City of Bloomington Common Council

Legislative Packet

Wednesday, 01 November 2017

Regular Session

For legislation regarding
Ordinance 17-35, please consult the
18 October 2017 Legislative Packet.

All other legislation and material contained herein.

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City of Bloomington Indiana

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To: **Council Members**
From: **Council Office**
Re: **Weekly Packet Memo**
Date: **November 1, 2017**

Packet Related Material

Memo
Agenda
Calendar
Notices and Agendas:
None

Council Annual Schedule

- **Annual Schedule**
  - **Memo to Council** from Dan Sherman Administrator/Attorney

  Contact: Dan Sherman at 349-3409, shermand@bloomington.in.gov

Legislation for Second Reading and Resolutions (in Agenda Order):

- **Res 17-40** To Approve an Interlocal Cooperation Agreement Between the City of Bloomington and Monroe County, Indiana in Regards to the 2017 Edward Byrne Memorial Justice Assistance Grant (JAG)
  - Memo to Council from Mike Rouker, City Attorney.
  - Interlocal Cooperation Agreement Re: 2017 JAG Funds;

  Contact: Mike Rouker, City Attorney, 812.349.3556, roukerm@bloomington.in.gov

- **Res 17-41** To Approve an Equipment Lease Purchase Agreement and Other Related Matters - Re: Installation of Solar Panels by Energy Systems Group, LLC
  - Memo to the Council

  Contact:
  Jeffrey Underwood at 812-349-3412,underwoj@bloomington.in.gov
  Thomas Cameron at 812-349-3426, cameront@bloomington.in.gov

(Introduced at the Regular Session on October 18th – with all the information and material regarding contained in the Council Weekly Legislative Packet issued for that meeting)

- **Ord 17-35** – To Amend Title 20 (Unified Development Ordinance) of the Bloomington Municipal Code – Re: Amending Section 20.02.300 to allow Sexually Oriented Businesses as a Permitted Use in Commercial General (CG) Districts and Deleting and Replacing Section 20.05.078 "Sexually Oriented Businesses – General"

Contacts:
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Anahit Behjou, Assistant City Attorney at (812) 349-3555, behjou@bloomington.in.gov

Material Related to Proposed Increase in CBU Miscellaneous and Non-Recurring Rates and Charges

- **Utility Service Board (USB) Resolution No. 2017-07 -** Resolution of the Utility Service Board of the City of Bloomington, Indiana, for the Adjustment of Non-Recurring Charges for the Water and Wastewater Utilities;
- **Memo** – City of Bloomington Utilities (CBU) Miscellaneous and Non-Recurring Rates and Charges
- **PowerPoint Presentation** from Crowe Horwath LLP
- **Preliminary Non-Recurring Rates and Charges Report** - CBU (Crowe Horwath LLP)

Contact:
Vic Kelson, Director of CBU at 812-349-1444, kelsonv@bloomington.in.gov
Missy Waldon, Finance Manager, CBU, 812-349-1444, waldonm@bloomington.in.gov
Chris Wheeler, Assistant City Attorney, 812-349-3426, wheelech@bloomington.in.gov
Representatives from Crowe Horwath LLP -
Angie Steeno 317-269-2367 or Craig Lotz at 317-689-512

- **Ord 17-40** To Amend Title 9 of the Bloomington Municipal Code Entitled "Water" (Non-Recurring Rate Adjustment)
  - Redline Version of Title 9 (Water)

- **Ord 17-41** To Amend Title 10 of the Bloomington Municipal Code Entitled "Wastewater" (Non-Recurring Rate Adjustment)
  - Redline Version of Title 10 (Wastewater)

Minutes from Regular and Special Sessions:

- October 4, 2o17 (Special Session)
- October 11, 2017 (Special Session)
- October 18, 2017 (Regular Session)

Memo

Three Items under Second Readings and Resolutions and Two Items under First Readings at the Regular Session on Wednesday, November 1st

In Addition there will be a Report on the Salary Study and Consideration of the Council Schedule for 2018

At the Regular Session next Wednesday, the Council will under:

- **Reports -** hear a Report from the salary consultants that recommend changes in salaries that should be coming forward later this year;
- **Second Readings and Resolutions –** consider two new resolutions (which are included in this packet) and an ordinance (which was discussed at the Committee of the Whole and included in the Weekly Legislative Packet issued for the October 18, 2017 Regular Session;
- **First Readings –** introduce tow ordinances which are included in this material; and
- **Council Schedule –** consider the Annual Council Schedule for 2018 (which is included in this packet) and summarized below.

Council Schedule

Annual Schedule for 2018

This packet contains the proposed Council Schedule for 2018 and a memo explaining it. As noted in the next paragraph, please know that this version of the Schedule has been changed since emailed last week. Please review the material and offer your comments and be ready to vote on it on November 1st - unless you need another few weeks to consider the matter. Acting on it in November makes it likely that the Council Intern will be able to complete and distribute the Annual City Calendar before she leaves for Winter Recess.

One Change since Draft Version was Emailed Last Week. Please note that there is one change in the Annual Schedule since emailed last week:

- The **Budget Advance** moves from 5:00 pm on Wednesday, May 9th in the McCloskey Room to 5:30 pm on Tuesday, May 8th in the Council Chambers.

No Change for Halloween – Motion Needed Now or Next Year to Avoid Meeting on the Fifth Wednesday in October. Although there was a suggestion not to schedule a meeting on Halloween, this Schedule keeps that date. Those who would prefer not to meet on that fifth Wednesday (and double-up meetings the following week), may offer an amendment on Wednesday or could, as the date approaches, have the Council consider reschedule that meeting, once the work-load for November is known.

Legislative Cycles. The Annual Schedule includes 21 legislative cycles which are set forth in rows with five columns of dates for the following meetings and deadlines associated with each legislative cycle:

- Internal Work Sessions;
- Deadline for submittal of ordinances and associated materials to the Council Office (and another for resolutions);
- First Regular Session;
- Committee (of the Whole); and
- Second Regular Session.

Exceptions and Additions to the Usual, Four Wednesday and Two Friday, Schedule. As you know, the Council generally meets on the first four Wednesdays of the month for Regular Sessions and Committees of the Whole. It also meets on Fridays about twice a month for Staff-Council Internal Work Sessions to informally hear about upcoming legislation and other pending matters. Here is an overview of the Schedule with mention of some meetings (and deadlines) that would *not f*ollow the usual rule (please see the proposed Schedule and Memo for more detailed information):

- **6:30 pm Start-Time for Regular Sessions and Committees of the Whole** – as you know, the Council changed the start time of these regular meetings as of 2017.

- **Staff-Council Internal Work Sessions** are scheduled on Friday at noon in the Council Library (unless a bigger room is necessary) except for:
    - Monday, December 18, 2017 – (before Council members and staff often take time off for the holidays); and
    - Monday, December 17, 2018 - *(same)*;

- **January - Organizational Meeting and first Committee of the Whole** are scheduled for second Wednesday in January per past practice;

- **March** – The Council does not meet over IU Spring Break (March 10th – 18th) and doubles-up the first Regular Session and Committee of the Whole of the month on the first Wednesday in order to avoid meeting on the second Wednesday which falls over Spring Break;

- **January, May, August & October all have fifth Wednesdays –** There are five Wednesdays in four months next year. All those, except the one in January, will be used for meetings because of holidays or other Council activities (e.g. Summer Recess at the end of June; Departmental Budget Hearings in August).

- **June & July – Early Summer Recess –** Like last year, in order to coincide down-time with the Council Recess, this schedule proposes that the Council start its Summer Recess after the last Wednesday in June and end with the second Wednesday in August (after an Internal Work Session on the last Friday in July).

- **Budget Schedule - May and August thru early October -** The Budget Schedule moves the Departmental Budget Hearings to later in August than this year (but similar what we've done in recent years) and entail:

    - A Budget Advance on the second Tuesday in May at 5:30 pm in the Council Chambers
        - *Note: The day, time, and place of this meeting was changed since release of the draft schedule last week in order to allow more time for Council members to arrive at City Hall after their other work ends and to allow more time to for these deliberations.*

- Department Budget Hearings over four evenings starting on the third Monday of August (Monday the 20th – Thursday the 22nd)
    - *It appears that starting the Departmental Budget Hearings a week earlier this year did not allow for the Administration to use better numbers and put undue strain on the budget process. This means the hearings fall on the same week as the first week of classes at IU. However, moving hearings up a week this year didn't make life better for some of the members who either work at, or attend, IU.*
    - *This schedule continues to list the expected arrival of the Budget Books a week before the hearings begin.*

- Formal Consideration of the Budget with a:
    - Special Session and Committee of the Whole on Wednesday, September 26th and
    - Special Session on Wednesday, October 10th;
        - *This separates the two evenings by two weeks.*

- **Non-Budget Meetings in August, September, and October –** The months of August, September, and October include both Budget *(noted above)* and Non-Budget *(see below)* that deserve note.
    - ***August –*** *there are five Wednesdays in August. This schedule starts the post-recess sessions on the second Wednesday in August with a Regular Session and a Committee of the Whole. This is done on the assumption that no legislation will carry-over from June and that the Committee of the Whole should not make it an onerous evening.*
        - *One of the challenges for Council Office staff is processing items as part of the normal legislative cycles in the latter part of August and participating in the Departmental Budget Hearings (including preparing the Chart of Unanswered Questions from those hearings).*
    - ***September and October –*** *the second Legislative Cycle in September overlaps with the Budget Cycle and, therefore, includes a Regular Session on the third Wednesday in September, a Committee of the Whole on the first Wednesday in October, and a Regular Session on the third Wednesday in October (after which the Council returns to its usual schedule of Legislative Cycles.*

- **October and November -** the Council does not meet on the eve of Thanksgiving but, given the five Wednesdays in October, would, under this schedule, meet on the fifth Wednesday in October in order to avoid doubling-up meetings in mid-November.
    - *As noted above, members preferring to forego a fifth Wednesday meeting (on Halloween) and double-up the following week, may propose amending the Schedule next Wednesday or wait until next year, when more is known about the November workload, to reschedule that and/or other related meetings.*

- **Religious Holiday Adjustments** – unlike many years, this proposal does not make any adjustments in the schedule due to religious holidays (typically Passover, Rosh Hashanah, or Yom Kippur). I'll need to confirm these dates and can use your help in determining whether there are other religious holidays to be observed. Please see this link to the IU Religious Holiday Schedule under Holiday Observances at: http://vpfaa.indiana.edu/forms/index.shtml

Second Readings and Resolutions

Item One - Res 17-40 – Approving an Interlocal Cooperation Agreement with the County Regarding Use of 2017 Edward Byrne Memorial Justice Assistance Grant (JAG) Funds

Res 17-40 authorizes the execution of an Interlocal Cooperation Agreement with Monroe County regarding the disbursal of Edward Byrne Memorial Justice Assistance Grant (JAG) funds for 2017. The JAG grant is a federal grant program intended to allow local communities to target with greater specificity their crime-fighting needs. Intended to be flexible, JAG funds are to be used for the following:

(1) Law Enforcement
(2) Prosecution and Courts
(3) Crime Prevention and Education
(4) Corrections and Community Corrections
(5) Drug Treatment and Enforcement
(6) Planning, Evaluation, and Technology Improvement
(7) Crime Victim and Witness Programs (Other Than Compensation)[1]

[1] As summarized on the National Criminal Justice Association website:
The Edward Byrne Memorial Justice Assistance Grants Program (Byrne JAG) is the cornerstone federal crime-fighting program, enabling communities to target resources to their most pressing local needs. The program

This year, JAG funds dedicated to the Bloomington Police Department (BPD) and the Monroe County Sheriff's Office (Sheriff) amount to $27,691, collectively. According to the supporting Memo submitted by City Attorney Mike Rouker, JAG funds are allocated proportionately to each law enforcement entity based on violent crime statistics reported to the FBI through the Uniform Crime Report over a recent three-year period. Based on this formula, the City will receive 78% ($21,598.00) and the County 22% ($6,093).

2017 Funds

This year, BPD will use its portion to purchase security cameras for the Downtown and the County will use its portion to acquire tire deflation devices for use as intervention devices during vehicle pursuits. Both the City and the County will implement their respective portions of the grant within 60 days of receipt of the JAG funds and will complete implementation within 180 days.

BPD JAG Funds: Further Details

BPD will use its entire allocation towards purchase of security cameras for use in the Downtown and near-Downtown areas. According to City Attorney Rouker, the purchase of these cameras will allow the Bloomington Police Department to continue to build a system of security cameras in these areas in the interest of adding transparency, establish trust, and gather video evidence of crimes. Rouker notes that this system is being built out as funding allows and that such cameras feature pan, scan, and tilt capabilities and can be operated remotely. Camera footage is stored on a central computer. Each camera is projected to cost approximately $6,000, depending on the type of hardware needed to place the hardware. BPD plans to purchase up to five cameras with matching funds in BPD's budget or "other non-grant funds available to the Department."

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awards are authorized by the 42 U.S.C.§3751(a). Byrne JAG's hallmark is its flexibility; Byrne JAG funds support all components of the criminal justice system from multijurisdictional drug and gang task forces to crime prevention and domestic violence programs, courts, corrections, treatment, and justice information sharing initiatives. Thus, states, localities and tribal nations are able to deploy Byrne JAG funding against their most pressing public safety challenges. It allows communities to design complete programs, fill gaps, leverage other resources, and work across city, county and state lines. Only when the criminal justice system is in balance can it function fairly, efficiently and cost effectively. This breadth and flexibility means states and local communities can use Byrne JAG to balance resources and address problems across the entire criminal justice system. http://www.ncjp.org/byrne_jag

General Terms of the Agreement

As a precondition to an award, the City and the County must enter into an agreement which is attached to the resolution. In brief, the agreement:

- "reflects the commitments and understandings … of the governmental entities in order to efficiently and effectively utilize proceeds" from the award;
- allocates the grant between the two entities to be used as stated above;
- makes each party solely responsible for their own actions in furnishing services under this agreement;
- requires each party to communicate and cooperate with each other and to make good-faith efforts to obtain all necessary funds and otherwise comply with the Agreement;
- conditions performance of the duties under the Agreement on the receipt of sufficient JAG funds; and,
- is to be narrowly construed in regard to the obligations of the parties and does not create rights for persons who have not signed it.

Since at least 2009, the City and County have cooperatively pursued JAG funds. Locally, these grants have helped acquire items such as: automated external defibrillators, body cameras, an NC4 *Street Smart* computer program, eDesk kiosks, a telephone system, digital interviewing equipment, in-car cameras, vehicle locator equipment and software, and special vehicles.[2]

Item Two – Res 17-41 (Approving Lease Purchase Agreement and Related Matters – Re: Installation of Solar Panels)

The second item under Second Readings and Resolutions is **Res 17-41**. It approves a lease purchase agreement for equipment and related matters associated with the installation of solar panels by Energy Systems Group, LLC. As stated this August, the City adopted "Res 16-19 last November [3] which began a statutory process for financing projects performed by qualified providers that reduce the City's energy or water consumption or operating costs." [4]

Last year's resolution and material set forth a schedule for the City to identify and work with a qualified provider "to review City facilities and propose suitable projects which were initially scheduled for consideration by the Council at the end

[2] In 2013 and 2014, funds initially allocated for polygraph equipment and training (in 2011) and a secure server (in 2012) were reallocated for one of the above purposes.

[3] See the Weekly Legislative Packet issued for the November 2, 2016 Regular Session for more information on the overall process and the City's previous experience with this method of financing.

[4] Weekly Legislative Packet issued for the August 9, 2017 Regular Session.

of this year." The City and the selected qualified provider, ESG, were well into the process last summer when they proposed moving forward on one set of recommendation a few months ahead of the rest. That set of recommendations dealt with solar panels which would avoid a reduction in savings if they were installed before the end of the year due to an up-coming change in the "net metering" rules next year.[5]

The Council authorized the execution of that contract and, because of the compressed schedule, is now being asked to approve the mechanism for financing this project (Project). The Project is described in Exhibit A of this summer's resolution (attached) and includes the installation of solar panels on 30 City facilities which, with financing costs, was limited in August to no more than $19 million.

The Lease Purchase Agreement, which includes an Escrow Agreement, and exhibits, attachments and schedules associated with these instruments, are authorized by this resolution and will be executed in the near future. Under the Agreement:

- the costs (otherwise referred to as Expenditures) include $14 million in principal and additional costs associated with preparation, delivery, and execution of the Agreement;
- The City declares that all or a portion of the Project will be financed by the Lease Purchase Agreement to be paid in annual or semi-annual periods through the General Fund or other fund subject to general appropriations;
- the City must deposit proceeds (as defined in the Escrow Agreement) in an escrow fund;
- the City finds that it is in the best interests of the City and its citizens to enter into the Lease Purchase and Escrow Agreement to finance the Project;
- The City declares its official intent to execute the Lease Purchase Agreement which will have a term no more than 20 years (from the date of first payment) with a maximum principal of $14 million and a maximum rate of interest of 3.5%;
- The City will reimburse the Expenditures from the proceeds from the execution and delivery of the Agreement and anticipates that it will pay for some expenditures prior to execution of the contract and be reimbursed via proceeds received by the City;
- The Mayor or Controller are authorized to execute the Lease Purchase Agreement and Escrow Agreement as long as they conform with the terms

[5] Id.

of this resolution (and the Mayor or Controller will serve as authorized representative unless another is appointed by the Council);

- Any officer is authorized and directed to take any steps necessary or desirable to carry-out the effect of this resolution and associated documents;
- The Agreement and any breach thereof will not result in a "pecuniary liability or charge upon the general credit of the City or against its taxing power";
- City retains Barnes & Thornburg LLP to serve as its special tax counsel;[6]
- All provisions are severable; and
- It takes effect immediately.

First Readings

Item One – Ord 17-40 (Amending Title 9 – Water) and Item Two - Ord 17-41 (Amending Title 10 –Wastewater) Proposed Increase in Miscellaneous and Non-Recurring Rates and Charges

Two ordinances are coming forward from the Utility Services Board proposing amendments to Title 9 of the BMC, entitled "Water" (Ord 17-40) and Title 10 of the BMC, entitled "Wastewater" (Ord 17-41). This summary draws upon the memo, legislation, report and other materials provided in this packet.

Purpose of Increases – Either to Recover Cost of Labor and Materials Associated with Underlying Services, Recoup Costs Associated with Providing Utility Services as a Whole, or Address Future System Capacity

The ordinances follow a Report by Crowe Horwath, LLP which found that various miscellaneous and non-recurring rates and charges are insufficient to cover the costs of the labor and materials to perform the associated services and recommends increases in them. In regard to some rates and non-recurring charges – such as the deposit charge or insufficient check fee – the amount "serve(s) to recoup costs associated with providing the utility services as a whole." Lastly, you'll see a new "System Development Charge" for Water, which serves the same purpose as the "Connection Fee" for Wastewater, which applies to each additional user and "generates funds to be used solely for future system capacity increases."

[6] The Agreement spans a period of 20 years and requires knowledge of, and compliance with, IRS regulations. Given the size and special nature of this transaction, it is my understanding that the City retained this firm to assist negotiating and formulating the terms of these agreements.

The memo indicates that the last adjustment Water charges was in 2011 and the last adjustment in Wastewater charges was about 10 years ago. In reading this summary and the materials, the reader will find some rates and charges (most notably the "Security Deposit" and "System Development Charges" in the Water Utility) that are new. In some cases, however, what appear like new rates and charges are merely the result of an effort to bring these rates and charges into the municipal code rather than leaving them in the Utility Services Board's Rules, Regulations and Standards of Service (Rules and Regulations).

Findings for Approval Rates and Charges

The legislation finds that the proposed rates and charges:

- "are nondiscriminatory,
- reasonable and just and
- are based upon the cost of providing service to the customers of the (underlying utility) and will enable the City to meet its legal revenue requirements for future (underlying utility) works expansion."

Procedure - Notice of Hearing

The Utility Services Board adopted findings of the Report on October 16th and is scheduled to approve the ordinance (in substantially final form) on October 30th.[7] The Utilities Department has advertised notice of Council consideration of these increases and mailed notice to customers who reside outside of the City. The advertised hearing is scheduled for the Committee of the Whole on Wednesday, November 8, 2017.

Effective Dates

If approved, the rates and charges for Wastewater would go into effect on January 1, 2018, and those for Water, which is regulated by the Indiana Utility Regulatory Commission (IURC), would need to be approved by and filed with that entity before going into effect.[8]

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[7] A copy of USB Res 2017-17, which went out in their meeting packet on Thursday, October 26th and sets forth that approval, is included in this Council packet.

[8] Ord 17-40 keeps existing rates and charges for the Water Utility in place until the "tariff" has been approved by, and filed with, the IURC. (See Sections 10 and 13) It also establishes that any changes in the "tariff" made by the IURC do not need further action by Council, but must be filed with the City Clerk and be open for public inspection.

Summary of Current and Proposed Non-Recurring Rates and Charges

The memo submitted along with the legislation sets forth the current and proposed rates and charges, and notes that the changes will generate about $438,000 in revenue for the Water utility and about $200,000 for the Wastewater utility, for a total of about $637,945.

Report

The USB retained Crowe Horwath LLP to estimate the costs to perform miscellaneous and non-recurring services for utility customers and prepare a Report to be used to establish or re-establish rates and charges associated with those services. With the understanding that some of these rates and charges (i.e. most of those associated with the Water utility) are under the jurisdiction of the IURC, the Report tied its methodologies to nationally-recognized standards. [9]

The Report estimated costs associated with the following miscellaneous rates and non-recurring charges:

Water Utility

- Security Deposit
- Service Installation - with or without a tap
- Water Testing Charges

Both Water and Wastewater Utilities

- Service Calls
- "Availability" or "Connection Fees," which for CBU include:
    - Service Development Charges for Water (*new*) and
    - Connection Fees for Wastewater (*existing).*

  The Report devotes more space to these last items than other items and explains alternative methodologies for estimating this kind of fee/charge.

[9] Please note that the Report states that "the methodologies within (it) have been structured to comply with guidelines provided within the American Water Works Association's Principles of Rates, Fees, and Charges, Sixth Edition."

As stated in the Overview, the analysis of these rates and charges includes six "components":

- Applicability – that is, whether they applies to the Water, Wastewater, or both utilities;
- Current Charge;
- Charge Description – which is a description of the service or task performed in regard to the charge;
- Assumptions – which are based upon interviews and research of records that underlie the conclusions regarding "Cost Buildup" (see below);
- Additional Information – which provide general information clarifying the process used to calculate cost estimates;
- Cost Buildup – which includes labor,[10] materials, equipment, and other costs incurred to deliver each service.

WATER UTILITY *(IURC Approval Required – unless otherwise specified)*

Name of Rate/Charge	Current	Proposed	Projected Annual Revenue
Security Deposit (Page 5)			
	< $25	< $39	$38,610 *(refundable deposit)*
	This charge is not currently being assessed. It is a maximum based upon two months services (1/6th of Annual Cost of Service) at 3,250 gallons/month of water usage.		
Service Installation Charge (without installation of a Tap) (Page 9)			
	For 5/8'- 1" line $776.18 (plus excavation) [11] For > 1" line – (Cost of installation but no less than the above amount)	$1,327	$57,836.10

[10] The Report includes hourly rate for each employee which encompasses: salary, pension contributions, taxes, and health plan costs.

[11] Note that currently the Service Installation Charge, both with and without a tap, distinguishes between installations done inside and outside of the City. BMC9.12.030

This charge assumes three employees use a truck and take two hours completing installation and various other employees spend a total of 1.5 hours less preparing for service and checking the meter after work is done. Breakdown: Labor ~ $249; Materials ~ $1,038; and, Equipment $39.

Name of Rate/Charge	Current	Proposed	Projected Annual Revenue
Service Installation Charge (with installation of a Tap) (Page 11)			
	For < 1" line $848.14 (plus excavation) For > 1" line – (Cost of installation but no less than the above amount.)	$1,533	$10,272

This charge has similar assumptions as installation without having to tap into the main. The primary difference is an additional three hours of labor. Breakdown: Labor ~$346; Material $1,135; and, Equipment - $52.

Water Testing (Page 16) – *no IURC approval apparently required.*			
	Various tests from $9.00 - $19.00	From $14.30 - $45.00	$186,888.70

The Water Utility performs ~20 kinds of tests[12] of water for "external customers." The Report gathered an "average sample" price from three area labs and used that average to set the new prices for these services (which are set forth in the Report). Section 9 of Ord 17-40 authorizes the USB to set the prices for these tests and review them on an annual basis.

[12] The tests measure: Alkalinity, Ammonia, B.O.D., Chlorine, C.O.D, Fluoride, hardness, Nitrate as N, Nitrite as N, pH, T. Phosphorous, Sulfates, Suspended Solids, Total Dissolved Solids, Total Solids, Volatile Solids, Total Coliform, Fecal Coliform, E-Coli, and H. Plate Count.

BOTH WATER AND WASTEWATER UTILITIES

Rate/Charge	Current	Proposed	Projected Annual Revenue
Service Calls Charge (Page 7)			
Normal Business Hours: (M – F 7:30 a – 6:00 p)	$18 (Water)	$45 (Water)	$116,100
	None? (Wastewater)	$54 (Wastewater)	$0 *(no WW calls in 2015-16)*
After Hours	$54 (Water)	$171 (Water)	$2,047
	None? (Wastewater)	$180 (Wastewater)	$0 *(no WW calls in 2015-16)*
	This service typically includes: turning on and off water; re-reading meters; and, inspecting for leaks and sewer backups. Along with use of one truck, the Report assumes each call takes one employee one hour (but, by contract, after-hour service requires a minimum of three hours @ 1.5 x normal wages).		

"Service Development Charges" for Water (*New*) *(Page 13-15)* and "Connection Fees" for Wastewater (*Existing) (Page 17-20)*

The following table sets forth the proposed "Service Development Charges," which would be a new charge for the Water Utility, and the proposed increase in "Connection Fees," which have been in place for the Wastewater Utility since 1994.[13] As seen in the table, these fees/charges are based upon the size of the conduit or meter and would generate about $66,000 in additional revenue for the Water Utility and about $198,000 in revenue for the Wastewater Utility.

Rate/Charge	Current	Proposed	Projected Annual Revenue
Service Development Charges (Water)			$66,000
5/8 or ¾"	*None*	$ 550.00	
1″	*None*	$ 1,408.00	
1½″	*None*	$ 3,168.00	

[13] *Ord 94-41 To Amend Chapter 10.08 of the Bloomington Municipal Code, Entitled "Wastewater Rates and Charges"* (Section VI – where the connection fee for a residential unit water meter size of one inch or less was $500).

2″	*None*	$ 5,632.00	
3″	*None*	$ 12,672.00	
4″	*None*	$ 22,528.00	
6″	*None*	$ 50,688.00	
8″	*None*	$ 90,112.00	
10″	*None*	$ 140,800.00	
Connection Fee (Wastewater)			$198,800
⅝” or ¾”	$1,000 (base fee)	$2,775.00	
1”	4 times base fee	$7,104.00	
1½”	10 times base fee	$15,984.00	
2”	19 times base fee	$28,416.00	
3”	26 times base fee	$63,936.00	
4”	58 times base fee	$113,664.00	
6” and above	*case by case basis*	$255,744.00	
8”		$454,656.00	
10”		$710,400.00	

Purpose of, and Methods for, Calculating Such Fees/Charges. As the Report states, “These [fees/charges - also known as “Availability Fees”] represent a [one-time[14]] charge to customers for a new connection to a utility to recoup the historic [as is true here] or future cost of building infrastructure to accommodate the increased capacity/demands associated with the new connection.” The Report then describes three methods for calculating these fees/charges:

1) Incremental Cost Method (which is most suitable for “fast growing systems where a significant amount of capacity must be built to serve new customers” and ties costs to expected growth);

2) Equity Buy-In Method (which is suitable when “the current system adequately serves the existing as well as future customers” and searches for equity by looking primarily at “the valuation of the system assets,

[14] As noted below, along with the System Development Charge, the new water user would also need to pay the Service Installation Charge for connection to that Utility.

accumulated depreciation, system liabilities [debt], sources of equity, and system capacity"); and
3) a Combined Approach (which, could, but have not been used in these analyses).

Base Unit. You will see that the base unit for both the System Development Charge and the Connection Fee is the size of the meter/Conduit used by the typical individual residential customer (i.e. 5/8''). The charge/fee for larger size meters is proportional to the number of residential customers it would take to fill the capacity of those larger sized conduits/meters.

System Development Charge – Water Utility – Equity Buy-In Method. The Report calculated the Incremental Cost Method (which yielded a $1,491 amount per 5/8" or ¾" meter) and the Equity Buy-In Method (which yielded a $550 amount per 5/8" or ¾' meter) and recommends using the latter. When the installation charge ($1,327) is added to the $550 System Development Charge, the new single family residential household would pay a total charge of $1,877 to connect to the water system.

Connection Fee – Wastewater – Incremental Cost Method. The Report calculated the Incremental Cost Method (which yielded a $2,775 amount per 5/8" or ¾" line), the Equity Buy-In Method (which yielded a $310 amount per 5/8' or ¾" line), and an Equity Buy-In Treatment, which accounts for long-term treatment-related debt (and yielded a $520 amount for these smallest pipes). After doing so, the Report recommended the former, $2,775 amount, as the base amount for the Connection Fee.

<u>Other Changes– Water</u>

Along with those changes noted above, <u>Ord 17-40</u> also:

- adds Section 9.04.035 (Unauthorized use of hydrants) to the code, which allows a charge of up to 8 hours of maximum water usage per day for illegal use of a hydrant. In a conversation with Chris Wheeler, Assistant City Attorney, I understand that some customers, like landscape companies, draw water from hydrants (using devices provided by the City) and in some instances, these customers do it without authorization. This charge, I believe, is currently in the USB's Rules and is authorized by the IURC.
- removes reference to the USB Rules and Regulations in various sections of the code either because the cite has changed over time and may change in

the future or to cite to a more authoritative source (such as the Indiana Administrative Code). [15]

- increases the Meter Test Charge from $12.50 to $39.[16] One free test of accuracy is performed upon customer's written request and another 12 months later. The charge applies to all other meter tests requested within 36 months of the "preceding test"; and
- Codifies charges for water testing (Section 8. BMC 9.12.080) and temporary services (Section 9, BMC 9.12.090).

Happy Birthday – Cm. Chopra – October 29th

[15] See: Section 2 – BMC 9.04.050 (Extension of Service) which distinguishes between extensions in "residential areas" from "apartment complexes, mobile home parks, and commercial and industrial additions; Section 3 – BMC 9.08.050 (Security Deposit - Amount), which on criteria regarding "credit-worthiness" now defers solely to 170 IAC 6-1-15

[16] This may be an instance where the fees were already higher and had not been reflected in the local code.

NOTICE AND AGENDA
BLOOMINGTON COMMON COUNCIL REGULAR SESSION
6:30 P.M., WEDNESDAY, NOVEMBER 01, 2017
COUNCIL CHAMBERS
SHOWERS BUILDING, 401 N. MORTON ST.

I. ROLL CALL

II. AGENDA SUMMATION

III. APPROVAL OF MINUTES October 04, 2017 (Special Session)
October 11, 2017 (Special Session)
October 18, 2017 (Regular Session)

IV. REPORTS (A maximum of twenty minutes is set aside for each part of this section.)

1. **Councilmembers**
2. **The Mayor and City Offices**
   - Presentation of Salary Study
3. **Council Committees**
4. **Public***

V. APPOINTMENTS TO BOARDS AND COMMISSIONS

VI. LEGISLATION FOR SECOND READINGS AND RESOLUTIONS

1. Resolution 17-40 – To Approve an Interlocal Cooperation Agreement between the City of Bloomington and Monroe County, Indiana in Regards to the 2017 Edward Byrne Memorial Justice Assistance Grant (JAG)

Committee Recommendation None

2. Resolution 17-41 – To Approve an Equipment Lease Purchase Agreement and Other Related Matters - Re: Installation of Solar Panels by Energy Systems Group, LLC

Committee Recommendation None

3. Ordinance 17-35 – To Amend Title 20 (Unified Development Ordinance) of the Bloomington Municipal Code – Re: Amending Section 20.02.300 to allow Sexually Oriented Businesses as a Permitted Use in Commercial General (CG) Districts and Deleting and Replacing Section 20.05.078 "Sexually Oriented Businesses – General"

Committee Recommendation 6-0-2

VII. LEGISLATION FOR FIRST READING

1. Ordinance 17-40 – To Amend Title 9 of the Bloomington Municipal Code Entitled "Water" (Non-Recurring Rate Adjustment)

2. Ordinance 17-41 – To Amend Title 10 of the Bloomington Municipal Code Entitled "Wastewater" (Non-Recurring Rate Adjustment)

VIII. ADDITIONAL PUBLIC COMMENT* (A maximum of twenty-five minutes is set aside for this section.)

IX. COUNCIL SCHEDULE

X. ADJOURNMENT

**Members of the public may speak on matters of community concern not listed on the agenda at one of the two Reports from the Public opportunities. Citizens may speak at one of these periods, but not both. Speakers are allowed five minutes; this time allotment may be reduced by the presiding officer if numerous people wish to speak.*

***Auxiliary aids for people with disabilities are available upon request with adequate notice. Please call (812)349-3409 or e-mail council@bloomington.in.gov.*

Posted & Distributed: October 27, 2017

City of Bloomington
Office of the Common Council

To Council Members
From Council Office
Re Weekly Calendar – 30 October -04 November 2017

Sunday, 29 October

Happy Birthday to Councilmember Allison Chopra!

Monday, 30 October

12:00 pm Board of Public Works Work Session, McCloskey
5:00 pm Utilities Service Board, 600 E. Miller Dr.

Tuesday, 31 October

3:30 pm Board of Public Works, Chambers

Wednesday, 01 November

2:00 pm Hearing Officer, Kelly
6:30 pm Common Council Regular Session, Chambers

Thursday, 02 November

4:00 pm Bloomington Digital Underground Advisory Council, McCloskey
5:30 pm Commission on the Status of Women, McCloskey

Friday, 03 November

12:00 pm Common Council Internal Work Session, Council Library
1:30 pm Metropolitan Planning Organization- Policy Committee, Chambers

Saturday, 04 November

9:00 am Bloomington Community Farmers' Market, 401 N. Morton St.

*Auxiliary aids for people with disabilities are available upon request with adequate notice. Please contact the applicable board or commission or call (812) 349-3400.

Posted and Distributed: Friday, 27 October 2017

401 N. Morton Street
Suite 110
Bloomington, IN 47404

City Hall
www.bloomington.in.gov/council
council@bloomington.in.gov

(ph:) 812.349.3409
(f:) 812.349.3570

CITY OF BLOOMINGTON	Office of the Common Council	Memorandum

To: **Members of the City of Bloomington Common Council, Mayor, and City Clerk**
From: **Daniel Sherman, Attorney/Administrator, Common Council**
Re: **Annual Council Schedule for 2018**
Date: **October 27, 2017**

Dear Council Members, Mayor, and City Clerk – Attached to this memo is a proposed Annual Council Schedule for 2018 which is being distributed in the Council Weekly Packet distributed on October 27th for consideration at the Regular Session on November 1st.

The Annual Schedule provides notice of the Council meetings and, importantly, limits the need to post additional notice of meetings to only those occasions when the essential facts about the meeting (e.g. day, time, and kind of the meeting) are changed. This reduces the risk of having to cancel or redo a meeting because of a failure to post notice.

It is brought forward in the fall of the prior year because the Annual Schedule entails use of the Council Chambers and other meeting rooms and its approval is followed by identifying and resolving conflicts in room reservations before the Annual Calendar is printed and distributed in early December. The Annual Calendar is currently provided by the Council Office and offers a more user-friendly format for City meetings and Council deadlines than the Annual Schedule. Please know that the Annual Schedule requires a majority vote to be adopted and, if needed in the future, amended.

Please review and respond to Susan, Stacy Jane or me over the next week.

Changes since Draft Version was Emailed Last Week

Please note that this Annual Schedule differs from the draft version emailed last week – by moving the Budget Advance from 5:00 pm on Wednesday, May 9th in the McCloskey Room to 5:30 pm on Tuesday, May 8th in the Council Chambers. Although there was a suggestion not to schedule a meeting on Halloween, this Schedule keeps that date. Those who would prefer not to meet on that fifth Wednesday (and double-up meetings the following week) may offer an amendment on Wednesday or could, as the date approaches, have the Council consider reschedule that meeting, once the work-load for November is known.

Highlights of Deviations of the Four-Wednesday-Rule and Other Significant Changes in Proposed Annual Schedule for 2018 As you know, the Council generally meets on the first four Wednesdays of the month for Regular Sessions and Committees of the Whole. It also meets on Fridays about twice a month for Staff-Council Internal Work Sessions to informally hear about upcoming legislation and other pending matters. Here are some of the meetings (and deadlines) that would *not f*ollow the usual rule:

- **6:30 pm Start-Time for Regular Sessions and Committees of the Whole –** as you know, the Council changed the start time of these regular meetings as of 2017.

- **Staff-Council Internal Work Sessions** are scheduled on Friday at noon in the Council Library (unless a bigger room is necessary) except for:
    - Monday, December 18, 2017 – (before Council members and staff often take time off for the holidays); and
    - Monday, December 17, 2018 - *(same)*;

- **January - Organizational Meeting and first Committee of the Whole** are scheduled for second Wednesday in January per past practice;

- **March** – The Council does not meet over IU Spring Break (March 10th – 18th) and doubles-up the first Regular Session and Committee of the Whole of the month on the first Wednesday in order to avoid meeting on the second Wednesday which falls over Spring Break;

- **January, May, August & October all have fifth Wednesdays –** There are five Wednesdays in four months next year. All those, except the one in January, will be used for meetings because of holidays or other Council activities (e.g. Summer Recess at the end of June; Departmental Budget Hearings in August).

- **June & July – Early Summer Recess –** Like last year, in order to coincide down-time with the Council Recess, this schedule proposes that the Council start its Summer Recess after the last Wednesday in June and end with the second Wednesday in August (after an Internal Work Session on the last Friday in July).

- **Budget Schedule - May and August thru early October -** The Budget Schedule moves the Departmental Budget Hearings to later in August than this year (but similar what we've done in recent years) and entail:

    - A Budget Advance on the second Tuesday in May at 5:30 pm in the Council Chambers
        - *Note: The day and time of this meeting was changed in order to allow more time for Council members to arrive at City Hall after their other work ends and to allow more time to for these deliberations.*

    - Department Budget Hearings over four evenings starting on the third Monday of of August (Monday the 20th – Thursday the 22nd)
        - *It appears that starting the Departmental Budget Hearings a week earlier this year did not allow for the Administration to use better numbers and put undue strain on the budget process. This means the hearings fall on the same week as the first week of classes at IU. However, moving hearings up a week this year didn't make life better for some of the members who either work at, or attend, IU.*
        - *This schedule continues to list the expected arrival of the Budget Books a week before the hearings begin.*

- Formal Consideration of the Budget with a:
  - Special Session and Committee of the Whole on Wednesday, September 26th and
  - Special Session on Wednesday, October 10th;
    - *This separates the two evenings by two weeks.*

- **Non-Budget Meetings in August, September, and October –** The months of August, September, and October include both Budget *(noted above)* and Non-Budget *(see below)* that deserve note.
  - ***August –*** *there are five Wednesdays in August. This schedule starts the post-recess sessions on the second Wednesday in August with a Regular Session and a Committee of the Whole. This is done on the assumption that no legislation will carry-over from June and that the Committee of the Whole should not make it an onerous evening.*
    - *One of the challenges for Council Office staff is processing items as part of the normal legislative cycles in the latter part of August and participating in the Departmental Budget Hearings (including preparing the Chart of Unanswered Questions from those hearings).*
  - ***September and October –*** *the second Legislative Cycle in September overlaps with the Budget Cycle and, therefore, includes a Regular Session on the third Wednesday in September, a Committee of the Whole on the first Wednesday in October, and a Regular Session on the third Wednesday in October (after which the Council returns to its usual schedule of Legislative Cycles.*

- **October and November** - the Council does not meet on the eve of Thanksgiving but, given the five Wednesdays in October, would, under this schedule, meet on the fifth Wednesday in October in order to avoid doubling-up meetings in mid-November.
  - *As noted above, members preferring to forego a fifth Wednesday meeting (on Halloween) and double-up the following week, may propose amending the Schedule next Wednesday or wait until next year, when more is known about the November workload, to reschedule that and/or other related meetings.*

- **Religious Holiday Adjustments** – unlike many years, this proposal does not make any adjustments in the schedule due to religious holidays (typically Passover, Rosh Hashanah, or Yom Kippur). I'll need to confirm these dates and can use your help in determining whether there are other religious holidays to be observed. Please see this link to the IU Religious Holiday Schedule under Holiday Observances at: http://vpfaa.indiana.edu/forms/index.shtml

More Detailed Overview of Exceptions to Four-Wednesday-Rule and Other Notable Meeting Dates in the Proposed Annual Schedule for 2018 Here is a more detailed look at unusual meeting dates in 2018:[1]

January

Wednesday, January 10	Organizational Meeting and Committee discussion. *Please note that the schedule sets this meeting on the second Wednesday of the month which, with a recent change in our local code, is the last day we can hold that meeting.*
February	*(Nothing Unusual)*
March	*In 2018, the IU Spring Break will occur during the week of March 10th – 18th. This schedule would have the Council double-up a Regular Session and Committee of the Whole on the first Wednesday this month and meet as usual on the third and fourth Wednesdays.*
Wednesday, March 7th	*Regular Session and Committee of the Whole*
Wednesday, March 14th	*No Meeting – Spring Break*
April	*(Nothing Unusual)*
May and June	*Five Wednesdays in May offers opportunity for early Recess in June. This schedule follows the one the Council used in 2017 by meeting on the fifth Wednesday in May and entering the Council Recess at the end of June rather than in mid-July. Please note that the Budget Advance would now take place on the second Tuesday in May.*
Wednesday, May 9th	"Budget Advance" in the McCloskey Room at 5:00 p.m.
Wednesday, May 30th	Regular Session (on a fifth Wednesday)
Wednesday, June 6th	Committee of the Whole
Wednesday, June 13th	Regular Session
Wednesday, June 20th	Committee of the Whole
Wednesday, June 27th	Regular Session (including hearing Annual Tax Abatement Report)

[1] This lists a few, but not all, of the Internal Work Sessions.

July	*Commences the Summer Recess after the last Wednesday in June and holds IWS/SS on last Friday in July in order to comply with the requirement of meeting at least once a month.*
Friday, July 27th	Possible Special Session and Staff-Council Internal Work Session (at noon).
August	*Adds a Legislative Cycle in early August (like this year), but returns to the practice of holding the Departmental Budget Hearings on the third Monday in August (which is the same week at the beginning of IU Classes)*
Friday, August 3rd	Internal Work Session
Wednesday, August 8th	Regular Session/Committee of the Whole
Monday, August 13th	Budget Books due in Council Office
Wednesday, August 15th	Regular Session
Friday, August 17th	Internal Work Session
Monday, August 20th	Start four evenings of Departmental Budget Hearings *(on third Monday)*
Thursday, August 23rd	End Departmental Budget Hearings
Wednesday, August 29th	Committee of the Whole *(fifth Wednesday)*
September and October	*Overlap of Regular and Budget Legislative Cycles and Use of Fifth Wednesday at end of October*
Wednesday, September 19th	Regular Session
Wednesday, September 26th	Special Budget Session and Committee of the Whole
Wednesday, October 3rd	Committee of the Whole
Wednesday, October 10th	Adoption Hearing on Budget *(on MCCSC fall break)*
Wednesday, October 17th	First Regular Session in October
Wednesday, October 24th	Second Committee of the Whole in October
Wednesday, October 31st	First Regular Session for November Legislative Cycle
November	*Use of fifth Wednesday in October would avoid doubling-up meetings in mid-November*
Wednesday, October 31st	Regular Session (on a fifth Wednesday)
Wednesday, November 7th	Committee of the Whole
Wednesday, November 14th	Regular Session
Wednesday, November 21st	*Off – Thanksgiving*
Wednesday, November 28th	Committee of the Whole
December	*Schedules the first Internal Work Session on a Monday before folks take off for the holidays.*
Monday, December 17th	Internal Work Session (for first Legislative Cycle in 2019)
Wednesday, December 19th	Last meeting of the year

COMMON COUNCIL
MEETING SCHEDULE AND LEGISLATION DEADLINES FOR THE YEAR 2018
(Subject to Revision by Common Council)

LEGIS CYCLE	INTERNAL WORK SESSIONS [10]	DEADLINE FOR ORDINANCES; E-MAILED TO CCL BY NOON	DEADLINE FOR RESOLUTIONS; E-MAILED TO CCL BY NOON	REGULAR SESSION 1st READING FOR ORDS.	COMMITTEE OF THE WHOLE DISCUSSION	REGULAR SESSION 2nd READINGS AND RESOLUTIONS	** Note on Legislative Cycle*
1	Mon. Dec. 18 (2017)	Wed. Dec. 20 (2017)	Wed. Dec. 20 (2017)	[1] Jan. 10	[1] Jan. 10	Jan. 17	
2	Fri. Jan. 5	Mon. Jan. 8	Fri. Jan. 12	Jan. 17	Jan. 24	Feb. 7	
3	Fri. Jan 26	Mon. Jan. 29	Mon. Feb. 5	Feb. 7	Feb. 14	Feb. 21	
4	Fri. Feb. 9	Mon. Feb. 12	Mon. Feb. 19	Feb. 21	Feb. 28	Mar. 7	
5	Fri. Feb. 23	Mon. Feb. 26	Mon. Feb. 26	[2] Mar. 7	[2] Mar. 7	Mar. 21	
6	Fri. Mar. 9	Fri. Mar. 9	Mon. Mar. 19	Mar. 21	Mar. 28	Apr. 4	
7	Fri. Mar. 23	Fri. Mar. 23	Mon. Apr. 2	Apr. 4	Apr. 11	Apr. 18	
8	Fri. Apr. 6	Mon. Apr. 9	Mon. Apr. 16	Apr. 18	Apr. 25	May 2	
9	Fri. Apr. 20	Mon. Apr. 23	Mon. Apr. 30	May 2	[3] May 9	May 16	
10	Fri. May 4	Fri. May 4	Mon. May 14	May 16	May 23	[4] May 30	
11	Fri. May 18	Mon. May 21	Fri. May 25	[4] May 30	[4] June 6	[4] June 13	
12	Fri. June 1	Mon. June 4	Mon. June 11	[4] June 13	[4] June 20	[4 & 5] June 27	
	SUMMER RECESS AND DEPARTMENTAL BUDGET HEARINGS (STARTING ON MONDAY, AUGUST 20TH) [3]						
13	[6] Fri. July 27	Mon. July 30	Mon. July 30	[6] Aug 8	[6] Aug. 8	[6] Aug. 15	
14	Fri. Aug. 3	Mon. Aug. 6	Mon. Aug. 13	[6] Aug. 15	Aug. 29	Sep. 5	
15	Fri. Aug. 17	Mon. Aug. 27	Fri. Aug. 31	Sep. 5	Sep. 12	[8] Sep. 19	
16	N/A	Mon. Sep. 10	Mon. Sep. 10	[7] Sep. 26	[7] Sep. 26	[7] Oct. 10	
17	Fri. Sept. 7	Mon. Sept. 10	Mon. Sept. 17	[8] Sep. 19	[8] Oct. 3	[8] Oct. 17	
18	Fri. Oct. 5	Mon. Oct. 8	Mon. Oct. 15	Oct. 17	Oct. 24	[9] Oct. 31	
19	Fri. Oct. 19	Mon. Oct. 22	Mon. Oct. 29	[9] Oct. 31	[9] Nov. 7	[9] Nov. 14	
20	Fri. Nov. 2	Fri. Nov. 2	[9] Wed. Nov. 14	[9] Nov. 14	[9] Nov. 28	Dec. 5	
21	Fri. Nov. 16	Mon. Nov. 19	Mon. Dec. 3	Dec. 5	Dec. 12	[4] Dec. 19	
	YEAR END RECESS						
	First Legislative Cycle for 2019:						
1	Mon. Dec. 17 (2018)	Wed. Dec. 19	Wed. Dec. 19	[1] Wed. Jan. 9 (2019)	[1] Wed. Jan. 9 (2019)	Wed. Jan. 16 (2019)	

Deadlines for Legislation: The deadline for submitting legislation and all accompanying materials, including a summary memo, is set at noon on the date listed. For information on the manner for submitting these materials, please inquire with the Council Office.

Usual Day, Location, and Time of Meetings: Unless otherwise indicated, the Council meets on the first four Wednesdays of the month in the Council Chambers in Room 115 of the Showers Center, 401 North Morton, at 6:30 p.m. It also meets for a Staff-Council Internal Work Session on Fridays about 10 days before the beginning of the next legislative cycle. (See the first column of the above chart and footnote #10 for the day, time, location of those meetings and the typical topics discussed at them.)

**** Note on the Legislative Cycle:*** *While it is typical for the Council to introduce and take final action on legislation during the same cycle, the Council may schedule legislation or other matters for further consideration at subsequent Committees of the Whole, Regular Sessions, or Special Sessions.*

The following footnotes list and explain the exceptions to this general rule:

1 The Council will hold an annual Organizational Meeting on this date when, along with other matters, it elects officers and gives legislation first reading. Under local code, the meeting must be held by the second Wednesday in January unless rescheduled by a majority of the Council. (BMC 2.04.010 and BMC 2.04.050[a, c & d]). This meeting will be immediately followed by a Committee of the Whole.

2. The Council will hold its first Regular Session and first Committee of the Whole in March on the first Wednesday (March 7th). This schedule calls for two meetings on one night in order to avoid meeting over Spring Break (when many residents are out-of-town).

3. The Council will hold a Council Budget Advance in the Council Chambers (Room 115) of City Hall at 5:30 p.m. on Tuesday, May 8th and Departmental Budget Hearings in the Council Chambers at 6:00 p.m. on Monday, August 20th, Tuesday, August 21st, Wednesday, August 22nd, and Thursday, August 23rd, 2018. Budget Books are scheduled to be delivered on Monday, August 13th, which is one week before the start of the Departmental Budget Hearings.

For Consideration on November 1, 2017

4. BMC 2.04.050[e] & [g] call for the Council to take a brief recess after the first Regular Session in August and the second Regular Session in December, and not introduce legislation for first reading at these meetings. By approving this Annual Schedule, the Council will be starting and ending the Summer Recess earlier than usual. The Summer Recess will begin after the second Legislative Cycle in June and end with an Internal Work Session on Friday, July 27th. Please note that this will move a Legislative Cycle from before to after the Summer Recess. In order to begin the Summer Recess before July 4th, this schedule will also use the 5th Wednesday in May to move the last two legislative cycles before the Summer Recess up one week. This results in a Regular Session on May 31st, Committee of the Whole on June 6th, Regular Session on June 13th, Committee of the Whole on June 20th, and a Regular Session on June 27th.

5. The Council will hear the Annual Tax Abatement Report as a Report from the Mayor and City Offices at this Regular Session.

6. As mentioned in Footnote #4, this Annual Schedule moves one Legislative Cycle from before to after the Summer Recess and ends that recess earlier than usual. That Legislative Cycle includes a Staff-Council Internal Work Session on Friday, July 27th, a Regular Session and Committee of the Whole on August 8th and a Regular Session on August 15th. Please note that statute (IC 36-4-6-7) and local code (BMC 2.04.050[a]) require the Council to hold regular meetings at least once a month. By adoption of this Annual Schedule, the Council is intending for the Staff-Council Internal Work Session on July 27th to comply with this requirement. The President of the Council will approve the agenda and a quorum of the Council will be necessary to conduct any business.

7. After holding Departmental Budget Hearings in the mid-August (See Footnote #3), the Council will formally consider the City Budget for 2019 during a separate legislative cycle (known as the "Budget Cycle") starting in late September and ending in early October. In keeping with the Wednesday meeting schedule, this Budget Cycle typically starts with a Special Session and Committee of the Whole on the fourth Wednesday in September and ends with a Special Session on the second Wednesday in October. The Budget Cycle in 2018 will entail a Special Session and Committee of the Whole on Wednesday, September 26th and a Special Session on Wednesday, October 10th. Please note that the statutorily required initial public hearings associated with the City Budget package will be held during the aforementioned Committee of the Whole in September and the adoption hearings will be held at the Special Budget Session in October.

8. The second Legislative Cycle in September overlaps with the Budget Cycle and is intended to allow for consideration of routine, non-budget legislation during that time. That schedule results in the Second Legislative Cycle spanning from the third Wednesday in September to the third Wednesday in October. Those meetings will include a Regular Session on Wednesday, September 19th, a Committee of the Whole on October 3rd (a first Wednesday), and a Regular Session on October 17th. In essence, this arrangement replaces one legislative cycle in early October with the Budget Cycle.

9. The Council will not meet for a Committee of the Whole on the Wednesday before Thanksgiving per BMC 2.04.050 (f). In order to hold a full complement of Wednesday meetings during the two legislative cycles in November, this schedule starts the first Legislative Cycle in November on the fifth Wednesday of October. The meetings in those legislative cycles include: a Regular Session on Wednesday, October 31st, a Committee of the Whole on Wednesday, November 7th, a Regular Session on Wednesday, November 14th, a Committee of the Whole on Wednesday, October 28th and a Regular Session on Wednesday, December 5th.

10. Staff-Council Internal Work Sessions provide an opportunity for the Council members to learn about City initiatives, most of which are close to formal consideration by the Council. (Please see Footnote #6 for the broadened purpose of the meeting held at the end of July.) These meetings will be held in the Council Office Library (Room 110 of City Hall) at noon. If the room is too small for the meeting, the Council may move it to another room in City Hall and post notice on the door of the Council Office the day of the change in location. Except for the meetings on Monday, December 18, 2017 and Monday, December 17, 2018, these meetings will be held on a Friday.

Note: By adoption of this schedule, the Council gives staff the authority to correct typographical errors. The term "typographical errors" includes changes that do not alter the date, time, or place of any meeting.

For Consideration on November 1, 2017

RESOLUTION 17-40

TO APPROVE AN INTERLOCAL COOPERATION AGREEMENT BETWEEN THE CITY OF BLOOMINGTON AND MONROE COUNTY, INDIANA IN REGARDS TO THE 2017 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT (JAG)

WHEREAS, the City of Bloomington and Monroe County are authorized by I.C. 36-1-7-1, *et seq.*, to enter into agreements for the joint exercise of their powers for the provision of services to the public; and

WHEREAS, this Interlocal Cooperation Agreement reflects the commitments and understandings agreed to by the governmental entities in order to efficiently and effectively utilize proceeds received from the 2017 Edward Byrne Memorial Justice Assistance Grant (JAG);

NOW, THEREFORE BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The Interlocal Cooperation Agreement between the City of Bloomington and Monroe County, Indiana in regards to the 2017 Edward Byrne Memorial Justice Assistance Grant, a copy of which is attached hereto and made a part hereof, is hereby approved.

SECTION 2. If any sections, sentences or provisions of this resolution, or the application thereof to any person or circumstances shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared to be severable.

SECTION 3. This resolution shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

PASSED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

_____
SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

_____
NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

_____
NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2017

_____
JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This resolution approves the interlocal agreement between the City and the County for 2017 JAG funds. JAG funds are divided between the City and the County based on violent crime statistics reported to the FBI through the Uniform Crime Report. A three year review of violent crime statistics shows that the City is entitled to 78% of the grant funds, and the County is entitled to the remaining 22%. The overall JAG award for 2017 is $27,691. The City shall receive $21,598 and the County will receive $6,093. The City shall use all of its award towards the purchase security cameras in the downtown area. The County shall use all of its award towards the purchase of tire deflation devices that are used in vehicle pursuit interventions.

INTERLOCAL COOPERATION AGREEMENT
BETWEEN
THE CITY OF BLOOMINGTON AND
MONROE COUNTY, INDIANA
IN REGARDS TO 2017 EDWARD BYRNE MEMORIAL
JUSTICE ASSISTANCE GRANT (JAG)

WHEREAS, Indiana Code § 36-1-7-1 *et seq.* permits governmental entities to jointly exercise powers through Interlocal Cooperation Agreements; and

WHEREAS, each governmental entity, in performing their governmental functions or in paying for the performance of governmental functions hereunder, shall make that performance or those payments from current revenues legally available to that party; and

WHEREAS, each governmental entity finds that the performance of this Interlocal Cooperation Agreement is in the best interests of both entities, that the undertaking will benefit the public, and that the division of costs fairly compensates the performing party for the services or functions under this Interlocal Cooperation Agreement; and

WHEREAS, this Interlocal Cooperation Agreement reflects the commitments and understandings agreed to by the governmental entities in order to efficiently and effectively utilize proceeds received from the 2017 Edward Byrne Memorial Justice Assistance Grant (JAG); and

WHEREAS, the funds from the JAG are to be divided between the two governmental entities based on violent crime statistics reported to the Federal Bureau of Investigation through the Uniform Crime Reports; and

WHEREAS, an agreement between the Sheriff and Chief of Police based partially upon a three (3) year review of the violent crime statistics for both governmental agencies indicates that the Bloomington Police Department is to receive eighty percent (78%) of the total JAG funds and that the Monroe County Sheriff's Department is to receive the remaining twenty percent (22%) of the JAG funds.

NOW, THEREFORE, City of Bloomington and Monroe County, Indiana, hereby agree as follows:

Section 1. Payment

The City shall receipt in all of the $27,691.00 associated with the 2017 JAG and thereafter disburse $6,093.00 (22% of the total JAG funds) to the Monroe County Sheriff's Department, while retaining $21,598.00 for use by the City of Bloomington Police Department.

Section 2. Use of Funds

The City shall use all of the $21,598.00 it is allocated from the JAG funds towards the purchase of security cameras for use in the downtown and near downtown areas.

The County shall use all of the $6,093.00 it is allocated from the JAG funds towards the purchase of tire deflation devices for use as intervention devices during vehicle pursuits.

Section 3. Liability

Nothing in the performance of this Interlocal Cooperation Agreement (hereinafter, "Agreement") shall impose any liability for claims against either governmental entity other then claims for which liability may be imposed by the Indiana Tort Claims Act.

Section 4. Responsibility

Each entity to this Agreement shall be responsible for its own actions in providing services under this Agreement and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

Section 5. Commitment

The entities shall communicate and cooperate with one another to ensure that the purposes of this Agreement are achieved on behalf of and to the benefit of the publics they serve.

Section 6. Third Parties

The entities to this Agreement do not intend for any third party to obtain a right by virtue of this Agreement.

Section 7. Intent

By entering into this Agreement, the entities do not intend to create any obligations express or implied other than those set out herein. Further, this Agreement shall not create any rights in any party not a signatory hereto.

Section 8. Severability

If any provision of this Agreement is declared, by a court of competent jurisdiction, to be invalid, null, void or unenforceable, the remaining provisions shall not be affected and shall have full force and effect.

Section 9. Appropriation of Funds

The entities acknowledge and agree that the performance of this Agreement is subject to the appropriation of sufficient funds by JAG. The parties agree to make a good faith effort to obtain all necessary appropriations and to comply with all provisions of this Agreement to the extent feasible under current or future appropriations.

Approved this _____ day of _____, 2017, by the Monroe County, Indiana Commissioners:

MONROE COUNTY, INDIANA

_____

Julie Thomas, President
Monroe County Commissioners

ATTEST:

_____

Catherine Smith, Auditor

_____
Amanda Barge, Vice President
Monroe County Commissioners

_____
Patrick Stoffers, Commissioner
Monroe County Commissioners

Approved this _____ day of _____, 2017, by the City of Bloomington Common Council.

_____
Susan Sandberg, President
Bloomington Common Council

ATTEST:

_____
Nicole Bolden, Clerk

Approved this _____ day of _____, 2017, by the City of Bloomington.

CITY OF BLOOMINGTON, INDIANA

_____
John Hamilton, Mayor

ATTEST:

_____
Nicole Bolden, Clerk

MEMO:

To: **Bloomington City Council**
CC: **John Hamilton, Mayor**
From: **Michael Rouker, City Attorney**
Date: **September 12, 2017**
Re: **2017 JAG Interlocal**

The Bloomington Police Department and the Monroe County Sheriff's Office will jointly be applying for federal grant funds from the Edward Byrne Memorial Justice Assistance Grant (FY 17 JAG Program) administered by the Bureau of Justice Assistance.

The amount of grant funds available to the Bloomington Police Department and the Monroe County Sheriff's Office is $27,691.00. The grant allows for funds to be divided among agencies based on violent crime statistics reported to the FBI through the Uniform Crime Report (UCR). A three (3) year review of violent crime statistics for the respective agencies indicates that the Bloomington Police Department should receive 78% of the funds and that the Monroe County Sheriff's Office should receive the remaining 22% of the funds.

This results in a monetary division of:
Bloomington Police Department: **$21,598.00**
Monroe County Sheriff's Office: **$6,093.00**

The Bloomington Indiana Police Department, and Monroe County Indiana Sheriff as disparate jurisdiction, have been awarded $27,691.00 under the BJA FY2017 Edward Byrne Memorial JAG Grant.

By agreement between the Chief of Police and the Sheriff, the award is to be split in a 78/22 fashion using an agreed upon percentage which is partially based on a 3 year aggregate of UCR data for each jurisdiction. As a result of which the Bloomington Police Department will receive $21,598.00 with the Monroe County Sheriff’s Office receiving $6,093.00

The Bloomington Police Department intends to use its portion of this grant to continue to build a system of security cameras in the downtown and near downtown areas of the city which have seen a dramatic increase in crime and criminal complaints over the last several years. The system, which is being built out as funding allows, features overt cameras which feature pan/scan/tilt capabilities which are capable of being directed by mobile devices with each camera being recorded on a central computer server for later recall. By using these cameras, the Department seeks to continue to add to transparency, establish trust, and gather video evidence of crimes.

Each of the cameras, depending upon the exact mounting hardware needed to emplace the equipment runs over $6,000. The Department's intent is to purchase up to five of the cameras with matching funding coming from the fiscal resources of the Department's approved 2017/2018 budget or other non-grant funds available to the Department.

The Monroe County Sheriff's Office has determined that they will purchase tire deflation devices intended for use in vehicle pursuit interventions. The Sheriff's Office intends to purchase as many devices as possible with the grant funding as well as other fiscal resources for its approved 2017/2018 budget or other non-grant funds available to the Office.

This award, coupled with other funding as obtained, is intended to further the goal of each Sherriff's patrol vehicles being so equipped.

This grant is being advertised to the public as is required and is slated to be heard in October of 2017 by the City of Bloomington Common Council as well as the Monroe County Council, also as part of the grant requirements.

Implementation of both portions of this disparate grant will begin within 60 days of actual monetary award receipt and should be completed within 180 days thereafter.

RESOLUTION 17 - 41

TO APPROVE AN EQUIPMENT LEASE PURCHASE AGREEMENT AND OTHER RELATED MATTERS -
Re: Installation of Solar Panels by Energy Systems Group, LLC

WHEREAS, Indiana Code 36-1-12.5, as amended (the "Act") authorizes the Common Council (the "Council") of the City of Bloomington, Indiana (the "City"), to enter into guaranteed savings contracts (as defined in the Act) with qualified providers (as defined in the Act) in order to reduce the City's energy or water consumption or operating costs; and

WHEREAS, in accordance with the Act and pursuant to Resolution 17-34, adopted by the Council on August 9, 2017, the Council has authorized the City to enter into a Guaranteed Savings Contract, together with all exhibits, schedules and attachments thereto (the "Contract), in a form and substance acceptable to the Council President and the Mayor of the City (the "Mayor"), by and between the City and Energy Systems Group, LLC, for the purpose of providing for the acquisition, construction and installation of solar photovoltaic equipment at thirty sites across the City, all as more particularly described in Exhibit A to Resolution 17-34 (collectively, the "Project"); and

WHEREAS, in order to provide financing for the Contract, the City intends to execute and deliver an Equipment Lease Purchase Agreement, together with all exhibits, schedules and attachments thereto, to be dated as of the date of its execution and delivery (the "Lease Purchase Agreement"), by and between the City, as lessee, and Banc of America Public Capital Corp, or its affiliate or designee, as lessor (the "Lessor"), in the aggregate principal amount not to exceed $14,000,000, the proceeds of which will be used to pay for the costs of (a) the Project, and (b) executing and delivering the Lease Purchase Agreement, the Contract and other documents and costs related thereto (clauses (a) through and including (b), collectively, the "Expenditures"); and

WHEREAS, the City will deposit the proceeds derived from the Lease Purchase Agreement into an escrow fund established under the terms of an Escrow Agreement, to be dated as of the date of its execution and delivery (the "Escrow Agreement"), by and among the City, the Lessor and Bank of America, National Association, as the escrow agent (or such different escrow agent as shall be selected by the City and acceptable to the Lessor) (the "Escrow Agent"), and disbursed to pay the Expenditures in the manner set forth in the Escrow Agreement; and

WHEREAS, the Council, being duly advised, finds that it is in the best interests of the City and its citizens for the purpose of financing all or any portion of the Project to enter into the Lease Purchase Agreement and the Escrow Agreement in order to better serve the residents of the City; and

WHEREAS, the City expects to pay for certain of the Expenditures prior to the execution and delivery of the Contract, and to reimburse the Expenditures with proceeds received by the City upon the execution and delivery of the Lease Purchase Agreement and the Escrow Agreement; and

WHEREAS, the City desires to declare its intent to reimburse the Expenditures pursuant to Treas. Reg. §1.150-2 and Indiana Code §5-1-14-6(c); and

WHEREAS, the Council now desires to (i) approve the execution and delivery of the Lease Purchase Agreement and the Escrow Agreement and documents related to any of these foregoing documents, and (ii) authorize certain actions in connection therewith, subject to the conditions set forth herein.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The Council hereby determines that all or a portion of the Project will be financed from the Lease Purchase Agreement, which will provide for semi-annual or annual payments from money on deposit in the City's General Fund or any other legally available funds of the City, subject in all respects to annual appropriation by the Council.

SECTION 2. Each of the Mayor or the Controller of the City is authorized and directed to execute and deliver the Lease Purchase Agreement and the Escrow Agreement, in such form and substance as such officer deems necessary or advisable, subject in all respects, however, to the terms and conditions of this resolution, in the name and on behalf of the City. The Mayor and Controller of the City are each hereby designated to act as authorized representatives of the City for purposes of the Lease Purchase Agreement and the Escrow Agreement, until such time as the Council shall designate any other or different authorized representative for purposes of the Lease Purchase Agreement, in which event the Council shall notify the Lessor in writing of any new authorized representatives designated by the Council.

SECTION 3. The Lease Purchase Agreement shall have a term not to exceed twenty (20) years commencing from the date the City begins to make lease rental payments thereunder. The maximum principal amount financed under the Lease Purchase Agreement shall not exceed $14,000,000, and the interest rate under the terms of the Lease Purchase Agreement shall not exceed 3.50% per annum.

SECTION 4. The City hereby declares its official intent to execute the Lease Purchase Agreement which will not exceed an original aggregate principal amount of approximately $14,000,000, and to reimburse the Expenditures from proceeds received by the City from the execution and delivery of the Lease Purchase Agreement.

SECTION 5. Any officer of the City be, and hereby is, authorized and directed to execute and deliver such documents and take such other actions as such officer deems necessary or desirable to effect the foregoing resolutions, and any such documents heretofore executed and delivered and any such other actions heretofore taken be, and hereby are, ratified and approved.

SECTION 6. Nothing contained in this Resolution, the Lease Purchase Agreement, the Escrow Agreement nor any other instrument shall be construed with respect to the City as incurring a pecuniary liability or charge upon the general credit of the City or against its taxing power, nor shall the breach of any agreement contained in the Lease Purchase Agreement, the Escrow Agreement or any other instrument or document executed in connection therewith impose any pecuniary liability upon the City or any charge upon its general credit or against its taxing power.

SECTION 7. In connection with the execution and delivery of the Lease Purchase Agreement, the Council hereby engages Barnes & Thornburg LLP to serve as special tax counsel to the City.

SECTION 8. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity of unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

SECTION 9. This Resolution shall be effective immediately upon its passage and adoption in accordance with Indiana law.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana this ____ day of _____, 2017.

_____
SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

_____
NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this ____ day of _____, 2017.

_____
NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this ____ day of _____, 2017.

_____
JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This resolution approves the City entering into an equipment lease purchase agreement with Banc of America Public Capital Corp, or its affiliate or designee, in order to provide financing for the Guaranteed Savings Contract to be entered into between the City and Energy Systems Group, LLC ("ESG"), which was approved by the Council on August 9, 2017.

JOHN HAMILTON
MAYOR

JEFFREY H. UNDERWOOD, CPA
CONTROLLER

CITY OF BLOOMINGTON

CONTROLLER'S OFFICE

401 N Morton St
Post Office Box 100
Bloomington IN 47402

p 812.349.3416
f 812.349.3456
controller@bloomington.in.gov

TO: Bloomington Common Council

FROM: Jeff Underwood, Controller

RE: Approval of Financing regarding Guaranteed Savings Contract

DATE:

On August 9, 2017, the Council approved a Guaranteed Savings Contract between the City and Energy Systems Group, LLC ("ESG"). Pursuant to that Guaranteed Savings Contract, ESG will install approximately 5 megawatts of Photovoltaic Panels at approximately 30 City-owned locations across the City during 2017, so that the City can take advantage of 30 years of net metering at the retail rate.

The idea behind a Guaranteed Savings Contract is that the savings from the capital improvements are more than sufficient to pay for the improvements themselves, as well as the costs associated with the improvements. Given the tight timeframe to have the solar installations completed, the City entered into the Guaranteed Savings Contract prior to closing on financing.

The City has worked with its Financial Advisor (OW Krohn and Associates), its Bond Counsel (Barnes & Thornburg), and ESG to review a number of potential financing mechanisms. It is the opinion of City Staff, our Financial Advisor, and our Bond Counsel that a lease-purchase arrangement with Bank of America is the best way to finance the work covered by the Guaranteed Savings Contract. A lease-purchase does not constitute debt for purposes of the statutory debt limits. The City expects the lease-purchase agreement to have an interest rate of approximately 3%, and to have a term of twenty years. A lease-purchase is a common financing mechanism. In fact, two of the City's parking garages (at 7th and Morton and 7th and Walnut) are being financed through lease purchase agreements.

One of the ways that a lease-purchase is similar to a bond is that both a lease-purchase and a bond requires Council approval. The Resolution that has been prepared for your consideration provides the necessary approval to finance the solar improvements approved in early August. If this Resolution is approved, we anticipate closing on the lease-purchase in mid-November.

Navigation SCENARIO ID

August 3, 2017

City of Bloomington PV Project

TERM		PROJECT POSITIVE CASH FLOW				PROJECT COSTS						PROJECT SUMMARY		
PERIOD	YEAR	ANNUAL ENERGY SAVINGS	ANNUAL OPERATIONS SAVINGS	CAPITAL COST AVOIDANCE	TOTAL ANNUAL POSITIVE CASH FLOW	LEASE PAYMENT	Parks and Rec	DPW	Utilities	SUPPORT SERVICES	TOTAL ANNUAL COST	PROJECT POSITIVE CASH FLOW	PROJECT COSTS	PROJECT CASHFLOW
CONSTRUCTION		$65,000	$0	$0	**$65,000**	$0				($10,000)	**($10,000)**	$65,000	($10,000)	**$55,000**
1	**2017**	**$418,822**	**$148,821**	**$158,902**	**$726,545**	**($938,593)**	**($150,175)**	**($253,420)**	**($534,998)**	**$0**	**($938,593)**	**$726,545**	**($938,593)**	**($212,048)**
2	2018	$435,897	$155,667	$166,211	**$757,776**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$757,776	($938,593)	**($180,818)**
3	2019	$453,669	$162,827	$173,857	**$790,353**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$790,353	($938,593)	**($148,240)**
4	2020	$472,165	$170,317	$181,855	**$824,337**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$824,337	($938,593)	**($114,256)**
5	2021	$491,415	$178,152	$190,220	**$859,787**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$859,787	($938,593)	**($78,806)**
6	2022	$511,450	$186,347	$198,970	**$896,767**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$896,767	($938,593)	**($41,826)**
7	2023	$532,302	$194,919	$208,123	**$935,344**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$935,344	($938,593)	**($3,250)**
8	2024	$554,004	$203,885	$217,696	**$975,585**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$975,585	($938,593)	**$36,992**
9	2025	$576,590	$213,264	$227,710	**$1,017,565**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,017,565	($938,593)	**$78,972**
10	2026	$600,098	$223,074	$238,185	**$1,061,357**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,061,357	($938,593)	**$122,764**
11	2027	$624,564	$233,336	$249,142	**$1,107,041**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,107,041	($938,593)	**$168,448**
12	2028	$650,028	$244,069	$260,602	**$1,154,699**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,154,699	($938,593)	**$216,105**
13	2029	$676,529	$255,296	$272,590	**$1,204,415**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,204,415	($938,593)	**$265,822**
14	2030	$704,111	$267,040	$285,129	**$1,256,280**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,256,280	($938,593)	**$317,687**
15	2031	$732,818	$279,324	$298,245	**$1,310,386**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,310,386	($938,593)	**$371,793**
16	2032	$762,695	$292,173	$311,964	**$1,366,832**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,366,832	($938,593)	**$428,238**
17	2033	$793,790	$305,613	$326,314	**$1,425,717**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,425,717	($938,593)	**$487,124**
18	2034	$826,153	$319,671	$341,325	**$1,487,148**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,487,148	($938,593)	**$548,555**
19	2035	$859,835	$334,376	$357,026	**$1,551,236**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,551,236	($938,593)	**$612,643**
20	2036	$894,890	$349,757	$373,449	**$1,618,096**	($938,593)	**($150,175)**	**($253,420)**	**($534,998)**	$0	**($938,593)**	$1,618,096	($938,593)	**$679,503**

SUMMATION OVER ENTIRE TERM

TERM IN YRS	ANNUAL ENERGY SAVINGS	ANNUAL OPERATIONS SAVINGS	CAPITAL COST AVOIDANCE	TOTAL ANNUAL POSITIVE CASH FLOW	LEASE PAYMENT				SUPPORT SERVICES	TOTAL ANNUAL COST	PROJECT POSITIVE CASH FLOW	PROJECT COSTS	NET PROJECT CASHFLOW
20	**$12,571,825**	**$4,717,927**	**$5,037,516**	**$22,327,268**	**($18,771,868)**				**$0**	**($18,771,868)**	**$22,327,268**	**($18,771,868)**	**$3,555,401**

CITY FACILITIES SUBJECT TO ANTICIPATED, DESIGNED AND INSTALLED PV SYSTEMS AND SPECIFIED ROOFING SCOPE OF WORK

The below City Facilities and general scopes of work are the subject of ESG's projected savings cash flow associated with the parties' anticipated initial phase guaranteed savings contract. The direct subcontractors ESG proposes to hire for this work are: (1) Horning Roofing and Sheet Metal, 2340 Enterprise Pk Pl. Avenue, Indianapolis, IN; and (2) PSG Energy Group, LLC, 608 West Main St, Suite B, Pittsboro, IN 46167. Both subcontractors are IDOA-certified to perform construction services on public works projects.

Banneker Community Center: Roofing and Solar PV Scope of Work
Fire Station #1: Roofing and Solar PV Scope of Work
Fire Station #3: Roofing and Solar PV Scope of Work
Fire Station #4: Roofing and Solar PV Scope Work
Fleet Maintenance Building: Roofing and Solar PV Scope of Work
Frank Southern Center: Roofing and Solar PV Scope of Work
Sanitation Building: Roofing and Solar PV Scope of Work
Street Department HQ: Roofing and Solar PV Scope of Work
Twin Lakes Recreational Center: Roofing (TBD) and Solar PV Scope of Work
Blucher Pool WWTP: Solar PV Scope of Work Only
Bryan Park Pool: Solar PV Scope of Work Only
Dillman WWTP Grounds: Solar PV Scope of Work Only
Fire Station #2: Roofing and Solar PV Scope of Work
Maintenance Building 345: Roofing and Solar PV Scope of Work
Maintenance Building 545: Roofing and Solar PV Scope of Work
Mills Pool: Solar PV Scope of Work Only
Monroe Water Treatment Plant: Solar PV Scope of Work Only
Morton Street Parking Garage: Solar PV Scope of Work Only
Olcott Park: Roofing and Solar PV Scope of Work
Police Dispatch: Solar PV Scope of Work Only
Police Firing Range: Solar PV Scope of Work Only
Thompson Park: Solar PV Scope of Work Only
SE Booster Station & Tank: Solar PV Scope of Work Only
Showers City Hall Fountain and Mayflower Exterior: Solar PV Scope of Work Only
Twin Lakes Ball Fields: Solar PV Scope of Work Only
Utility Department HQ: Solar PV Scope of Work Only
Walnut Street Parking Garage: Solar PV Scope of Work Only
Winslow Park- Jr Softball Fields: Solar PV Scope of Work Only
Winslow Park- Sr Baseball Fields: Solar PV Scope of Work Only
Winslow Park- Tennis Courts: Solar PV Scope of Work Only

Material Related to Proposed Increase in CBU Miscellaneous and Non-Recurring Rates and Charges

- **Utility Service Board (USB) Resolution No. 2017-07 -** Resolution of the Utility Service Board of the City of Bloomington, Indiana, for the Adjustment of Non-Recurring Charges for the Water and Wastewater Utilities;
- **Memo** – City of Bloomington Utilities (CBU) Miscellaneous and Non-Recurring Rates and Charges
- **PowerPoint Presentation** from Crowe Horwath LLP
- **Preliminary Non-Recurring Rates and Charges Report** - CBU (Crowe Horwath LLP)

Contact:
Vic Kelson, Director of CBU at 812-349-1444, kelsonv@bloomington.in.gov
Missy Waldon, Finance Manager, CBU, 812-349-1444, waldonm@bloomington.in.gov
Chris Wheeler, Assistant City Attorney, 812-349-3426, wheelech@bloomington.in.gov
Representatives from Crowe Horwath LLP -
Angie Steeno 317-269-2367 or Craig Lotz at 317-689-512

- **Ord 17-40** To Amend Title 9 of the Bloomington Municipal Code Entitled "Water" (Non-Recurring Rate Adjustment)
  - Redline Version of Title 9 (Water)

- **Ord 17-41** To Amend Title 10 of the Bloomington Municipal Code Entitled "Wastewater" (Non-Recurring Rate Adjustment)
  - Redline Version of Title 10 (Wastewater)

UTILITY SERVICE BOARD
OF THE CITY OF BLOOMINGTON, INDIANA
RESOLUTION NO. 2017-07

RESOLUTION OF THE UTILITY SERVICE BOARD OF THE CITY OF BLOOMINGTON, INDIANA, FOR THE ADJUSTMENT OF NON-RECURRING CHARGES FOR THE WATER AND WASTEWATER UTILITIES.

WHEREAS, the City of Bloomington, Indiana (the "City"), has previously established and constructed and now owns and operates through its Utility Service Board (the "Board"): (i) a municipal waterworks utility (the "Waterworks") furnishing the public supply of water to the City and its inhabitants pursuant to Indiana Code § 8-1.5, as amended; and (ii) a sewage works utility (the "Sewage Works"), for the collection and treatment of sewage and other wastes pursuant to Indiana Code § 36-9-23, as amended; and

WHEREAS, the Board, engaged the services of Crowe Horwath LLP, to study certain miscellaneous and non-recurring charges of the City of Bloomington Utilities water and wastewater systems; and

WHEREAS, Crowe Horwath LLP prepared a report concerning certain miscellaneous and non-recurring charges of the waterworks and wastewater systems (the "Report") and determined that the existing miscellaneous and non-recurring services are insufficient to cover the costs and expenses associated therewith and also found that existing charges for system development are insufficient to meet future waterworks and wastewater system expansion needs; and

WHEREAS, the Board, adopted the findings of the Report on October 16, 2017, thereby finding that the existing charges to Utility customers for certain miscellaneous and non-recurring services are insufficient to cover the costs associated therewith and that existing charges for system development are insufficient to meet future waterworks and wastewater system expansion needs; and

WHEREAS, the Board duly considered a proposed form of ordinance adjusting the miscellaneous and non-recurring rates and charges for waterworks and found the same satisfactory, a copy of which is attached hereto as **Exhibit "A"**; and

WHEREAS, the Board duly considered a proposed form of ordinance adjusting the miscellaneous and non-recurring rates and charges for wastewater and found the same satisfactory, a copy of which is attached hereto as **Exhibit "B"**; and

WHEREAS, the Board desires to recommend the adoption of the proposed ordinances to the Common Council of the City of Bloomington (the "Common Council").

NOW, THEREFORE, BE IT RESOLVED BY THE UTILITY SERVICE BOARD OF THE CITY OF BLOOMINGTON, INDIANA, AS FOLLOWS:

1. That the current schedules for water and wastewater miscellaneous and non-recurring rates and charges are insufficient to cover the cost of providing said miscellaneous and non-recurring services to the customers of the water and wastewater utilities and should be adjusted according to the Report.

2. That the wastewater system is reaching maximum capacity and the existing connection fees (system development charge) for wastewater are insufficient to meet necessary expansion needs of the wastewater system and should therefore be adjusted according to the Report.

3. That a system development charge is necessary and appropriate to meet future expansion needs of the waterworks system and should be adopted in accordance with the Report.

4. The Board requests that the Common Council authorize the adjustment of miscellaneous and non-recurring rates and charges for the users of the Waterworks as set forth in the proposed form of the Water Non-Recurring Rate Adjustment Ordinance presented at this meeting, by the adoption of said Ordinance in substantially the form attached hereto as **Exhibit "A"**.

5. The Board requests that the Common Council authorize the adjustment of miscellaneous and non-recurring rates and charges for the users of the Sewage Works as set forth in the proposed form of the Wastewater Non-Recurring Rate Adjustment Ordinance presented at this meeting, by the adoption of said Ordinance in substantially the form attached hereto as **Exhibit "B"**.

6. These miscellaneous and non-recurring rates and charges are nondiscriminatory, reasonable and just and are based upon the cost of providing service to the customers of the wastewater and waterworks utilities and will enable the City to meet its legal revenue requirements for future waterworks and wastewater system expansion;

7. The Secretary of the Board is hereby directed to present a copy of this Resolution and said proposed ordinances to the Clerk of the City for presentation to the Common Council as soon as may be done.

8. This Resolution shall be in full force and effect after its adoption by the Board.

* * * * * * * *

PASSED AND ADOPTED THIS 30th DAY OF OCTOBER, 2017.

CITY OF BLOOMINGTON, INDIANA

By and Through its Utility Service Board

_____	_____
Sam K. Frank, President	Steven J. Sherman, Vice President
_____	_____
Jason Banach, Member	Amanda Burnham, Member
_____	_____
Jeff Ehman, Member	Julie Roberts, Member
_____	
Jean Capler, Member	

ATTEST:

_____

Holly McClauchlin, Secretary

CBU seeks adjustment to miscellaneous and non-recurring rates and charges for both its water and wastewater utility. The wastewater charges have not been adjusted in ten years while the water charges were most recently adjusted in 2011. Many of the proposed rates reflect the costs of material and labor to perform the associated services such as installing new connections or going on service calls. Other non-recurring and miscellaneous rates and charges, such as a deposit charge or insufficient check fee, are not associated with any specific service being provided, but serve to recoup costs associated with providing our utility service as a whole.

Yet another type of miscellaneous and non-recurring charge is known throughout the industry as a "system development charge". The basic premise behind a system development charge is that each additional user connecting to the water and sewer infrastructure places greater demand and strain on the utility infrastructure. As Bloomington grows, more and more users will connect to the utility. Each of CBU's 3 plants will need to increase their capacity in order to meet these demands. The system development charge generates funds to be used solely for future system capacity increases. CBU sewer utility already has a system development charge which is referred to in the BMC as a connection fee. CBU water utility does not have a system development charge.

The proposed charges will go to the City Council in November for consideration. If approved, the water charges will need to go before the Indiana Utility Regulatory Commission for authorization before they can go into effect. CBU recommends the sewer charges take effect on January 1, 2018,

The proposed rates were calculated by an independent firm using CBU customer's historical usage, current cost of materials, labor studies, and market data. If the charges are approved, the effective dates are listed in the chart below. Customers who have already applied for new service will pay the current and not the proposed new charges.

The anticipated annual financial impact is $637,945.20. About $200,000.00 is wastewater and the balance is water.

Summary of Current and Proposed Non-Recurring Rates and Charges

Type of Rate/Charge	Current	Proposed	Effective Dates (pending approval by Bloomington City Council)
Security Deposit	$25.00	$39.00	Effective 1/1/2018 or 30 days after IURC approval, whichever date is later
Water Service Call	$18.00	$45.00	

Water Service Call (After Hours)	$54.00	$171.00	
Sewer Service Call	$18.00	$45.00	Effective 1/1/2018
Sewer Service Call (After Hours)	$54.00	$171.00	
Water Testing	see attached list		
Service Installation up to 1" w/o tap	$776.18	$1,327.00	Effective 1/1/2018. Last day to apply for current rate is 12/29/17 and the meter must be set by 6/29/18
Service Installation up to 1" with Tap	$848.14	$1,533.00	
Water System Development for 5/8" up to 1"	None	$550.00	
Sewer Connection Fee for 5/8" up to 1"	$1,000.00	$2,775.00	

*please contact CBU for questions related to larger diameter pipes

Non-Recurring Rates and Charges Report- Estimated Revenue Changes

Page	Type of Rate/Charge	Current	Proposed	Number of Customers (averages from 2015-16)	Estimated Revenue Change per Year
5-6	Security Deposit	None	$39.00	990	$38,610 although it would be a refundable deposit
7-8	Water Service Call	$18.00	$45.00	2,580	$116,100.00
	Water Service Call (After Hours)	$54.00	$171.00	12	$2,047.50
	No Sewer Service Calls Occurred In 2015-16				
9-10	Service Installation No Tap 5/8" or 3/4"	$776.18	$1,327.00	44	$57,836.10
11-12	Service Installation With Tap 5/8' or 3/4"	$848.14	$1,533.00	7	$10,272.90
13-15	Water System Development	None	$550.00	120	$66,000.00
16	Water Testing	Various	Various	8,208	$186,888.70
17-20	Sewer Connection Fee	$1,000.00	$2,775.00	72	$198,800.00

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Non-Recurring Rates and Charges

City of Bloomington Utilities

October 20, 2017

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Summary of Current and Proposed Charges

Charge Name	Applicable Utility	Current Charge	Proposed Charged	Notes
Security Deposit	Water	$25	$39	Not currently collected by CBU
Service Call Charge	Water	Normal hours: $18 After hours: $54	Normal hours: $45 After hours: $171	
Service Call Charge	Sewage Works	Normal hours: $18 After hours: $54	Normal hours: $54 After hours: $180	
Service Installation (without Tap)	Water	$776.18	$1,327	
Service Installation (with Tap)	Water	$848.18	$1,533	
System Development Charge	Water	*Not Currently Charged*	Equity: $550*	*Cost for ¾" Meter
Water Testing Charges	Water	Varies $3 to $19	Varies $10 to $50	Proposed based on average of three lab samples.
Connection Fees	Sewage Works	$1,000	Incremental: $2,775*	*Cost for ¾" Meter

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Assumption-Driven Charges

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Security Deposit

- **Applicability:** Water Utility
- **Current Charge:** $25
- **Description:** Deposit collected from new or current customers who are unable to establish credit worthiness, or who have compromised credit worthiness
- **Additional Information:** Deposits are not currently collected by the Utility
- **Cost Buildup:**

	Water Utility
Average one month single-family residential customer bill	$ 19.97
Multiplied by: two months of service	2.00
Average two month residential customer bill (rounded down)	39.00
Calculated Security Deposit	$ 39.00

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Service Call Charge

- **Applicability:** Water Utility and Sewage Works
- **Current Charge:**
  - Monday – Friday 7:30 am to 6:00 pm: $18
  - After Hours: $54
- **Description:** Charge for miscellaneous services performed by the Utilities (water services on/off, inspection for leaks, etc.)
- **Cost Buildup – Water Utility**

			Normal Business Hours	After Hours
Labor (1)	Hours	Hourly Rate	Cost	Cost
Meter Serviceman	1.00	$ 31.77	$ 31.77	
After Hours Employee	3.00	52.46		$ 157.38
Labor Total			31.77	157.38
Equipment				
Service Truck	1.00	13.00	13.00	13.00
Total Charge			44.77	170.38
Total Charge (Rounded)			$ 45.00	$ 171.00

(1) Includes approximate cost of salary, PERF, FICA, and Health Insurance.

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Service Call Charge (continued)

- **Cost Buildup – Sewage Works**

Labor (1)	Hours	Hourly Rate	Normal Business Hours Cost	After Hours Cost
Meter Serviceman	1.00	$ 31.77	$ 31.77	
After Hours Employee	3.00	52.46		$ 157.38
Labor Total			31.77	157.38
Equipment				
Sanitary Sewer Cleaning Truck	1.00	22.00	22.00	22.00
Total Charge			53.77	179.38
Total Charge (Rounded)			$ 54.00	$ 180.00

(1) Includes approximate cost of salary, PERF, FICA, and Health Insurance.

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Service Installation Charge (without Tap)

- **Applicability:** Water Utility
- **Current Charge:**
  - 1” Service Installation: $776.18 (plus cost of excavation)
  - Greater than 1” Service Installation: Cost of installation, but not less than 1” installation
- **Description:** Charge for residential physical connection to a Water Utility main that does not require the creation of a tap to the main
- **Cost Buildup:**
  - Labor: $249.48
  - Materials: $1,038.48
  - Equipment: $39.00
  - Total Charge (Rounded): $1,327.00

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Service Installation Charge (with Tap)

- **Applicability:** Water Utility
- **Current Charge:**
  - 1” Service Installation: $848.14 (plus cost of excavation)
  - Greater than 1” Service Installation: Cost of installation, but not less than 1” installation
- **Description:** Charge for residential physical connection to a Water Utility main that requires the creation of a tap to the main
- **Cost Buildup:**
  - Labor: $345.82
  - Materials: $1,134.91
  - Equipment: $52.00
  - Total Charge (Rounded): $1,533.00

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Water Testing Charges

- **Applicability:** Water Utility
- **Current Charge:**
  - Variety of charges depending on type of test (see next slide)
- **Assumptions:** New price based on average of prices from three area labs
- **Description:** Fee schedule for a variety of water tests performed by the Water Utility for external customers

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Water Testing Charges (continued)

- **Cost Buildup:**

Test	Average Sample	Current Price	Difference	New Price
Alkalinity	$ 14.30	$ 9.00	$ 5.30	$ 14.30
Ammonia	16.50	13.00	3.50	16.50
B.O.D.	29.00	16.00	13.00	29.00
Chloride	16.00	8.00	8.00	16.00
C.O.D.	26.00	19.00	7.00	26.00
Fluoride	19.00	11.00	8.00	19.00
Hardness	16.00	9.00	7.00	16.00
Nitrate as N	17.70	16.00	1.70	17.70
Nitrite as N	17.70	16.00	1.70	17.70
pH	10.00	3.00	7.00	10.00
T. Phosphorus	25.00	17.00	8.00	25.00
Sulfates	19.00	16.00	3.00	19.00
Suspended Solids	13.70	9.00	4.70	13.70
Total Dissolved Solids	13.70	9.00	4.70	13.70
Total Solids	13.70	12.00	1.70	13.70
Volatile Solids	16.00	12.00	4.00	16.00
Total Coliform	37.50	10.00	27.50	37.50
Fecal Coliform	50.00	10.00	40.00	50.00
E-Coli	45.00	10.00	35.00	45.00
H.Plate Count	22.50	10.00	12.50	22.50

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System Development Charges

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Overview of System Development Charges (SDC)

- Charge to customers for a new connection to a utility to recoup the historic or future cost of building infrastructure to accommodate the increased capacity demands associated with a new connection
- Receipts from SDCs are used to finance development of capacity-related facilities

- Methods for calculating SDC
  - **Incremental Cost Method**: significant amount of capacity must be built to serve new customers and expected growth (applicable to fast growing systems or systems with anticipated new demand)
  - **Equity Buy-In Method**: existing capacity adequately serves existing and future customers (applicable to utilities where no new system investments are necessary and current facility is not scheduled to have capacity upgrades in near future)
  - **Combined Cost Approach:** existing capacity can serve some growth, but will also need capacity to serve future growth

- Charge established for residential meter size and proportionally increased based on capacity demand of meter
- Referred to as System Development Charge, Connection Fees, Availability Fees, etc.

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System Development Charge

- **Applicability:** Water Utility
- **Current Charge:** *Not currently charged*
- **Cost Buildup – Equity Buy-In Method:**

Utility Plant in Service as of December 31, 2016		$ 139,547,903
Construction Work in Progress as of December 31, 2016		549,055
Add:	Project Fund from 2017 Bonds	4,115,000
Less:	Accumulated Depreciation as of December 31, 2016	(47,916,753)
	Contributions in Aid of Construction as of December 31, 2016	(12,024,133)
	Outstanding Long Term Debt as of December 31, 2016	(51,551,689)
	Outstanding Principal of 2017 Bonds	(4,600,000)
Net Investment in Utility Plant		28,119,383
Divide by: Current Number of Equivalent Meters		51,451
Cost of Equity Buy-In Per Customer		$ 547
Calculated Charge Per 5/8" or 3/4" EDU		$ 550

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Connection Fee

- **Applicability:** Sewage Works
- **Current Charge:** Base Fee of $1,000 for single-family residential or ¾” meter; larger meters multiplied by factor to calculate total charge.
- **Cost Buildup – Incremental Cost Method:**

Sewage Works Utility Plant in Service as of December 31, 2016	$ 161,928,095
Stormwater Utility Plant in Service as of December 31, 2016	17,818,959
Sewage Works Construction Work in Progress (CWIP) as of December 31, 2016	682,358
Stormwater CWIP as of December 31, 2016	285,959
Project Fund from 2017 Bonds	7,168,220
Total	187,883,591
Divide by: Rated Treatment Plant Capacity (In Gallons Per Day)	21,000,000
Calculated Capacity Charge Per Gallon	8.95
Times: Number of Daily Gallons Per Residential Equivalent Dwelling Unit (EDU)	310
Calculated Charge Per 5/8" or 3/4" EDU	$ 2,775

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Preliminary Non-Recurring Rates and Charges Report – City of Bloomington Utilities

City of Bloomington, Indiana

Presentation to the Utility Service Board

October 16, 2017

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Introduction

Purpose of the Report

Crowe Horwath LLP ("Crowe") has performed a study and analysis of certain City of Bloomington Utilities ("CBU" or "Utilities") water and wastewater miscellaneous and non-recurring charges as directed by the Utilities' management. The results of our analysis are included in this Preliminary Non-Recurring Rates and Charges Report ("Report").

The purpose of this Report is to estimate the Utilities' cost to provide miscellaneous and non-recurring services for its customers. This Report is intended to be used by CBU to establish or reestablish applicable fee schedules. CBU provides water, wastewater, and stormwater services through three utilities; however, this Report only considers charges of the Bloomington Municipal Water Utility ("Water Utility") and the Bloomington Municipal Sewage Works ("Sewage Works"). Certain services may apply to both Utilities or may be specific to the Water Utility or Sewage Works and are noted as such throughout the Report. This Report is based on data derived from interviews with the Utilities' personnel, as well as the Utilities' books and records.

It is our understanding that certain charges calculated within this Report are subject to the jurisdiction of the Indiana Utility Regulatory Commission ("Commission"). As such, the methodologies within this Report have been structured to comply with guidelines provided within the American Water Works Association's *Principles of Water Rates, Fees, and Charges, Sixth Edition* ("AWWA Manual"). A specific determination of which charges are or are not under the jurisdiction of the Commission is a legal determination which is not within the scope of this Report.

In the course of preparing this Report, we have not conducted an audit of any financial or supplemental data used in the accompanying calculations. We have made certain projections that may vary from actual results because events and circumstances frequently do not occur as estimated and such variances may be material. We have no responsibility to update this Report for events and circumstances occurring after the date of this Report.

If you have any questions regarding this Report, please call Angie Steeno at (317) 269-2367 or Craig Lotz at (317) 689-5512.

Overview of this Report

This Report estimates the Utilities' cost to provide miscellaneous and non-recurring services for the following:

Charge	Utility (Water Utility, Sewage Works, Both)
Security Deposit	Water Utility
Service Calls Charge	Both
Service Installation (without and with Tap)	Water Utility
System Development Charge	Water Utility
Water Testing Charges	Water Utility
Connection Fees	Sewage Works

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Organization of this Report

The following six components are outlined for each of the non-recurring rates and charges analyzed in this Report, unless the component is not applicable to a rate or charge:

- Applicability
- Current Charge
- Charge Description
- Assumptions
- Additional Information
- Cost Buildup

Each of the six components are described below.

Applicability

Processes may be applicable to one or both Utilities and is therefore noted for each charge.

Current Charge

Crowe has included the current charge for each service within this Report. The current charge is included to provide the reader with an understanding of the present charge structure.

Charge Description

A description is provided for each charge that contains a general description of the service or task performed in connection with each charge.

Assumptions

Assumptions reflect data gathered through interviews and research of records of CBU that provide the basis for items included in the Cost-Buildup component.

Additional Information

The Additional Information section of each charge contains general information that clarifies the process and steps taken by the Utilities or other factors that Crowe gathered while developing cost estimates deemed pertinent to the analysis.

Cost Buildup

The Cost Buildup section reflects the Labor, Materials, Equipment, and Other Costs the Utilities incur to deliver each service. The Labor component includes an Hourly Rate for each employee, which captures salary, Public Employee Retirement Fund (PERF) contributions, taxes, and health plan costs associated with each employee.

System Development Charges

Two of the charges included in our analysis differ from the typical Organization of the Report identified above, (1) the System Development Charge for the Water Utility and (2) the Connection Fee for the Sewage Works. Both charges contain elements that reflect costs which would be described in the AWWA Manual as System Development Charges (also commonly known or referred to as Availability Fees or Connection Fees). These would typically represent a charge to customers for a new connection to a utility to recoup the historic or future cost of building infrastructure to accommodate the increased capacity demands associated with the new connection. The charges calculated within this Report have used the historic cost of providing capacity to customers.

Also, it should be noted that the Water Utility currently charges a Service Installation Charge, without and with Tap. This Charge represents the cost of physically connecting to the water main, not the cost of providing additional capacity.

This Report compares two basic methods for calculating System Development Charges, either of which may be appropriate depending on the financial circumstances, legal constraints, current and long-term

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goals, and objectives of the Utility. Additionally, a third approach of blending or combining the two methods may be more appropriate. The three methods described below are discussed within the AWWA Manual and are appropriate for the Utilities.

Incremental Cost Method

The Incremental Cost method assigns the incremental cost of system expansion needed to provide service to new customers. This method is most appropriate for fast growing systems where a significant amount of capacity must be built to serve new customers. This method typically evaluates the period of growth, growth rates, type of growth, capacity associated with improvements needed to serve the projected customer growth, and cost associated with these improvements.

One of the main components is the determination of the service area. Municipal corporate boundaries would be typical and are used to plan growth and the capital improvements necessary to serve that growth. Capital costs and improvements are addressed in the determination of the incremental cost to serve customers.

Equity Buy-In Method

The Equity Buy-In method is based on the concept that the current system adequately serves existing as well as future customers. Therefore, assuming no new additional system investments are necessary and the current facility is not scheduled to have any capacity upgrades in the near future to serve additional customers, the Equity Buy-In method is the more appropriate method to use. One of the key components in determining a System Development Charge using the Equity Buy-In Method is system equity. In this determination, the valuation of system assets, accumulated depreciation, system liabilities, sources of equity, and system capacity are all vital. In this calculation, the system's assets are measured at the original value of the total utility plant in service less accumulated depreciation. This valuation calculation could be adjusted to recognize the cost of reproducing the current system with a duplicate system. System liabilities are the amounts reported on the balance sheet, typically as outstanding long-term debt.

Equity is calculated by subtracting outstanding debt and contributions from the system's asset value. Equity in this method refers to any portion of the system where there is no offsetting debt or contributions. The equity investment is then divided by the number of equivalent 5/8 inch customers the system is capable of serving, which results in a charge per equivalent 5/8 inch meter. Our calculation of System Development Charges assumes the same meter equivalency factor for a 5/8 inch meter and 3/4 inch meter.

For the Sewage Works, we applied the Equity Method using two approaches, (1) an approach that calculates system equity for all assets and liabilities of the Sewage Works, including stormwater assets and (2) an approach that calculates system equity for only assets and liabilities related to the treatment plants of the Sewage Works. Though the Equity Buy-In method normally considers all assets and liabilities of a Utility, Crowe included an additional approach using only treatment related items in order to isolate the calculation from factors that may alter the calculated charge, including unamortized Contributions in Aid of Construction.

Combined Cost Approach

The Combined Cost Approach is a weighted average of the Incremental Cost method and Equity Buy-In method that assumes that a "utility has capacity within the existing system that can serve growth but will also need to add capacity in the future to serve growth" (AWWA Manual). Current and future capacity assumptions determine the blend of the Incremental Cost method and Equity Buy-In method. This Report does not calculate a System Development Charge using the Combined Cost Approach for the Water Utility or Sewage Works, however, Crowe could calculate such charge if directed by CBU based on CBU's assumptions of current and future capacity.

System Development Charge by Meter Size

For both the Incremental Cost Method and the Equity Buy-In Method, the calculated charge represents

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the charge for a new 5/8" connection. For meters larger than 5/8 inch, the charge is proportionally increased by the meter's capacity relative to the capacity of a 5/8 inch connection. For example, a customer needing the equivalent of seven units of average 5/8 inch capacity would pay approximately seven times the amount as someone connecting with a 5/8 inch meter. See the Charge by Meter Size section for both the Water Utility's System Development Charge and the Sewage Work's Connection Fee for the calculation of charges for meters larger than 5/8 inch.

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Non-Recurring Rates and Charges

Security Deposit

Applicability
This charge is applicable to the Water Utility.

Current Charge
The Water Utility currently charges the following rate:

Charge Type	Current Charge
New residential customer, unable to establish credit worthiness	Not to exceed $25
Current residential customer with (1) two consecutive disconnect notices or (2) three disconnect notices in prior twelve months	1/6 of expected annual cost of service
New commercial customer, unable to establish credit worthiness	1/6 of expected annual cost of service

Charge Description
Deposit collected from new or current customers who are unable to establish credit worthiness, or whose payment history has compromised credit worthiness. Generally, maximum deposits are established at amounts which are calculated as one-sixth of the expected annual costs of service in order to comply with governing laws and statutes. This Report has used that guideline within the following calculations.

Assumptions
- Average monthly consumption of single-family residential customers between November of 2016 and October of 2017 was 3,250 gallons.
- Calculated Security Deposits are rounded down to the nearest dollar in order to not exceed 1/6 of expected annual billing.

Additional Information
- Security Deposits are not currently collected or held by the Water Utility. The Current Charges outlined above represent the amount the Water Utility has established by Ordinance to collect from customers, but the Water Utility does not collect such amount in practice.

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Cost Buildup

	Water Utility	
Average one month single-family residential customer bill	$ 19.97	(1)
Multiplied by: two months of service	2.00	
Average two month residential customer bill (rounded down)	39.00	
Calculated Security Deposit	$ 39.00	

(1) Based on rates effective as of the date of this Report, and average monthly consumption of single-family residential customers of 3,250 gallons.

Note: The calculated Security Deposit represents the maximum that could be collected from new or existing customers based on governing laws and statutes. The Utility may elect to assess a Security Deposit less than the calculated amount.

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Service Calls Charge

Applicability

This charge is applicable to both the Water Utility and the Sewage Works.

Current Charge

The Utilities currently charge the following rate:

Charge Type	Current Charge
Monday – Friday 7:30 am to 6:00 pm	$18
After Hours	$54

Charge Description

Charge for miscellaneous services performed by the Utilities, including, turning water service on and off, rereading meters, inspection for leaks, sanitary sewer back-up, and other services performed by the Utilities.

Assumptions

- During normal business hours, a Meter Serviceman, or equivalent, spends one hour completing service.
- After hours, any Utility maintenance personnel can complete the call based on availability and response to request. Only one employee completes the service after hours ("After Hours Employee"), and associated Hourly Rate for such employee will be calculated based on the average wage of all Meter Services and Transmission and Distribution personnel.
- Union contract specifies that employees will be paid a minimum of three working hours at one hundred and fifty percent (150%) of normal wages for after hours calls.
- Service Calls for the Water Utility occurring during normal business hours and after hours require a Service Truck for one hour. Service Calls for the Sewage Works occurring during normal business hours and after hours require a Sanitary Sewer Cleaning Truck for one hour.

Cost Buildup – Water Utility

			Normal Business Hours	After Hours
Labor (1)	Hours	Hourly Rate	Cost	Cost
Meter Serviceman	1.00	$ 31.77	$ 31.77	
After Hours Employee	3.00	52.46		$ 157.38
Labor Total			31.77	157.38
Equipment				
Service Truck	1.00	13.00	13.00	13.00
Total Charge			44.77	170.38
Total Charge (Rounded)			$ 45.00	$ 171.00

(1) Includes approximate cost of salary, PERF, FICA, and Health Insurance.

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Cost Buildup – Sewage Works

Labor (1)	Hours	Hourly Rate	Normal Business Hours Cost	After Hours Cost
Meter Serviceman	1.00	$ 31.77	$ 31.77	
After Hours Employee	3.00	52.46		$ 157.38
Labor Total			31.77	157.38
Equipment				
Sanitary Sewer Cleaning Truck	1.00	22.00	22.00	22.00
Total Charge			53.77	179.38
Total Charge (Rounded)			$ 54.00	$ 180.00

(1) Includes approximate cost of salary, PERF, FICA, and Health Insurance.

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Service Installation Charge (without Tap)

Applicability
This charge is applicable to the Water Utility.

Current Charge
The Water Utility currently charges the following rate:

Charge Type	Current Charge
1" Service Installation Charge	$776.18 (plus cost of excavation)
Greater than 1" Service Installation	Cost of Installation, but not less than 1" Installation

Charge Description
Charge for a residential connection to a Water Utility main that does not require the creation of a tap to the main.

Assumptions
- An Apprentice Master Equipment Operator (MEO) or Master MEO, Lineman, and Laborer use a service truck and spend two hours completing the installation.
- Working Foreman spends one quarter (0.25) hour assembling supplies and creating work order.
- Meter Services Representative spends one quarter (0.25) hour inputting data for account into Utility systems.
- The hole to expose the main is already dug by private contractor prior to Utility involvement.
- Project Coordinator spends one quarter (0.25) hour processing application for new residential installation.
- Meter Serviceman uses service truck and spends one hour to travel to, set meter, and return.
- Cost of materials includes a forty percent (40%) overhead charge ("Burden Rate") to recover administrative costs associated with sourcing and purchasing materials. The Burden Rate represents the percent of administrative and general costs relative to total operation and maintenance costs of the Water Utility between 2014 and 2016.

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Cost Buildup

Labor (1)	Hours	Hourly Rate	Cost
Apprentice/Master MEO	2.00	$ 32.20	$ 64.40
Lineman	2.00	32.50	65.00
Laborer	2.00	31.64	63.28
Working Foreman	0.25	32.20	8.05
Meter Services Representative	0.25	28.03	7.01
Project Coordinator	0.25	39.88	9.97
Meter Serviceman	1.00	31.77	31.77
Labor Total			249.48

Materials	Quantity	Cost/Unit	Cost
Brass Swivel Corp Bend 90^	1.00	30.00	30.00
Brass Male (IP - COP)	1.00	13.85	13.85
Brass Angle Ball Valve (COP)	2.00	79.44	158.88
Yoke Bar (Single)	1.00	13.45	13.45
Roll Copper	10.00	4.00	40.00
Meter Pit	1.00	47.57	47.57
Frame and Lid with Small Nut	1.00	168.96	168.96
Extension Ring	1.00	80.00	80.00
Radio Read Equipment	1.00	189.06	189.06
Materials Subtotal			741.77
Add: Forty Percent (40%) Overhead			296.71
Materials Total			1,038.48

Equipment	Hours	Hourly Rate	Cost
Service Truck	2.00	13.00	26.00
Service Truck	1.00	13.00	13.00
Equipment Total			39.00
Total Charge			1,326.96
Total Charge (Rounded)			$ 1,327.00

(1) Includes approximate cost of salary, PERF, FICA, and Health Insurance.

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Service Installation Charge (with Tap)

Applicability
This charge is applicable to the Water Utility.

Current Charge
The Water Utility currently charges the following rate:

Charge Type	Current Charge
1” Service Installation Charge	$848.14 (plus cost of excavation)
Greater than 1” Service Installation	Cost of Installation, but not less than 1” Installation

Charge Description
Charge for a residential connection to a Water Utility main that requires the creation of a tap to the main.

Assumptions
- An Apprentice Master Equipment Operator (MEO) or Master MEO, Lineman, and Laborer use a service truck and spend three hours completing the installation.
- Working Foreman spends one quarter (0.25) hour assembling supplies and creating work order.
- Meter Services Representative spend one quarter (0.25) hour inputting data for account into Utility systems.
- The hole to expose the main is already dug by private contractor prior to Utility involvement.
- Project Coordinator spends one quarter (0.25) hour processing application for new residential installation.
- Meter Serviceman uses service truck and spends one hour to travel to, set meter, and return.
- Cost of materials include a forty percent (40%) overhead charge (“Burden Rate”) to recover administrative costs associated with sourcing and purchasing materials. The Burden Rate represents the percent of administrative and general costs relative to total operation and maintenance costs of the Water Utility between 2014 and 2016.

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Cost Buildup

Labor (1)	Hours	Hourly Rate	Cost
Apprentice MEO/Master MEO	3.00	$ 32.20	$ 96.60
Lineman	3.00	32.50	97.50
Laborer	3.00	31.64	94.92
Working Foreman	0.25	32.20	8.05
Meter Services Representative	0.25	28.03	7.01
Project Coordinator	0.25	39.88	9.97
Meter Serviceman	1.00	31.77	31.77
Labor Total			345.82

Materials	Quantity	Cost/Unit	Cost
Brass Ball Corp (CC Threads)	1.00	43.88	43.88
Brass Swivel Corp Bend 90^	1.00	30.00	30.00
Brass Male (IP - COP)	1.00	13.85	13.85
Brass Angle Ball Valve (COP)	2.00	79.44	158.88
Yoke Bar (Single)	1.00	13.45	13.45
Roll Copper	10.00	4.00	40.00
Meter Pit	1.00	47.57	47.57
Frame and Lid with Small Nut	1.00	168.96	168.96
Extension Ring	1.00	80.00	80.00
Tap on Main	1.00	25.00	25.00
Radio Read Equipment	1.00	189.06	189.06
Materials Subtotal			810.65
Add: Forty Percent (40%) Overhead			324.26
Materials Total			1,134.91

Equipment	Hours	Hourly Rate	Cost
Service Truck	3.00	13.00	39.00
Service Truck	1.00	13.00	13.00
Equipment Total			52.00
Total Charge			1,532.73
Total Charge (Rounded)			$ 1,533.00

(1) Includes approximate cost of salary, PERF, FICA, and Health Insurance.

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System Development Charge

Applicability
This charge is applicable to the Water Utility.

Current Charge
The Water Utility does not currently charge a System Development Charge.

Charge Description
A System Development Charge (SDC) is a one-time fee charged to either new Water Utility customers for system capacity or to existing customers requiring increased system capacity. Receipts from SDCs are used to finance the development of capacity-related water facilities.

Assumptions
Calculated based on Incremental Cost Method and Equity Buy-In Method. See the heading “System Development Charges” in the Report.

Additional Information
The calculated amounts between the Incremental Method and the Equity Buy-In Method represent the range of amounts that could be charged as an SDC. An approach combining the two methods, the Combined Cost Approach, is an option per the AWWA Manual, and may be appropriate for the Water Utility.

Cost Buildup – Incremental Cost Method

Utility Plant in Service as of December 31, 2016	$ 139,547,903
Construction Work in Progress as of December 31, 2016	549,055
Project Fund from 2017 Bonds	4,115,000
Total	144,211,958
Divide by: Rated Treatment Plant Capacity (In Gallons Per Day)	30,000,000
Calculated Capacity Charge Per Gallon	4.81
Times: Number of Daily Gallons Per Residential Equivalent Dwelling Unit (EDU)	310
Calculated Charge Per 5/8" or 3/4" EDU	$ 1,491

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Cost Buildup – Equity Buy-In Method

Utility Plant in Service as of December 31, 2016		$ 139,547,903
Construction Work in Progress as of December 31, 2016		549,055
Add:	Project Fund from 2017 Bonds	4,115,000
Less:	Accumulated Depreciation as of December 31, 2016	(47,916,753)
	Contributions in Aid of Construction as of December 31, 2016	(12,024,133)
	Outstanding Long Term Debt as of December 31, 2016	(51,551,689)
	Outstanding Principal of 2017 Bonds	(4,600,000)
Net Investment in Utility Plant		28,119,383
Divide by: Current Number of Equivalent Meters		51,451
Cost of Equity Buy-In Per Customer		$ 547
Calculated Charge Per 5/8" or 3/4" EDU		$ 550

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Charge by Meter Size

Incremental Cost Method

Meter Size	Meter Equivalency Factor	Calculated SDC Charge	Proposed Installation Charge (1)	Total Charge to Connect
5/8"	1.00	$ 1,491	$ 1,327	$ 2,818
3/4"	1.00	1,491	1,327	2,818
1"	2.56	3,817	1,327	5,144
1 1/2"	5.76	8,588	(2)	(2)
2"	10.24	15,268	(2)	(2)
3"	23.04	34,353	(2)	(2)
4"	40.96	61,071	(2)	(2)
6"	92.16	137,411	(2)	(2)
8"	163.84	244,285	(2)	(2)
10"	256.00	381,696	(2)	(2)

Equity Buy-In Method

Meter Size	Meter Equivalency Factor	Calculated SDC Charge	Proposed Installation Charge (1)	Total Charge to Connect
5/8"	1.00	$ 550	$ 1,327	$ 1,877
3/4"	1.00	550	1,327	1,877
1"	2.56	1,408	1,327	2,735
1 1/2"	5.76	3,168	(2)	(2)
2"	10.24	5,632	(2)	(2)
3"	23.04	12,672	(2)	(2)
4"	40.96	22,528	(2)	(2)
6"	92.16	50,688	(2)	(2)
8"	163.84	90,112	(2)	(2)
10"	256.00	140,800	(2)	(2)

(1) Customers pay an additional Service Installation Charge to connect service to the Water Utility. Should the Water Utility implement a System Development Charge, customers would be responsible for both the System Development Charge and the Service Installation Charge. The Service Installation Charge shown reflects the proposed Service Installation Charge for a residential customer that does not require the creation of a tap to the water main.

(2) Service Installations greater than 1" will be billed at cost of installation with a minimum charge of at least that charged to 1" and below installations.

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Water Testing Charges

Applicability
These charges are applicable to the Water Utility.

Current Charge
The Water Utility currently charges a variety of charges for water testing, depending on the nature of the test. See the “Cost Buildup” below for detail of current charges by test type.

Charge Description
Fee schedule for a variety of water tests performed by the Water Utility for external customers.

Assumptions
- A sample of three area labs, shown as “Average Sample” below, provided a market estimate of the average cost to perform the tests listed below. The Average Sample Price for each test was used for the New Price.

Cost Buildup

Test	Average Sample	Current Price	Difference	New Price
Alkalinity	$ 14.30	$ 9.00	$ 5.30	$ 14.30
Ammonia	16.50	13.00	3.50	16.50
B.O.D.	29.00	16.00	13.00	29.00
Chloride	16.00	8.00	8.00	16.00
C.O.D.	26.00	19.00	7.00	26.00
Fluoride	19.00	11.00	8.00	19.00
Hardness	16.00	9.00	7.00	16.00
Nitrate as N	17.70	16.00	1.70	17.70
Nitrite as N	17.70	16.00	1.70	17.70
pH	10.00	3.00	7.00	10.00
T. Phosphorus	25.00	17.00	8.00	25.00
Sulfates	19.00	16.00	3.00	19.00
Suspended Solids	13.70	9.00	4.70	13.70
Total Dissolved Solids	13.70	9.00	4.70	13.70
Total Solids	13.70	12.00	1.70	13.70
Volatile Solids	16.00	12.00	4.00	16.00
Total Coliform	37.50	10.00	27.50	37.50
Fecal Coliform	50.00	10.00	40.00	50.00
E-Coli	45.00	10.00	35.00	45.00
H.Plate Count	22.50	10.00	12.50	22.50

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Connection Fees

Applicability
This charge is applicable to the Sewage Works.

Current Charge
The Sewage Works currently charges the following rates:

Charge Type	Current Charge
Multi-Family (per unit)	Base Fee * $0.65 * Number of Units
Single Family Residential or ¾" Meter (Base Fee)	$ 1,000
1" Meter (Base Fee * 4)	4,000
1 ½" Meter (Base Fee * 10)	10,000
2" Meter (Base Fee * 19)	19,000
3" Meter (Base Fee * 26)	26,000
4" Meter (Base Fee * 58)	58,000
6" and Over	Per case basis

Charge Description
A Connection Fee is a one-time fee charged to either new Sewage Works customers for system capacity or to existing customers requiring increased system capacity. Receipts from Connection Fees are used to finance the development of capacity-related Sewage Works facilities.

Assumptions
Calculated based on Incremental Cost Method and two approaches using the Equity Buy-In Method. See the heading "System Development Charges" in the Report. The "Equity Buy-In Method – Total" considers all assets and liabilities of the Sewage Works, including stormwater assets, while the "Equity Buy-In Method – Treatment" includes only assets and liabilities related to the treatment plant.

Additional Information
The calculated amounts between the Incremental Method and the Equity Buy-In Methods represent the range of amounts that could be charged as an SDC. An approach combining the two methods, the Combined Cost Approach, is an option per the AWWA Manual, and may be appropriate for the Sewage Works.

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Cost Buildup – Incremental Cost Method

Sewage Works Utility Plant in Service as of December 31, 2016	$ 161,928,095
Stormwater Utility Plant in Service as of December 31, 2016	17,818,959
Sewage Works Construction Work in Progress (CWIP) as of December 31, 2016	682,358
Stormwater CWIP as of December 31, 2016	285,959
Project Fund from 2017 Bonds	7,168,220
Total	187,883,591
Divide by: Rated Treatment Plant Capacity (In Gallons Per Day)	21,000,000
Calculated Capacity Charge Per Gallon	8.95
Times: Number of Daily Gallons Per Residential Equivalent Dwelling Unit (EDU)	310
Calculated Charge Per 5/8" or 3/4" EDU	$ 2,775

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Cost Buildup – Equity Buy-In Method – Total

Sewage Works Utility Plant in Service as of December 31, 2016	$ 161,928,095
Stormwater Utility Plant in Service as of December 31, 2016	17,818,959
Sewage Works Construction Work in Progress (CWIP) as of December 31, 2016	682,358
Stormwater CWIP as of December 31, 2016	285,959
Add: Project Fund from 2017 Bonds	7,168,220
Less: Sewage Works Accumulated Depreciation as of December 31, 2016	(85,094,585)
Stormwater Accumulated Depreciation as of December 31, 2016	(2,429,768)
Contributions in Aid of Construction as of December 31, 2016	(41,607,119)
Outstanding Long Term Debt of December 31, 2016	(38,014,474)
Outstanding Principal of 2017 Bonds	(6,795,000)
Net Investment in Utility Plant	13,942,645
Divide by: Current Number of Equivalent Meters	44,904
Cost of Equity Buy-In Per Customer	$ 310
Calculated Charge Per 5/8" or 3/4" EDU	$ 310

Cost Buildup – Equity Buy-In Method – Treatment

Treatment Utility Plant in Service (UPIS) as of December 31, 2016	$ 72,944,532
Less: Accumulated Depreciation on Treatment UPIS as of December 31, 2016	(36,706,563)
Estimated Outstanding Treatment-Related Long Term Debt as of December 31, 2016 (1)	(13,056,935)
Net Investment in Utility Plant (2)	23,181,034
Divide by: Current Number of Equivalent Meters	44,904
Cost of Equity Buy-In Per Customer	$ 516
Calculated Charge Per 5/8" or 3/4" EDU	$ 520

(1) Estimated based on the proportion of Treatment UPIS acquired between 2004 and 2016 to total UPIS acquired within the same time period.

(2) Assumes all Contributions in Aid of Construction relate to UPIS outside of Treatment Assets. Additionally, construction proceeds and debt from the Sewage Works Revenue Bonds, Series 2017 were excluded, as the project fund did not relate to Treatment UPIS.

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Charge by Meter Size

Meter Size	Meter Equivalency Factor	Current Fee	Incremental Cost Method Calculated Fee	Equity Buy-In Method - Total Calculated Fee	Equity Buy-In Method - Treatment Calculated Fee
5/8"	1.00	$ 1,000	$ 2,775	$ 310	$ 520
3/4"	1.00	1,000	2,775	310	520
1"	2.56	4,000	7,104	794	1,331
1 1/2"	5.76	10,000	15,984	1,786	2,995
2"	10.24	19,000	28,416	3,174	5,325
3"	23.04	26,000	63,936	7,142	11,981
4"	40.96	58,000	113,664	12,698	21,299
6"	92.16	(1)	255,744	28,570	47,923
8"	163.84	(1)	454,656	50,790	85,197
10"	256.00	(1)	710,400	79,360	133,120

(1) Connection Fee determined on per case basis for connections greater than 4".

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ORDINANCE 17-40

TO AMEND TITLE 9
OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "WATER"
(Non-Recurring Rate Adjustment)

WHEREAS, the City of Bloomington, Indiana ("City") owns and operates a waterworks system, through its Utilities Service Board, pursuant to IC § 8-1.5-2 and IC § 8-1.5-3, *et seq*., and acts amendatory thereof and supplemental thereto ("Act"), which waterworks system is subject to the jurisdiction of the Indiana Utility Regulatory commission ("Commission"); and,

WHEREAS, the current miscellaneous and non-recurring rates and charges of the waterworks system of the City were approved by Order of the Commission under Cause No. 43939 on the 2nd Day of March, 2011; and

WHEREAS, some of the miscellaneous and non-recurring rates and charges approved by the Commission under Cause No. 43939 on the 2nd Day of March, 2011, have yet to be reflected by ordinance; and

WHEREAS, the City, through its Utilities Service Board, engaged Crowe Horwath LLP to study certain miscellaneous and non-recurring charges of the waterworks system; and

WHEREAS, Crowe Horwath LLP prepared a report concerning certain miscellaneous and non-recurring charges of the waterworks system (the "Report") and determined that the existing miscellaneous and non-recurring services are insufficient to cover the costs and expenses associated therewith and, with regards to future waterworks system expansion needs, devoid of any treatment in the City's ordinance; and

WHEREAS, the City, through its Utilities Service Board, adopted the findings of the Report on October 16, 2017, thereby finding that the existing charges to Utility customers for certain miscellaneous and non-recurring services are insufficient to cover the costs associated therewith and, with regards to eventual need for future expansion of the waterworks system, should adopt a system development charge; and

WHEREAS, the Utilities Service Board, on October 30, 2017, recommended by Resolution 2017-07 that the Common Council of the City of Bloomington approve an ordinance in substantially the same form as herein provided for the adjustment to miscellaneous and non-recurring charges of the waterworks system as identified below; and,

WHEREAS, based upon the aforementioned Report, and the recommendations of the Utility Service Board, the Common Council of the City of Bloomington finds that the miscellaneous and non-recurring rates and charges set forth herein are nondiscriminatory, reasonable and just and are based upon the cost of providing service to the customers of the water works and will enable the City to meet its legal revenue requirements for future waterworks system expansion; and

WHEREAS, the Common Council of the City of Bloomington finds that said miscellaneous non-recurring charges for certain services provided to Water Utility Customers should be adjusted accordingly; and

WHEREAS, the Common Council of the City of Bloomington caused notice of a public hearing on the rates and charges set forth herein to be duly advertised and mailed, and conducted a public hearing thereon, all in accordance with the Act, and each rate payer was, and the public in general were, allowed the opportunity to provide testimony and comments regarding the proposed adjustments to these rate and charges which were considered by the Common Council.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Chapter 9.04 of the City Code of Bloomington ("Code"), entitled "General Rules" is hereby amended by adding a new section, Section 9.04.035, which shall be included in the table of contents of this chapter and shall be stated as follows:

9.04.035 Unauthorized use of hydrants.

Persons using water from a fire hydrant without prior written authorization by the Utility shall be billed for up to eight hours usage at the maximum flow rate of the hydrant for each day that the hydrant was used.

SECTION 2. Section 9.04.050 of the City Code of Bloomington ("Code"), entitled "Extension of Water Mains" is hereby amended and restated as follows:

9.04.050 Extension of water mains.

(a) The extension of water mains and related facilities to residential areas shall be accomplished according to the Rules, Regulations and Standards of Service for the Water Utility.

(b) The extension of water mains and related facilities to apartment complexes, mobile home parks, and commercial and industrial additions shall be determined by the Utilities Service Board on an individual basis.

SECTION 3. Section 9.08.050 of the City Code of Bloomington ("Code"), entitled "Security deposit - Amount" is hereby amended and restated as follows:

9.08.050 Security deposit - amount.

(a) If a new applicant for residential water service fails to establish credit-worthiness according to criteria established by 170 IAC 6-1-15 in its current form or as amended hereinafter, a security deposit not to exceed $39.00 may be required.

(b) If a present residential customer has been mailed disconnect notices for two consecutive months or any three months within the preceding twelve-month period or has had service disconnected because of nonpayment within the past four years, a security deposit not to exceed one-sixth of the expected annual billing for the customer at the address at which service is rendered may be required.

(c) If a business or commercial applicant for water service fails to establish credit-worthiness according to criteria established by 170 IAC 6-1-15 in its current form or as amended hereinafter, a security deposit not to exceed one-sixth of the estimated annual cost of service may be required.

SECTION 4. Section 9.12.020 of the Code, entitled "Service call charge" is hereby amended and restated as follows:

9.12.020 Service call charge.

(a) A service charge shall be collected for all service calls involving turning service on and off except when an account is closed. A service charge shall be collected for all other service calls in excess of one free call per year, including calls involving rereading meters at a customer's request and inspection for leaks, but such charge shall not be collected if the call was necessitated by an error of the utility.

(b) The charge for all service calls during normal business hours shall be $45.00 per call and $171.00 during overtime hours.

SECTION 5. Section 9.12.030 of the Code, entitled "Service installation charge" is hereby amended and restated as follows:

9.12.030 Service installation charge.

(a) The charge for service installation shall be as follows:

(1) 5/8" to 1" connection with tap shall be $1,533.00.

(2) 5/8" to 1" connection without tap shall be $1,327.00.

(3) Greater than 1" connection shall be the cost of installation but shall not be less than that of a 5/8" to 1" installation.

SECTION 6. Section 9.12.040 of the Code, entitled "Meter Testing" is hereby amended and restated as follows:

9.12.040 Meter test charge.

The utility shall make a free test of the accuracy of a meter upon written request by a customer and a second free test may be requested twelve months subsequent to the first test. The fee for all meter tests requested within thirty-six months after the preceding test shall be $39.00 if the meter is found not to be at fault.

SECTION 7. Chapter 9.12 of the Code, entitled "Water Charges" is hereby amended by adding a new section, Section 9.12.070, which shall be included in the table of contents of this chapter and shall be stated as follows:

9.12.070 System Development Charge.

All new connections shall pay a one-time system development charge as follows:

Meter Size	Charge
5/8 or ¾"	$ 550.00
1″	$ 1,408.00
1½″	$ 3,168.00
2″	$ 5,632.00
3″	$ 12,672.00
4″	$ 22,528.00
6″	$ 50,688.00
8″	$ 90,112.00
10″	$ 140,800.00

SECTION 8. Chapter 9.12 of the Code, entitled "Water Charges" is hereby amended by adding a new section, Section 9.12.080, which shall be included in the table of contents of this chapter and shall be stated as follows:

9.12.080 Temporary Service Charge.

Customers receiving temporary service shall be charged a minimum of $10.00 per week plus a deposit equal to the cost of the meter and a charge for the water used.

SECTION 9. Chapter 9.12 of the Code, entitled "Water Charges" is hereby amended by adding a new section, Section 9.12.090, which shall be included in the table of contents for this chapter and shall be stated as follows:

9.12.090 Water Testing Charge.

All fees for water tests provided to any person by the Bloomington Water Utility shall be established by the Utilities Service Board and are subject to an annual review by said board.

SECTION 10. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that the existing miscellaneous and non-recurring rates and charges of the waterworks system of the City shall remain in full force and effect until the miscellaneous and non-recurring rates and charges fixed by this ordinance shall be approved by order of the Indiana Utility Regulatory Commission and the tariff reflecting said approved miscellaneous and non-recurring rates and charges shall have been filed with and approved by the Indiana Utility Regulatory Commission.

SECTION 11. In the event the miscellaneous and non-recurring rates and charges of the waterworks system approved by the Indiana Utility Regulatory Commission shall differ from the miscellaneous and non-recurring rates and charges set forth herein, the Common Council hereby approves said miscellaneous and non-recurring rates and charges as adjusted by the Indiana Utility Regulatory Commission without further action of the Common Council. The miscellaneous and non-recurring rates and charges of the waterworks system of the City as reflected in the tariff filed with and approved by the Indiana Utility Regulatory Commission shall be filed with the Clerk of the City and be open for public inspection.

SECTION 12. If any section, sentence, or provision of this ordinance or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other parts of this ordinance which can be given effect without the invalid part, and to this end the provisions of this ordinance are declared to be severable.

SECTION 13. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City and approval of the Mayor; provided, however, that the existing miscellaneous and non-recurring rates and charges of the waterworks system of the City shall remain in full force and effect until the miscellaneous and non-recurring rates and charges fixed by this ordinance shall be approved by order of the Indiana Utility Regulatory Commission and the tariff reflecting said approved miscellaneous and non-recurring rates and charges shall have been filed with and approved by the Indiana Utility Regulatory Commission.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

_____
SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

_____
NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

_____
NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2017.

_____
JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends miscellaneous and non-recurring charges in Title 9 of the Bloomington Municipal Code, entitled "Water", to reflect increased costs of supplying certain water services to customers, and creates a system development charge to meet the need for necessary future expansion of the waterworks system.

TITLE 9 WATER

Red Line Version for Ordinance 17-40

Proposed deleted language is noted with a ~~strike through~~ feature in the text.
Proposed new language is noted with a gray highlight feature in the text.

Note: This new section will also be included in the table of contents for this chapter.

9.04.035 Unauthorized use of hydrants.

Persons using water from a fire hydrant without prior written authorization by the Utility shall be billed for up to eight hours usage at the maximum flow rate of the hydrant for each day that the hydrant was used.

9.04.050 Extension of water mains.

(a) The extension of water mains and related facilities to residential areas shall be accomplished according to ~~Rule 12 of~~ the Rules, Regulations and Standards of Service for the Water Utility.

(b) The extension of water mains and related facilities to apartment complexes, mobile home parks, and commercial and industrial additions shall be determined by the utilities service board on an individual basis.

9.08.050 Security deposit-amount.

(a) If a new applicant for residential water service fails to establish credit-worthiness according to ~~the~~ criteria established ~~in Rule 10 of the Rules, Regulations, and Standards of Service for the Water Utility,~~ by 170 IAC 6-1-15 in its current form or as amended hereinafter, a security deposit not to exceed ~~twenty dollars~~ $39.00 may be required.

(b) If a present residential customer has been mailed disconnect notices for two consecutive months or any three months within the preceding twelve-month period or has had service disconnected because of nonpayment within the past four years, a security deposit not to exceed one-sixth of the expected annual billing for the customer at the address at which service is rendered may be required.

(c) If a business or commercial applicant for water service fails to establish credit-worthiness according to ~~Rule 10 of the Rules, Regulations, and Standards of Service for the Water Utility,~~ criteria established by 170 IAC 6-1-15 in its current form or as amended hereinafter, a security deposit not to exceed one-sixth of the estimated annual cost of service may be required.

9.12.020 Service call charge.

(a) A service charge shall be collected for all service calls involving turning service on and off except when an account is closed. A service charge shall be collected for all other service calls in excess of one free call per year, including calls involving rereading meters at a customer's request and inspection for leaks, but such charge shall not be collected if the call was necessitated by an error of the utility.

(b) The charge for all service calls during normal business hours shall be ~~eight dollars fifty cents~~ $45.00 per call and ~~twenty one dollars~~ $171.00 during overtime hours.

9.12.030 Service installation charge.

(a) The charge for service installation ~~within the city that requires tapping a distribution main and installing tubing and a meter shall be two hundred eighty-five dollars. The charge for service installation within the city that requires only that tubing and a meter be installed shall be two hundred seventeen dollars.~~

~~(b) The charge for service installation outside the city that requires tapping a distribution main and installing tubing and a meter shall be three hundred forty-five dollars.~~

shall be as follows:

(1) 5/8” to 1” connection with tap shall be $1,533.00.

(2) 5/8” to 1” connection without tap shall be $1,327.00.

(3) Greater than 1” connection shall be the cost of installation but shall not be less than that of a 5/8” to 1” installation.

9.12.040 Meter test charge.

The utility shall make a free test of the accuracy of a meter upon written request by a customer and a second free test may be requested twelve months subsequent to the first test. The fee for all meter tests requested within thirty-six months after the preceding test shall be ~~twelve dollars and fifty cents~~ $39.00 if the meter is found not to be at fault.

Note: This new section will also be included in the table of contents for this chapter.

9.12.070 System Development Charge.

All new connections shall pay a one-time system development charge as follows:

Meter Size	Charge
5/8 or ¾"	$ 550.00
1″	$ 1,408.00
1½″	$ 3,168.00
2″	$ 5,632.00
3″	$ 12,672.00
4″	$ 22,528.00
6″	$ 50,688.00
8″	$ 90,112.00
10″	$ 140,800.00

Note: This new section will also be included in the table of contents for this chapter.

9.12.080 Temporary Service Charge.

Customers receiving temporary service shall be charged a minimum of $10.00 per week plus a deposit equal to the cost of the meter and a charge for the water used.

Note: This new section will also be included in the table of contents for this chapter.

9.12.090 Water Testing Charge.

All fees for water tests provided to any person by the Bloomington Water Utility shall be established by the Utilities Service Board and are subject to an annual review by said board.

ORDINANCE 17-41

TO AMEND TITLE 10
OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED
"WASTEWATER"
(Non-Recurring Rate Adjustment)

WHEREAS, the City of Bloomington, Indiana (the "City") has established, acquired, and financed its municipal sewage works in accordance with Indiana Code § 36-9-23, *et seq*., and acts amendatory thereof and supplemental thereto (the "Act"), for the purpose of providing for the collection, treatment and disposal of sewage from inhabitants in and around the City; and

WHEREAS, the City, through its Utilities Service Board, engaged the services of Crowe Horwath LLP, to study certain miscellaneous and non-recurring rates and charges of the wastewater system; and

WHEREAS**,** Crowe Horwath LLP prepared a report concerning certain miscellaneous and non-recurring rates and charges of the sewage works (the "Report") and determined that the existing charges to customers for certain miscellaneous and non-recurring services are insufficient to cover the costs and expenses associated therewith and, with regards to sewage connection fees, insufficient to meet the need for future expansion of the sewage infrastructure; and

WHEREAS**,** the City, through its Utilities Service Board, adopted the findings of the Report on October 16, 2017, thereby finding that the existing charges to Utility customers for certain miscellaneous and non-recurring services are insufficient to cover the costs associated therewith and, with regards to sewage connection fees, insufficient to meet the need for future expansion of the sewage infrastructure, and should be adjusted; and

WHEREAS, the Utilities Service Board, on October 30, 2017, recommended by Resolution 2017-00 that the Common Council of the City of Bloomington approve an Ordinance in substantially the same form as herein provided for the adjustment to miscellaneous and non-recurring charges of the sewage works as identified below; and,

WHEREAS**,** based upon the aforementioned Report, and the recommendations of the Utility Service Board, the Common Council of the City of Bloomington finds that the miscellaneous and non-recurring rates and charges set forth herein are nondiscriminatory, reasonable and just and are based upon the cost of providing service to the customers of the sewage works and will enable the City to meet its legal revenue requirements for future sewage works expansion; and

WHEREAS**,** the Common Council of the City of Bloomington finds that said miscellaneous non-recurring charges for certain services provided to Wastewater Utility Customers should be adjusted accordingly; and

WHEREAS**,** the Common Council of the City of Bloomington caused notice of a public hearing on the rates and charges set forth herein to be duly advertised and mailed, and conducted a public hearing thereon, all in accordance with the Act, and each rate payer was, and the public in general were, allowed the opportunity to provide testimony and comments regarding the proposed adjustments to these rate and charges which were considered by the Common Council.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Title 10 of the Code, entitled "Wastewater", is hereby amended by adding a new section, Section 10.08.135, which shall be inserted into the table of contents for this chapter and which shall be stated as follows:

10.08.135 Service call charge.

(a) A service charge shall be collected for all service calls in excess of one free call per year, including, but not limited to, calls for sewer back-up and inspection for leaks, but such charge shall not be collected if the call was necessitated by an error of the utility.

(b) The charge for all service calls during normal business hours shall be $54.00 per call and $180.00 per call during overtime hours.

SECTION 2. Section 10.08.140 of the Code, entitled "Connection Fee", is hereby amended and restated to read as follows:

Section 10.08.140 Connection Fee.

The connection fee is applicable to all utility customers within the wastewater system service area. The following fees shall be charged for each new connection to the wastewater system based upon the customer's water meter size:

Domestic Water Meter Size In Inches	Connection Fee
⅝" or ¾"	$2,775.00
1"	$7,104.00
1½"	$15,984.00
2"	$28,416.00
3"	$63,936.00
4"	$113,664.00
6"	$255,744.00
8"	$454,656.00
10"	$710,400.00

SECTION 3. If any section, sentence, or provision of this ordinance or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other parts of this ordinance which can be given effect without the invalid part, and to this end the provisions of this ordinance are declared to be severable.

SECTION 4. This ordinance shall be in full force and effect upon its passage by the Common Council of the City of Bloomington, Monroe County, Indiana, and approval of the Mayor; provided, however, that the rates and charges herein approved shall not take effect until the 1st day of January, 2018.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

_____
SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

_____
NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this _____ day of _____, 2017.

_____
NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this _____ day of _____, 2017.

_____
JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends existing miscellaneous and non-recurring charges in Title 10 of the Bloomington Municipal Code, entitled "Wastewater", to reflect increased costs of supplying certain wastewater services to customers and, with regards to connection fees, to meet the need for necessary future expansion of the wastewater infrastructure.

TITLE 10 WASTEWATER

Red Line Version for Ordinance 17-41

Proposed deleted language is noted with a ~~strike through~~ feature in the text.
Proposed new language is noted with a gray highlight feature in the text.

Note: This new section will also be included in the table of contents for this chapter.

10.08.135 Service call charge.

(a) A service charge shall be collected for all service calls in excess of one free call per year, including, but not limited to, calls for sewer back-up and inspection for leaks, but such charge shall not be collected if the call was necessitated by an error of the utility.

(b) The charge for all service calls during normal business hours shall be $54.00 per call and $180.00 per call during overtime hours.

10.08.140 Connection Fee.

The connection fee is applicable to all utility customers within the wastewater system service area. The following fees shall be charged for each new connection to the wastewater system~~:~~

~~(a) All customers classified by the utility as being single-family residential shall pay a base fee of one thousand dollars.~~
~~(b) All customers classified by the utility as multi-family residential shall pay a charge of sixty-five percent times base fee times the number of units to be served by the connection to the wastewater system, minus any credits, as approved by the utilities service board.~~
~~(c) All customers classified by the utility as commercial shall pay the following fee for each connection to the wastewater system, minus any credits, as approved by the utilities service board:~~

based upon the customer's water meter size:

Domestic Water Meter Size In Inches	Connection Fee
⅝" or ¾"	~~($1,000) base fee~~ $2,775.00
1"	~~4 times base fee~~ $7,104.00
1½"	~~10 times base fee~~ $15,984.00
2"	~~19 times base fee~~ $28,416.00
3"	~~26 times base fee~~ $63,936.00
4"	~~58 times base fee~~ $113,664.00
6" ~~and above~~	~~case by case basis~~ $255,744.00
8"	$454,656.00
10"	$710,400.00

In the Council Chambers of the Showers City Hall, Bloomington, Indiana on Wednesday, October 4, 2017 at 6:33pm with Council President Susan Sandberg presiding over a Special Session of the Common Council.

COMMON COUNCIL
SPECIAL SESSION
October 4, 2017

Roll Call: Sturbaum, Ruff, Chopra, Granger, Sandberg, Volan, Piedmont-Smith, Sims, Rollo
Absent: None

ROLL CALL [6:34pm]

Council President Susan Sandberg gave a summary of the agenda.

AGENDA SUMMATION [6:34pm]

APPROVAL OF MINUTES [6:35pm]

Councilmember Dave Rollo moved and it was seconded to approve the minutes of September 6, 2017 as corrected. The motion was approved by voice vote.

September 6, 2017 (Regular Session)

Rollo moved and it was seconded to approve the minutes of September 19, 2017. The motion was approved by voice vote.

September 19, 2017 (Regular Session)

Rollo moved and it was seconded to approve the minutes of September 27, 2017. The motion was approved by voice vote.

September 27, 2017 (Special Session)

Councilmember Steve Volan moved and it was seconded that Resolution 17-37 be introduced and read by title and synopsis only. The motion was approved by voice vote. City Clerk Nicole Bolden read the legislation by title and synopsis.

LEGISLATION FOR SECOND READING AND RESOLUTIONS [6:36pm]

Volan moved and it was seconded that Resolution 17-37 be adopted.

Resolution 17-37 - Resolution Proposing an Ordinance Modifying Local Income Tax Allocations in Monroe County and Casting Fifty-Eight Votes in Favor of the Ordinance - Re: Adjusting the Allocations between the Public Safety Answering Point (PSAP) and General Public Safety Purposes Tax Rates Without Changing Other Allocations or the Total Expenditure Tax Rate

Dan Sherman, Council Attorney, presented the legislation to the Council. Sherman described the legislation and what would follow if the Council approved the legislation. Sherman also reminded Council that it would have another hearing on the matter the following week.

Councilmember Allison Chopra, the Public Safety Local Income Tax (PS-LIT) Committee Chairperson, emphasized that the tax rate remained the same as the previous year's rate. She said the PS-LIT Committee received six proposals from qualified providers and a recommendation from the Public Safety Answering Point (PSAP) Board. She said the committee decided to follow the Board's recommendation to fund a unified communication method for use throughout the county. She said the decision was difficult, but the Committee voted 4-3 in favor of the granting the request. She noted that the city was the only entity that was receiving fewer dollars even though its overall percentage of dollars received remained the same.

Council Questions:

Councilmember Chris Sturbaum asked for more information about the 4-3 vote.

Chopra said that the motion was to accept the PSAP recommendation, which meant not funding the other provider requests. She said those in favor were herself, Committee member Granger, Committee member Sandberg, and Committee member Oldham from Ellettsville.

For Approval

Resolution 17-37 [*cont'd*]

Sturbaum asked how comfortable the committee felt about not funding the townships.

Sandberg said it was a difficult decision, but the committee felt the PSAP allocation was for the benefit of the entire county.

Chopra added that the funding did in fact go to the townships, but not in the manner that they requested.

Piedmont-Smith said that she voted against the PSAP recommendation because she thought the budget proposal was inflated and she thought some of the financial cushion included could have been used to fund other projects around the county, particularly for a new fire station in Washington Township. She also discussed the need for new firefighters in the Perry-Clear Creek Fire Protection District. She recognized the importance of centralized communications and said they benefited the entire county.

Volan moved and it was seconded to postpone further consideration of Resolution 17-37 until the Special Session on October 11, 2017.

Vote on motion to postpone further consideration of Resolution 17-37 [7:08pm]

The motion to postpone Resolution 17-37 received a roll call vote of Ayes: 9, Nays: 0, Abstain: 0.

APPOINTMENTS TO BOARDS AND COMMISSIONS

There were no appointments to boards or commissions.

LEGISLATION FOR FIRST READING

Ordinance 17-39 - To Authorize and Approve an Agreement in Lieu of Annexation Between the City of Bloomington and Cook Group, Incorporated and Affiliates

Volan moved and it was seconded that Ordinance 17-39 be introduced and read by title and synopsis only. The motion was approved by voice vote. Clerk Bolden read the legislation by title and synopsis.

COUNCIL SCHEDULE [7:11pm]

Volan moved and it was seconded to cancel the Internal Work Session scheduled for Friday, September 6, 2017. The motion was approved by voice vote.

ADJOURNMENT

The meeting was adjourned at 7:11pm.

For Approval

APPROVED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this ____ day of _____, 2017.

APPROVE:

_____

Susan Sandberg, PRESIDENT
Bloomington Common Council

ATTEST:

_____

Nicole Bolden, CLERK
City of Bloomington

In the Council Chambers of the Showers City Hall, Bloomington, Indiana on Wednesday, October 11, 2017 at 6:31pm with Council President Susan Sandberg presiding over a Special Session of the Common Council.

COMMON COUNCIL
SPECIAL SESSION
October 11, 2017

Roll Call: Sturbaum, Chopra, Granger, Sandberg, Volan, Piedmont-Smith, Sims, Rollo
Absent: Ruff

ROLL CALL
[6:31pm]

Council President Susan Sandberg gave a summary of the agenda.

AGENDA SUMMATION
[6:32pm]

There were no minutes for approval at the meeting.

APPROVAL OF MINUTES

Councilmember Dorothy Granger moved and it was seconded to appoint Chris Sturbaum to Downtown Bloomington, Inc. The motion received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sturbaum).

APPOINTMENTS TO BOARDS AND COMMISSIONS

Councilmember Steve Volan moved and it was seconded that Ordinance 17-36 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy City Clerk Stephen Lucas read the legislation by title and synopsis, giving the Do Pass recommendation of 7-0-0.

LEGISLATION FOR SECOND READING AND RESOLUTIONS
[6:34pm]

Ordinance 17-36 – An Ordinance Fixing the Salaries of Officers of the Police and Fire Departments for the City of Bloomington, Indiana, for the Year 2018

Volan moved and it was seconded that Ordinance 17-36 be adopted.

Jeffrey Underwood, Controller, said the ordinance reflected raises that the City had agreed to in the collective bargaining agreements with the police and fire departments.

Council Comment:

Councilmember Isabel Piedmont-Smith noted that the Council discussed the ordinance thoroughly during its budget hearings and previous committee meeting.

The motion to adopt Ordinance 17-36 received a roll call vote of Ayes: 8, Nays: 0, Abstain: 0.

Vote on Ordinance 17-36
[6:37pm]

Volan moved and it was seconded that Ordinance 17-37 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy Clerk Lucas read the legislation by title and synopsis, giving the Do Pass recommendation of 7-0-0 for Amendment 01 to Ordinance 17-37, which would divide the ordinance into Parts 1 and 2, which received Do Pass recommendations of 4-0-3 and 6-0-1 respectively.

Ordinance 17-37 – An Ordinance Fixing the Salaries of Appointed Officers, Non-Union and A.F.S.C.M.E. Employees for All the Departments of the City of Bloomington, Monroe County, Indiana, for the Year 2018

Volan moved and it was seconded that Ordinance 17-37 be adopted.

Caroline Shaw, Director of Human Resources, introduced herself, briefly explained the purpose of the ordinance and said she was available for any questions.

For Approval

Amendment 02 to Ordinance 17-37

Councilmember Allison Chopra moved and it was seconded to adopt Amendment 02 to Ordinance 17-37.

Amendment 02 Synopsis: This amendment is co-sponsored by Cms. Chopra and Granger. It was prepared by the Administration in response to questions raised at the Committee of the Whole on September 27th and makes changes in regard to the Common Law Positions located in Section 2 L.

Chopra explained that the amendment was meant to correct a table contained within the ordinance.

Council Questions:

Volan asked for a few examples of the positions that were affected by the amendment.

Shaw explained that a few previously-listed positions had not been filled in years, such as Youth Counselor in Training and Cashier. She also provided some examples of positions that had an increase in salary.

Volan asked if the goal of the change was to move closer to getting all positions in the City to a living wage.

Chopra said no and explained that the wrong table had been used in the ordinance.

Piedmont-Smith clarified that the goal of moving all positions to the city's living wage had a two-year time frame.

Council Comment:

Granger acknowledged that the amendment was correcting an error but also said that the Council was committed to raising all salaries in the City to the living wage.

Vote on Amendment 02 to Ordinance 17-37 [6:45pm]

The motion to adopt Amendment 02 to Ordinance 17-37 received a roll call vote of Ayes: 8, Nays: 0, Abstain: 0.

Amendment 01 to Ordinance 17-37

Piedmont-Smith moved and it was seconded to adopt Amendment 01 to Ordinance 17-37.

Amendment 01 Synopsis: Cm. Sims is married to one of the department heads in the City. This motion was prepared by the Council Office in order to allow Cm. Sims to participate in the consideration of this salary ordinance without having to vote on his wife's salary grade. It divides the ordinance into two parts: First, the Council will vote on the entire salary ordinance except the Director of HAND. If that vote fails, then the ordinance is defeated. If that vote passes, then second, the Council will vote on the salary grade for the Director of the HAND department.

Council Attorney Dan Sherman explained that the amendment would divide the question on the ordinance into two parts. He said the reason for the division was that Councilmember Jim Sims was married to a department head and did not want to vote on his spouse's salary. Sherman explained how the Council could go about approaching the amendment and subsequent parts of the ordinance if divided.

Council Questions:

Granger asked if Sherman had received a response from the Department of Local Government Finance (DLFG) regarding the ordinance.

Sherman explained that the question sent to the DLGF was relevant to one of the appropriation ordinances.

For Approval

Amendment 01 to Ordinance 17-37 (*cont'd*)
Council Comment:

Sims said that his wife was head of the Housing and Neighborhood Development department. He felt he should abstain from voting to avoid any appearance of impropriety. He explained the steps he and Sherman had taken to explore how he might avoid such a conflict in the future.

Volan said he appreciated Sims' statement and the work he and Sherman had done to allow Sims to vote on the portion of the budget that did not involve his wife's salary or her department's budget.

Vote on Amendment 01 to Ordinance 17-37 [6:54pm]

The motion to adopt Amendment 01 to Ordinance 17-37 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Council Comment:

Volan commented on the timelines for various contract negotiations and hoped there was a way to arrange those negotiations so they would not all occur during the same year. He said he supported the budget.

Vote on Part I of Ordinance 17-37 [6:56pm]

The motion to adopt Part I of Ordinance 17-37 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Vote on Part II of Ordinance 17-37 [6:56pm]

The motion to adopt Part II of Ordinance 17-37 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Ordinance 17-38 – To Fix the Salaries of All Elected City Officials for the City of Bloomington for the Year 2018

Volan moved and it was seconded that Ordinance 17-38 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy Clerk Lucas read the legislation by title and synopsis, giving the Do Pass recommendation of 7-0-0.

Volan moved and it was seconded that Ordinance 17-38 be adopted.

Shaw briefly summarized the ordinance.

Vote on Ordinance 17-38 [6:58pm]

The motion to adopt Ordinance 17-38 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Resolution 17-37 – Resolution Proposing an Ordinance Modifying Local Income Tax Allocations in Monroe County and Casting Fifty-Eight Votes in Favor of the Ordinance – Re: Adjusting the Allocations between the Public Safety Answering Point (PSAP) and General Public Safety Purposes Tax Rates Without Changing Other Allocations or the Total Expenditure Tax Rate

Volan moved and it was seconded that Resolution 17-37 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy Clerk Lucas read the legislation by title and synopsis.

Volan moved and it was seconded that Resolution 17-37 be adopted.

Sherman explained the ordinance brought forward recommendations made by the Public Safety Local Income Tax (PS-LIT) Committee. He provided a brief explanation of the process the committee followed in reviewing applications for funding. He noted that the public comment portion related to deliberation on the resolution was part of the statutorily-required public hearing.

Council Questions:

Piedmont-Smith asked what the certified shares portions of the local income tax represented.

Sherman said it was an allocation to taxing units of local income taxes and was used for general purposes.

Council Comment:

Granger said the Council had discussed the matter extensively at the previous week's meeting.

For Approval

Resolution 17-37 (*cont'd*)

Piedmont-Smith said the vote of the PS-LIT Committee was 4-3 and explained she was part of the minority vote. She said the reason she voted against the allocation was because she felt Washington Township should have received $50,000 that the Committee wanted to allocate the previous year but was unable to do so because of a technicality. Despite that, she thought the funding for the Public Safety Answering Point (PSAP) would benefit the entire county.

Sandberg thanked those that participated in the PS-LIT process. She said that the PSAP request had taken priority that year, as it involved projects that would benefit the entire community. She noted that the process had revealed certain inefficiencies within the existing system and hoped that future consolidation and sharing of resources would help to stretch public safety funding.

Chopra said she viewed the PS-LIT process as providing an opportunity for political subdivisions to apply for funding but she said the funding for the PSAP was first priority. She thought there were many inefficiencies in the county regarding dispatch and fire protection. She thought the PSAP proposal would benefit the entire community. She thanked the other members of the PS-LIT Committee and others who had helped with the process.

Volan thanked the members of the Committee for their work.

Vote on Resolution 17-37 [7:14pm]

The motion to adopt Resolution 17-37 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Appropriation Ordinance 17-03 – An Ordinance for Appropriations and Tax Rates (Establishing 2018 Civil City Budget for the City of Bloomington)

Volan moved and it was seconded that Appropriation Ordinance 17-03 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy Clerk Lucas read the legislation by title, giving the Do Pass recommendation of 6-0-1.

Volan moved and it was seconded that Appropriation Ordinance 17-03 be adopted.

Underwood noted that the budget process began five months prior to the meeting, and involved all of the departments and numerous staff members, whom he thanked. He noted that the Council had considered the budget during public hearings in August and during a meeting two weeks prior. He said he was available for any questions.

Public Comment:

Daniel Bingham spoke in support of the Affordable Housing Loan Fund and other affordable housing initiatives.

Council Comment:

Chopra explained that she would not be bringing forward two amendments she had previously proposed.

Volan commended the administration for focusing on affordable housing issues. He said he was also interested in the fate of the potential Community Development Finance Institution. He responded to and shared thoughts on a few answers he had received from the administration to his submitted budget questions. He thanked the administration for its responses and said he was happy to support the appropriation ordinance.

Rollo said he supported efforts to help with affordable housing.

For Approval

Appropriation Ordinance 17-03 (*cont'd*)

Sturbaum said the Council was interested in affordable housing solutions and suggested that naturally-occurring affordable housing should be encouraged.

Sandberg said the Council had been discussing affordable housing issues during its consideration of the proposed Comprehensive Plan. She said she was pleased with those discussions and with the focus on affordable housing. She also commented on the Buskirk-Chumley and said she was glad that the city's support for the theater was in the Council's budget. She suggested the appropriated money be used for programming at the theater.

Vote on Appropriation Ordinance 17-03 [7:36pm]

The motion to adopt Appropriation Ordinance 17-03 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Appropriation Ordinance 17-04 – An Ordinance Adopting a Budget for the Operation, Maintenance, Debt Service and Capital Improvements for the Water and Wastewater Utility Departments of the City of Bloomington, Indiana for the Year 2018

Volan moved and it was seconded that Appropriation Ordinance 17-04 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy Clerk Lucas read the legislation by title and synopsis, giving the Do Pass recommendation of 6-0-0.

Underwood said he would appreciate the Council's approval of the appropriation ordinance.

Council Questions:

Rollo asked if there was any exposure to changing interest rates on the debt service for utilities.

Underwood said interest rates for both civil city and utilities debt were fixed rates.

Rollo asked if the city had taken advantage of lower rates.

Underwood said yes and provided a brief explanation of recent bond refinancing efforts as well as ongoing efforts to reduce the cost of financing.

Vote on Appropriation Ordinance 17-04 [7:39pm]

The motion to adopt Appropriation Ordinance 17-04 received a roll call vote of Ayes: 6, Nays: 0, Abstain: 1 (Sims) (Sturbaum out of room).

Appropriation Ordinance 17-05 – Appropriation and Tax Rates for Bloomington Transportation Corporation for 2018

Volan moved and it was seconded that Appropriation Ordinance 17-05 be introduced and read by title and synopsis only. The motion was approved by voice vote. Deputy Clerk Lucas read the legislation by title, giving the Do Pass recommendation of 7-0-0.

Lew May, General Manager of the Bloomington Public Transportation Corporation, introduced himself and explained there had been no changes to the budget since it was introduced to the Council in August.

Council Questions:

Volan and May discussed the fees charged to commercial bus lines and shuttle services using public transit stations, as well as the possible bus routes that might service the new hospital

Rollo asked May to comment about a recent autonomous bus demonstration that had taken place.

May said the demonstration had been very successful and thanked the city for its work on the event. He said it was a new technology very early in its development that had great potential and might become the standard in the future.

Rollo said he was intrigued by the idea but also concerned about replacing people and leaving them without job prospects.

May said he did not anticipate using the technology within the next ten years.

Not Approval

Piedmont-Smith thanked May and the Public Transportation Corporation Board of Directors for taking the first steps to extend the BTaccess service on Sundays.

Appropriation Ordinance 17-05 (*cont'd*)
Council Comment:

Rollo complimented May and the Board of Directors on the job they did despite funding challenges.

Volan found it interesting to hear what the cost was to dock at the transit center. He wished local shuttle services would consider docking there. He also said it would be important to have a bus stop at the new hospital and hoped a solution would be in place before the hospital opened.

Rollo hoped the new hospital might help support a bus stop near the location.

The motion to adopt Appropriation Ordinance 17-05 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Sims).

Vote on Appropriation Ordinance 17-05 [7:54pm]

Sherman reminded the Council of its upcoming schedule.

COUNCIL SCHEDULE

The meeting was adjourned at 7:55pm.

ADJOURNMENT

APPROVED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this ____ day of _____, 2017.

APPROVE:

ATTEST:

_____
Susan Sandberg, PRESIDENT
Bloomington Common Council

_____
Nicole Bolden, CLERK
City of Bloomington

For Approval

In the Council Chambers of the Showers City Hall, Bloomington, Indiana on Wednesday, October 18, 2017 at 6:32pm with Council President Susan Sandberg presiding over a Regular Session of the Common Council.

COMMON COUNCIL
REGULAR SESSION
October 18, 2017

Roll Call: Sturbaum, Chopra, Granger, Sandberg, Volan, Piedmont-Smith, Sims, Rollo
Absent: Ruff

ROLL CALL
[6:32pm]

Council President Susan Sandberg gave a summary of the agenda.

AGENDA SUMMATION
[6:33pm]

There were no minutes for approval.

APPROVAL OF MINUTES

REPORTS

- COUNCIL MEMBERS [6:33pm]

Councilmember Allison Chopra thanked the Delta Sigma Theta sorority for its presence and for bringing refreshments. She also thanked the fire department for fulfilling its promise to proactively create relations with local businesses.

Councilmember Dave Rollo apologized for not being able to make his report at the special session one week prior. He drew attention to a talk sponsored by the Bloomington Peace Action Coalition, entitled A New Generation of Nuclear Dangers. He spoke about the Cuban Missile Crisis and drew parallels to the current escalation of nuclear tension. He warned of a potential World War III scenario under the current presidential administration. He asked attendants to urge Congress to subsume the current nuclear first strike powers granted to the President. He said all levels of government should focus on the issue as it could affect everyone.

Councilmember Jim Sims welcomed Delta Sigma Theta members. He thanked Chopra for inviting him to the Park Ridge Neighborhood Association meeting.

Councilmember Isabel Piedmont-Smith acknowledged the Columbus Day holiday, celebrated in the past week, but renamed by Mayor Hamilton as the Fall Holiday. She hoped that next year the holiday would be called Indigenous Peoples Day. She thanked Chopra for initially bringing up the issue the previous year.

Councilmember Steve Volan discussed the new sanitation system in Bloomington. He urged residents to put trash bins inside during the week. He also asked that they remind neighbors to store trash bins out of sight.

There were no reports from the Mayor or City offices.

- The MAYOR AND CITY OFFICES

For Approval

- PUBLIC [6:43pm]

Mary Howard Hamilton, President of Delta Sigma Theta Alumnae Chapter, spoke to the Council. She thanked City Clerk Nicole Bolden for her assistance in organizing the chapter's visit to the Council. She encouraged the Council to continue their support of public health.

Parker Griffin expressed his regret that he no longer felt safe in the Bloomington community after being assaulted on July 13, 2017. He urged the Council to take whatever action it could.

Dan McManmon spoke in support of making changes in the downtown area to make it safer for vulnerable populations.

APPOINTMENTS TO BOARDS AND COMMISSIONS

Dan Sherman, Council Attorney, presented a Disclosure of a Conflict of Interest for Deborah Myerson, Council Advisory Member of the Affordable Living Committee.

Councilmember Dorothy Granger expressed concern over the phrasing in the disclosure form.

Volan suggested a change in language, but then questioned whether it was acceptable to change a document that had already been signed.

Sherman said that he would bring it to Ms. Myerson's attention, and said that if it created a problem the Council could deal with it at that time.

Sandberg noted that the disclosure was not required because Myerson was not appointed or paid, but was a volunteer.

Chopra also expressed concern about the phrasing in the form.

Volan asked if it was possible to table the issue.

Sherman said that the Council did not have to take action, but if it decided to do so the calendar required it for that evening.

Chopra said that she did not feel comfortable with the phrasing in the document or with changing a document that had already been signed.

Sherman said the Council was not required to accept the disclosure, and that the Council had met its burden by making the potential conflict known.

Sims said the intent was disclosure and that the wording was a minor issue.

Piedmont-Smith noted that since only South Central Indiana Housing Opportunities (SCHIO) answered the call for proposals some of the concerns expressed were moot, and so she felt comfortable accepting the disclosure.

Volan moved and it was seconded to accept the Disclosure of a Conflict of Interest for Deborah Myerson.

Vote to accept Disclosure [7:01pm]

The motion received a roll call vote of Ayes: 6, Nays: 2 (Chopra, Granger), Abstain: 0.

For Approval

LEGISLATION FOR SECOND READING AND RESOLUTIONS

Volan moved and it was seconded that Resolution 17-39 be introduced and read by title and synopsis only. The motion was approved by voice vote. City Clerk Nicole Bolden read the legislation by title and synopsis.

Resolution 17-39 – To Approve the Interlocal Agreement Between Monroe County, the Town of Ellettsville and the City of Bloomington for Animal Shelter Operation for the Year 2018

Volan moved and it was seconded that Resolution 17-39 be adopted.

Jeffrey Underwood, City Controller, presented the legislation to the Council. He said that it was an agreement that the city had for several years, that there was no substantial change to the agreement, and that the legislation contained updated numbers. He explained that operating costs were reallocated based on 2016 numbers.

Council Questions:

Rollo asked if the amount of the payment was based on services rendered and the number of animals.

Underwood said that was correct, and that the agreement was always based on the previous year's numbers.

Rollo asked if there was a trend in the numbers.

Underwood said that the numbers had been relatively flat for the last couple of years.

Piedmont-Smith asked for clarification as to what money would be owed if the city ended the agreement in December 2018.

Underwood said the agreement covered the current years operating budget using the previous years numbers. He said if the City decided to end the agreement, it would already have been paid for 2018.

Piedmont-Smith said she did not fully understand.

Underwood said that it was similar to property taxes.

Thomas Cameron, City Legal, explained that the numbers had been stable enough to allow the city to use the previous year's numbers without creating a large arrearage.

Public Comment:

Sandberg called for public comment.

Council Questions:

Piedmont-Smith asked about license fees that were referenced in the agreement.

Julia Eppley, Shelter Manager, said that dogs were no longer licensed, but the language was left on the books for leeway in case a license program was reinstituted.

Rollo asked if fees to take in animals from other counties were sufficient to cover that cost.

Eppley said the fees helped to offset the costs of vaccinations and medications, but did not cover the full cost of an animal's stay.

Rollo said it was good to take in animals from other counties, but also said it was worth looking into raising fees in the future.

Vote on Resolution 17-39 [7:12pm]

The motion to adopt Resolution 17-39 received a roll call vote of Ayes: 8, Nays: 0, Abstain: 0.

Not Approval

Volan moved and it was seconded that Ordinance 17-39 be introduced and read by title and synopsis only. The motion was approved by voice vote. Clerk Bolden read the legislation by title and synopsis.

Ordinance 17-39 - To Authorize and Approve an Agreement in Lieu of Annexation Between the City of Bloomington and Cook Group, Incorporated and Affiliates

Volan moved and it was seconded that Ordinance 17-39 be adopted.

Mick Renneisen, Deputy Mayor, presented the legislation to the Council, and said that Peter Yonkman, Cook President, and Underwood were on hand to answer any questions.

Sandberg called for public comment.

Public Comment:

Granger said that she was in support of the legislation.

Council Comment:

Volan said that he would submit his comments in the record from the Committee of the Whole meeting for inclusion. He said he found the legislation to be difficult and said that people should pay taxes. He said he would abstain from voting that evening.

Sherman reminded Volan that he would need the consent of the Council to include his written comments.

Rollo asked if the comments could be summarized or submitted to the Clerk, which Volan agreed to do.

Rollo moved and it was seconded to allow the record to be supplemented with a written statement from Volan. The motion received a roll call vote of Ayes: 7, Nays: 1 (Chopra), Abstain: 0.

Vote to supplement the record [7:20pm]

Rollo said he was grateful to Cook for its investment in the community. He appreciated the employment agreement, and that the City could look forward to additional revenue.

Council Comment:

Sturbaum said it was good to have Cook in the community and that the agreement was a sensible solution for the business.

Piedmont-Smith said that it was a good way to support Cook and its plans to stay in the community. She said she was glad to support the legislation.

Sandberg said that she was happy to support the legislation and that it was a good solution for concerns raised during the annexation process. She said it was a unique situation that the Council was happy to support.

The motion to adopt Ordinance 17-39 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Volan).

Vote on Ordinance 17-39 [7:25pm]

For Approval

Resolution 17-38 – Supporting Passage of a Food and Beverage Tax to Fund Expansion of the Monroe County Convention Center

Volan moved and it was seconded that Resolution 17-38 be introduced and read by title and synopsis only. The motion was approved by voice vote. Clerk Bolden read the legislation by title and synopsis.

Volan moved and it was seconded that Resolution 17-38 be adopted.

Renneisen presented the legislation to the Council. He said that, since the Council last met, the County Council had a work session where it asked for additional financial updates involving funding mechanisms that could be used to expand the convention center. He said the County Commissioners approved the request, which could be reviewed again by the County Council as soon as October 24, 2017. He said the purpose of the legislation was to encourage the County Council to enact the food and beverage tax as the funding method for the convention center. He said Jim Murphy of the Advisory Commission was also in the audience and both were available to answer any questions.

Council Questions:

Sandberg clarified that all the City Council was doing was lending support to the County Council.

Renneisen repeated that the City Council could not enact the food and beverage tax. He explained the legislation was a formal encouragement to the County Council to do so. He said that the city thought it was the right investment for the downtown area and that the expansion was needed.

Granger asked if the County Council asked for the support, and whether that was why the City Council was taking action that evening.

Renneisen said the county wanted to know where the city stood on the issue and that the legislation was the city's way of confirming its support.

Rollo asked Renneisen what the timeline was for paying for the potential bond issuance.

Renneisen said that if the county passed the tax, it could start collecting within 30 days of passage. It could then bond against the taxes after a year of collection. He anticipated the county using that year to work on the design of the expansion. He then thought it would be another 18-24 months after that before the construction was completed.

Rollo asked how long it would take to retire the debt.

Renneisen said that it was typically 20-year bonds.

Rollo asked if the innkeeper's tax fully paid for current maintenance.

Renneisen said that the costs were covered.

Rollo asked if the innkeeper's tax would still be needed with the addition of the food and beverage tax.

Renneisen said that it would likely have to be continued.

Piedmont-Smith asked why the committee felt that expansion was best done through local government and not through a private entity.

Renneisen said that most convention centers were owned by government. He said they were typically loss-leaders, and did not cover all of the costs associated with the building. He added that what was more than a convention center, but was also a civic center.

For Approval

Resolution 17-38 [*cont'd*]

Piedmont-Smith asked if the tax would be applied to food and beverages in the convention center.

Renneisen said that it would apply to any prepared food.

Piedmont-Smith asked if a company would be taxed for hiring a catering service at an event hosted in the convention center.

Renneisen stated that the caterer would pay any tax, but could choose to pass on that cost to the consumer through fees.

Public Comment:

Sandberg called for public comment.

Cindy Kinnarney, President of Downtown Bloomington Inc., spoke in favor of the resolution.

Council Comment:

Rollo expressed his support for the resolution. He noted communications he had received expressing public trepidation but felt that the reasons to support the resolution outweighed concerns. He enumerated the reasons behind his support: the facility would be for the public, the location would benefit the community, and the facilities' events would help the vitality and growth of the downtown area. He encouraged his fellow councilmembers to move forward with the resolution.

Sturbaum stated that the project would create jobs that would boost the regional economy and help the entire county.

Granger supported the resolution and cited a recent Opioid Conference to demonstrate the need in the Bloomington Community for a larger public center. While she felt the tax was imperfect she could not see an alternative solution, and therefore reaffirmed her support.

Volan stated that he understood the tension in the situation. He understood why those living in the unincorporated parts of the county would feel resentful of a food and beverage tax being imposed on them and used to create a center in the incorporated parts of the county. He viewed the convention center as an opportunity to create a public and private partnership. He hoped that the facility would be able to accommodate smaller events than could currently be held in the Buskirk-Chumley Theatre or the IU Auditorium. He cautioned the Council against sun-setting the tax so that future tax revenue could be used to maintain the center so that it would remain relevant and useful to the community.

Sims supported the resolution and hoped that the project would increase the collegiality and trust between the City Council and its County counterparts.

Piedmont-Smith expressed reservations in terms of how the building was constructed. She proposed making a flexible space that could remain relevant in a quickly-changing economy. She wanted the space to be mixed-use, pedestrian friendly, and respectful of the B-line trail. She found it awkward to recommend a course of action to the county and felt there could have been other ways to assure them of what the city would do with the funds. She affirmed her belief that any tax could be a burden on lower-income residents. She was unsure of how she would vote on the resolution, although she saw the benefits of such a space.

For Approval

Resolution 17-38 [*cont'd*]

Sandberg stated her firm belief in public gathering spaces. She felt that the hospitality service industry created good jobs. She summarized that the resolution was for the county to confirm that the city would lend its support to the project if the county-initiated the funding mechanisms for the endeavor. She said collegiality and partnerships were already at play.

Volan affirmed that the city must give the county some signal as to how to proceed. He viewed the discussion on taxes in general as a choice of how to share the burden if indeed the tax would have a positive impact on the community. He felt the space could be transformed if the convention industry collapsed, which he did not predict would happen. He affirmed the community would always have a need for public space. He hoped that when the building was finished meeting rooms would be included that could be reserved by the public at no cost.

Rollo stated the Council did not need to speculate about a need for the space as the Council already was aware of several groups, functions, and events that weren't able to come to Bloomington due to space limitations issues. He felt that the consumer might not even feel the 1% tax as there are so many restaurants in Bloomington. He felt that for low income residents, there would be no increase in the cost of groceries, only in prepared food. He said the increase in jobs could produce an increase in wages. He felt, overall, that the impact of the taxes for the center would either be neutral or favorable to the community.

Vote on Resolution 17-38 [8:01pm]

The motion to adopt Resolution 17-38 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Piedmont-Smith).

LEGISLATION FOR FIRST READING

Ordinance 17-35 – To Amend Title 20 (Unified Development Ordinance) of the Bloomington Municipal Code – Re: Amending Section 20.02.300 to allow Sexually Oriented Businesses as a Permitted Use in Commercial General (CG) Districts and Deleting and Replacing Section 20.05.078 "Sexually Oriented Businesses – General"

Volan moved and it was seconded that Ordinance 17-35 be introduced and read by title and synopsis only. The motion was approved by voice vote. Clerk Bolden read the legislation by title and synopsis.

COUNCIL SCHEDULE [8:02 pm]

Sherman reminded the Council of its upcoming schedule.

ADJOURNMENT

The meeting was adjourned at 8:06pm.

APPROVED by the Common Council of the City of Bloomington, Monroe County, Indiana upon this ____ day of _____, 2017.

APPROVE:

_____
Susan Sandberg, PRESIDENT
Bloomington Common Council

ATTEST:

_____
Nicole Bolden, CLERK
City of Bloomington

For Approval