out justifications for what methodology they are using. Based upon the outcome of the second appraisal, both deemed it appropriate to use comparable sales. Wheeler noted that there is a Cost Approach, Sales Comparison Approach, and Income Capitalization Approach and he is unable to advise on the specifics of each approach, but noted that each appraiser felt it was necessary to use a Sales Comparison Approach. Ehman noted that at face value it seemed that CBU was giving property away below value, but if both appraisers have reached the same conclusion regarding the property, and there is no other alternative method of appraising that would raise the value of the land to what seems a more appropriate value, then this is an acceptable amount. Ehman noted that this method may not be the best or right approach, it was just the approach that both appraisers chose to use. Ehman questioned if there were other methods used outside this community or possibly in the state. Ehman noted that he is satisfied to move ahead with the two appraisals if the rest of the Board is. Stewart looked up the other two methods Wheeler noted for appraisals and the other two options did not appear to be relevant given the specifics of the property in question. Parmenter noted surprise that the second appraisal came in lower than the original, and voiced appreciation for Wheeler's efforts. Parmenter questioned where the money would go. Wheeler noted that he forgot to follow up on that issue and will provide that answer to the Board at the following meeting. Parmenter noted that the Board could vote to approve the resolution or to wait until the following meeting and have the resolution presented again. Board member White questioned if the Board could vote on Resolution 2024-13 since it was not noted in the agenda. Sherman noted that it was tabled to the following meeting. Stewart noted that it was not noted on the meeting agenda. Wheeler advised that it was Old Business, but conceded that he was unsure if it was tabled to the following meeting for the Board to make a determination, and suggested waiting to the following meeting when the resolution could be placed on the agenda to ensure the public is aware and anyone interested can be in attendance to discuss that agenda item. White noted that he would be more comfortable with that given CBU is selling property. Wheeler noted that it will be included in the agenda and can at that time be taken off the table and voted on. Ehman questioned if Wheeler had a suggestion regarding what appraisal should be used, or if the price should be an average of the two appraisals. Wheeler recommended using the first appraisal value in the advertisement to the public, noting that the original resolution should not change.

NEW BUSINESS: None

SUBCOMMITTEE REPORTS: None

STAFF REPORTS: Zaiger noted the following staff notes:

New Employees

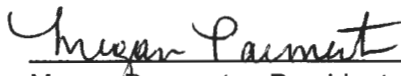
- Chelsea Roundtree - TPT Algae Identification Specialist
- Nick Polak - Hazardous Waste and Pollution Prevention Intern

CBU Employee Accomplishments

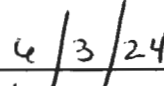
- James White - Plant Operator at Blucher Poole earned his Class III Wastewater Operator certification.
- Adam Dishman - Plant Operator at Dillman Road earned his CDL B license.
- The Environmental MS4 Team was presented with the 2024 Indiana MS4 Partnership Award for Excellence for their work on the Maker Challenge Program with MCCSC.
 - Liz Carter, Kriste Lindberg and Chris Wheeler, - all spoke at the MS4 Annual Meeting

PETITIONS AND COMMUNICATIONS: None

ADJOURNMENT: Parmenter adjourned the meeting at 5:24 pm



Megan Parmenter, President



Date