

**UTILITIES SERVICE BOARD MEETING**  
**10/7/2024**

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

**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, Seth Debro, Molly Stewart, Jeff Ehman, Amanda Burnham

**Board members absent:** Jim Sherman, David Hittle, Mat Flaherty

**Staff present:** Matt Havey, Kat Zaiger, Steven Stanford, James Hall, John Arbuckle, Chris Wheeler, Dan Hudson, Phil Peden, Daniel Frank, Nolan Hendon, Kriste Lindberg, Isabel Quiroz Michel, Tyler Steury, Caden Swanson

**Guests present:** Adam Casey

**PETITIONS AND COMMUNICATIONS:** None

**MINUTES**

***Board Vice President Debro moved, and Board member White seconded the motion to approve the minutes of the 9/23/2024. Motion carried, six ayes***

**CLAIMS**

***Standard Invoice Questions***

Board member Ehman questioned the charge for Everett J. Prescott on page three, specifically clarification on the invoice description. CBU Assistant Director - Finance - Havey advised that the charges were for upgrades being completed related to capacity increases for CBU's remote water metering system. Debro noted the set rate that CBU pays to Fleet for vehicle repairs and maintenance and questioned the charge for a 'front bumper repair' with Bloomington Ford. Havey advised that Fleet does not perform body work. Parmenter questioned how CBU determines what service Fleet is capable of providing. Havey advised that CBU consults with Fleet regarding schedule and availability of specific types of services, noting that Police and Fire are given preference because they are emergency services, so CBU sometimes has to seek outside vendors for repairs if Fleet is unavailable. Parmenter agreed, but noted that depending on circumstances, CBU also provides emergency services. Burnham questioned if CBU could perform an analysis and present it at the end of the year to determine if CBU would be better served seeking vehicle repairs and maintenance from outside local vendors. Parmenter noted a typo in the invoice description for the charges for American Water Works Association (AWWA) for membership fees and noted the membership period should be 9/1/24-8/31/25. Havey confirmed and advised it will be updated. Parmenter questioned the charges on page three for Emergency Radio Service, LLC and questioned what the charges were related to. CBU Assistant Director - Transmission & Distribution (T&D) - Hall advised that the charges are

related to the installation of safety lights on several new vehicles that were purchased at the beginning of the year the Fleet was unable to install. Parmenter questioned if the charges were the installation or parts or both. Hall confirmed it was for parts and labor. Parmenter noted that Hall stated that Fleet couldn't provide the service and requested clarification. Hall advised that Fleet had performed similar work in the past, but Fleet recommended CBU have the work done by someone else in this instance. Hall noted that it didn't save CBU time in this case because the parts took a long time to arrive before they could be installed. Parmenter noted that this is another instance that CBU was forced to use an outside vendor in lieu of Fleet because the service could not be rendered. Hall confirmed and noted that there will likely be more invoices similar to these at a later meeting. Parmenter requested that these invoices be included in the analysis that was requested earlier in the meeting.

***Debor moved, and White seconded the motion to approve the Standard Invoices:*** Vendor invoices included \$283,642.56 from the Water Fund, \$825.00 from the Water Sinking Fund, \$20,400.00 from the Water Construction Fund, \$734,932.66 from the Wastewater Fund, \$541,817.26 from the Stormwater Fund.

***Motion carried, six ayes. Total claims approved: \$1,581,617.48.***

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

Invoices included \$10,032.93 from the Water Fund and \$9,621.26 from the Wastewater Fund.

***Motion carried, six ayes. Total claims approved: \$19,654.19.***

### **Wire Transfer Questions**

Burnham questioned if the line item 'Tyler Credit Card Fees' should read 'Total credit Card Fees'. Havey advised that 'Tyler' is corrected and noted that it refers to the customer service software that CBU currently uses. Parmenter noted the Chase credit card fees for the month and questioned the charge for NPC. Havey advised that it was an older service provider for the service that needs to be canceled.

***Debro moved, and White seconded the motion to approve the Wire Transfers, Fees, and Payroll for \$569,484.60. Motion carried, six ayes.***

***Debro moved, and Burnham seconded the motion to approve the Customer***

***Refunds:*** Customer Refunds included \$768.72 from the Water Fund, \$3,253.46 from the Wastewater Fund, \$1.47 from the Stormwater Fund, \$1.44 from Sanitation

***Motion carried, six ayes. Total refunds approved: \$4,025.09***

### **CONSENT AGENDA**

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

- a. SET Environmental, Inc., \$9,234.70, Removal of Chemical, clean lines, and store Product
- b. Neo Water Treatment, LLC, \$.82/per lb, 2024 Supply of Neo FX300 at Blucher Waste Plant

**Consent agenda was approved as presented. Total approved: \$9,234.70 (Non-chemical contracts)**

### **REQUEST APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN LAKE LEMON CONSERVANCY DISTRICT FOR WETLAND MITIGATION PLAN**

District Manager - Lake Lemon Conservancy - Casey provided an update on the sediment management project at Lake Lemon. He explained how significant sedimentation, especially in the eastern part of the lake where Bean Blossom Creek enters, has drastically reduced lake depth over the decades, transforming 250 acres into wetlands since the 1970s. By 2019, much of the deeper areas of the lake had disappeared, prompting action. In response, the district partnered with Shrewsbury Consultants to study options for sediment removal, concluding that dredging was the most effective solution. Since 2019, the project has focused on building two sediment disposal basins on the south side of the lake. The first basin, a 7-acre pond, was filled with sediment over two years using hydraulic dredging. Once full, the district moved on to creating a second disposal site, a 17-acre wetland, which will remain a conservation area. This new wetland is designed to improve water quality and reduce algae blooms. Using a hydraulic barge, the project has removed over 272,000 cubic yards of sediment between 2022 and 2024, reclaiming 80 acres of lake surface for safe recreational use. In total, over 400,000 cubic yards of sediment have been removed from the lake since the project began, with 65% of that occurring in the last three years. The wetland is set to be planted in 2025, with a three- to five-year monitoring period to ensure its success. Ehman noted concern regarding the concept of perpetuity, particularly regarding potential changes to the dam and its long-term functionality. Ehman referenced an article about USDA dams no longer being under federal contract with no funds for maintenance, highlighting the possibility that a similar situation could occur which brings into question the assumption of "perpetuity" in relation to Lake Lemon, emphasizing that the lake, dam, and surrounding environment may not remain unchanged. Ehman noted various factors such as dam removal, climate change, shifts in hydrological patterns, and changes in key species that could alter the ecosystem. Ehman noted that the legal documents do not provide an "out" for adapting to such changes and wonder if this is also a concern for CBU Legal. Casey advised that the way the easement is written, it specifies the 17 acre parcel and there is no legal tie to the dam or the lake, so even in the event that the lake leaves, so long as the 17 acre parcel remains undisturbed, there would be no negative legal ramifications. Casey also noted that Lake Lemon is one of only a couple High Hazard dams that has received a satisfactory rating for maintenance, so there are no known issues. Ehman noted the remaining factor of the document referring to a specific set of species listed in a 2008 manual that may or may not be supported in the future. Casey clarified that the maintenance portion is only referring to the five year period, and after that period there are no maintenance requirements. Ehman noted that his only other concern would be that CBU is dedicated 17 acres of property in perpetuity as a conservation easement and assuming that's the best use for the property. Casey advised that the parcel would likely never be developed given the guidance and ordinances of Monroe County especially with the new flood damage prevention and MS4 regulations.

***Debro moved, and White seconded the motion to approve the MOU between CBU and Lake Lemon Conservancy for Wetland Mitigation Plan. Motion carried, six ayes.***

#### **REQUEST APPROVAL OF RESOLUTION 2024-16 TO DESIGNATE PROPERTY AS WORTHLESS**

Havey presented the resolution and advised that at the Dillman Wastewater Treatment Plant near the drying beds there is a building with a large storage tank that is no longer in use. This resolution will allow for the removal and disposal of the tank to clear up space inside the building for storage.

***Debro moved, and White seconded the motion to approve resolution 2024-16. Motion carried, six ayes.***

**OLD BUSINESS:** None

**NEW BUSINESS:** Parmenter requested that Staff work to schedule a USB Board Retreat for 2025.

#### **SUBCOMMITTEE REPORT:**

Administrative Subcommittee Chair Stewart noted the recommended changes to the CBU Rules and Regulations:

##### **For Section 4:**

- Section 4.8 – Summer Wastewater Rates: Extends the summer wastewater rate to include May. Move the months of estimation to March and April instead of April and May.
- Section 4.9 – Collection and Foreclosure of Lien: Amended to state that liens will only be imposed where permitted by law. This will allow CBU to continue to impose liens for delinquent sewer bills, but not for delinquent water bills.
- Section 4.10 – Rental Properties: Amended to reflect updates at the state level that now prohibit a municipal water utility from requiring a landlord to be responsible for a tenant's delinquent water bill.

##### **Section 7:**

- Adds electronic communication (email and text) as an approved method of providing notice to customers that their service is being terminated.

##### **Section 24:**

- Eliminates the waiver method of extending/connecting sewer outside of city limits
- Eliminates the administrative appeal for denial of extensions/connections of sewer outside city limits

Ehman questioned the specifics of the recommended changes to Section 24. Stewart advised that the proposed changes update section 24 to reflect the City of Bloomington's current policy regarding sewer connections to properties outside City limits, and removing the Director's discretionary steps regarding appeals. Ehman raised concerns about whether the city's position on limiting the extension of services to non-contiguous areas aligns with CBU capacity, mission statement, and broader goals. Ehman referenced the deputy mayor's stance that the city aims to avoid extending services to areas that may one day be annexed, as doing so could strain infrastructure and leave potential annexed neighborhoods without access to city services. The speaker questions whether the CBU has thoroughly considered the trade-offs and opportunity costs of this approach, especially regarding infrastructure capacity. Ehman questioned if the CBU is prepared to adopt the position that non-contiguous areas will need to rely on septic systems if they want to build outside city limits. Ehman emphasized the need for deeper analysis to determine whether extending capacity is feasible or if the city should commit to limiting services in these areas. Wheeler clarified that the Utilities Service Board is a part of the city. Ehman responded that the USB was created because Bloomington City Council did not have the capacity to deal with CBU. Wheeler noted that this was incorrect. Ehman disagreed. Wheeler clarified that the USB is an administrative body of the City of Bloomington. Ehman agreed but noted that the City Council would need to approve this ordinance and the administration that is putting forth the changes. Wheeler questioned what ordinance Ehman was referring to. Stewart clarified that the changes being proposed were to the CBU Rules and Regulations. Ehman apologized for confusion. Wheeler clarified the USB is voting on changes to the comprehensive plan CBU Rules and Regulations since the waiver process can no longer be relied on, the waiver language is being removed, which also requires the removal of the language regarding the Director's discretionary items in the case of appeal. Wheeler noted that this still leaves the option of voluntary annexation to properties that are contiguous to city limits which were always present in the document. White noted that once the annexation litigation has been completed, CBU should reconsider this matter and potentially edit this document again based on the outcome. Ehman noted that the changes max since in the context of the waiver matter, but noted that he rejects the notion that there is a capacity issue that would prevent CBU from providing the service to the property owners outside city limits. Wheeler deferred to CBU Engineering regarding the specifics of capacity, but noted that CBU wastewater capacity is an ongoing issue that requires careful consideration when determining what services to allow, so it is a priority for CBU to focus on providing services to those currently within the city. Wheeler also noted that CBU would have to look very long and hard at how its capacity would change when and if large annexations do occur, and those concerns are addressed in the annexation lawsuit, specifically if the city has the capacity to accommodate the area it is asking to annex. Ehman noted that the city was requesting the annexation, so the assumption would be that it had plans to accommodate those needs by expanding the plant, so the capacity argument seems disingenuous. CBU Assistant Director - Engineering - Peden advised that CBU receives many requests for service, and more recently there has been an increase on the west side of Bloomington for large or industrial use customers, and CBU has had to examine local the local capacity and the interceptors further downstream near the Dillman Wastewater Plant. CBU is currently working on the Dillman relief sewer and some of those capacity improvements are being put on the developers responsibility to pay for the capacity that they are adding. Peden

noted that they're not paying for the whole project, or so that other folks in the city can tie into what they've built, but rather they are paying for their capacity within that Dillman relief sewer. CBU has had several instances where developers are requesting to use 500,000 to 800,000 gallons per day which creates an extreme burden on the local system along with the treatment plant. Peden noted that those cases have a significant impact on capacity, especially in comparison to smaller capacity increases seen with residential development. Parmenter noted that much of the area on the west side of Bloomington is still outside the city limits, so those requesting connections will be told no under the current policy. Peden confirmed, and noted that in many areas outside of where CBU currently provides service, there are engineering difficulties to providing service, either requiring pumps or lift stations to assist the flow of wastewater before it can reach the gravity system. This creates further capacity issues in cases where a lift station lifts flow to another lift station because the capacity of each lift station along the path has to be taken into consideration to ensure that flow does not exceed the existing capacities of each. Burnham voiced appreciation for CBU Staff and City Legal for taking to heart what the USB had requested regarding this issue, and for helping to save time for Staff, the USB, and for customers who were making appeals. Burnham noted the revised policies and procedures reflect the current situation of ongoing annexation litigation. While individuals can still submit appeals, the updated rules and regulations now clearly define what actions the board is capable of taking during this time, which will save time and energy for the USB, staff, and those submitting appeals. Burnham expressed gratitude for the efforts and support and supported White's suggestion that these policy changes be revisited once the annexation litigation has been concluded. White noted the economic development along the corridor from Indianapolis to Evansville, highlighting the unexpected growth in areas like Crane and Westgate, which recently received a \$4 million grant to expand sewer capacity to support new microchip plants. Bloomington's advantage in having abundant water capacity positions the area well for future development. Looking ahead 10 to 20 years, the focus should be on how to expand capacity to accommodate large industries that could drive economic growth. White addressed concerns about annexation, emphasizing that while it takes time to build infrastructure in newly annexed areas, this period allows for simultaneous expansion of plant capacity, providing flexibility in meeting future water and sewer needs for large developments. Parmenter began by expressing appreciation for the mayor's directive. Parmenter acknowledged that while not fully agreeing with the direction, she understands the necessity of following the policy that has been decided. Regarding annexation, Parmenter pointed out that many areas slated for annexation are already receiving sewer services, meaning that these properties wouldn't add additional burdens to the system. Parmenter expressed frustration about ongoing litigation that has caused several projects, like the Westside Christian Church's development, to be stuck in limbo. Parmenter referenced the Westside Christian Church's presentation six to eight weeks prior and noted that the project's future remains uncertain. Parmenter hoped that after the legal matters are resolved, projects like these can be revisited. Parmenter noted the church's difficult position of either waiting for the litigation to be resolved or moving forward with alternative systems like a septic setup. Parmenter also noted regarding her abstention from voting that she had no affiliation with the Westside Christian Church or its members and had only been involved as a witness in a trial related to the annexation issue. Parmenter emphasized that this misunderstanding led to her feeling pressured into a position during the vote, which ultimately

affected the outcome. Parmenter expressed disappointment that, without her vote, what could have been a 4-3 decision ended up as a 3-3 deadlock. While it was not discussed at the time, Parmenter felt compelled to bring it up now to clarify their stance and the impact it had on the vote. Parmenter commented that the changes to the rules and regulations align CBU's policy with the direction provided by the mayor and should be implemented until the annexation litigation has been finalized and then CBU should revisit the issue.

***Stewart moved, and Debro seconded the motion to approve the three amended sections to CBU Rules and Regulations as proposed by staff with the addition of 'customer email' to Section 7.9.3. Motion carried, six ayes.***

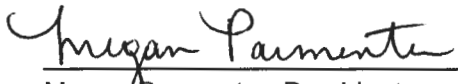
**STAFF REPORTS:**

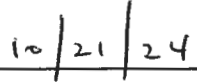
Zaiger presented the following staff notes:

- Tamela Bruce-Riney was promoted to Utilities Specialist II

**PETITIONS AND COMMUNICATIONS:**

**ADJOURNMENT:** Parmenter adjourned the meeting at 5:48 pm

  
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Megan Parmenter, President

  
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Date