



Marion Utilities

1540 N Washington St.

Marion, IN 46952

www.marionutilities.com

Service Board

BOARD MINUTES OF THE JUNE 6, 2024 MEETING

The Marion Utility Service Board held their meeting on Thursday, June 6, 2024 at 5:30 p.m. in the L.E.A.D. Center, Building 101, at Marion Utilities, 1540 N. Washington Street, Marion, Indiana.

Roll was called and those board members present were: Robert Logan, Chairman; Doug Carl; Bill Dorsey; Al Green; Von Jackson; and Herschel Lewis. Jayda Monteiro was absent.

Also present at the meeting were: Robin Shrader, Director; Pat Pinkerton, Assistant Director for Engineering & Solid Waste; Tiffany Snyder, Accounting/Billing Coordinator; Mike Conner, Attorney; Erika Devine, Council Liaison; Misty Humphries, Secretary; and Chuck Herriman.

CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS

There were no additions or deletions to the agenda.

APPROVAL OF MINUTES

Mr. Jackson moved, seconded by Mr. Lewis, to approve the minutes of the May 16, 2024 meeting. All board members present voted aye. Motion carried unanimously.

FINANCIALS

Mrs. Snyder presented the April 2024 financials. She stated that sales reported were similar to last month for Water and continued to show growth which was attributed to the rate increases experienced and the timing of billing. Mrs. Snyder stated that Wastewater sales slowed this month, trending more in line with 2022 results for April. Solid Waste again showed a marginal increase while Stormwater remained flat, nearly in line with 2023. Sales were consistent with the results from March. Mrs. Snyder explained that on the expense side, Operations and Maintenance expense was lower than 2023 for all utilities except Wastewater, which saw a slight uptick over 2023. The expenses again rose across the board for multiple categories, including contractual services, supplies, etc. Mrs. Snyder then reminded the Board that in February they agreed that the meter program would be split between Water and Wastewater. In February, Wastewater contributed \$1.1 million to the Water Utility and forgave the \$1 million loan outstanding. Another \$400,000 had been contributed in April for a total of \$2.5 million contribution from Wastewater to Water for the meter project. Mrs. Snyder stated the \$400,000 could be seen in the capital expenses for Wastewater and the other income for Water. Mrs. Snyder concluded by stated that the Other Expense for Stormwater accounted for the \$260,000 loan from Stormwater to Solid Waste with an offset to Other Income for Solid Waste. There being no further comments or questions, Mr. Lewis moved, seconded by Mr. Jackson, to approve the April 2024 financials. All board members present voted aye. Motion carried unanimously.

UPDATE ON PROJECTS

Mr. Pinkerton reported that Butler Street tank was being draped. The contractor had been



blasting on the inside and was making progress. Mr. Pinkerton then shared a map of the Lead Service Line Replacement Project. He explained that each color coded address meant something. The addresses in green had signed an easement agreement. Those in red had declined the easement agreement. Blue addresses had verbally agreed, but the easement still needed signed. Purple addresses had verbally declined, and paperwork was in progress. Yellow addresses were those where communication was in progress. The addresses in black had no communication other than mailings and notes on doors. The addresses in grey were outside the current scope of work. Mr. Dorsey asked what happened to those who declined the easement. Mr. Pinkerton explained that we could only replace the line up to the meter. Mr. Lewis asked why someone would decline. Mr. Pinkerton answered that some people don't want others on their property. Mr. Dorsey asked about the plumbing in the house. Mr. Pinkerton said that was up to the home owner to replace. He also stated that he expects some homeowners would change their mind once they saw neighbors getting updates. Quite a few owners had been contacted and paperwork had been completed which was a testament to Ms. Johnson's ability to go out, knock on doors, and speak with people. Mr. Pinkerton also shared a map of 16th & Mason up to 7th & Butler. Mr. Dorsey asked how far the work went onto the property. Mr. Pinkerton said that the EPA required the Utilities to go five feet inside the house since SRF funding was received. Mr. Pinkerton said if federal money wasn't received, it would have been different. As far as other projects, Mr. Pinkerton stated that the Water Distribution Project had 4,000 feet of water line installed.

Mr. Pinkerton also reported that a year ago there was a brick manhole that had collapsed. When the project was completed, it cost approximately \$125,000. Stormwater spoke with a contractor about checking other manholes and lining brick manholes. The manhole just west of the repaired manhole, the contractor found a big void that was starting to create a sink hole. They were able to pump soil stabilizing gravel behind the manhole to shore it up. This will probably cost \$25,000 as opposed to \$125,000.

SOLID WASTE RATE INCREASE UPDATE

Mrs. Shrader reported that on Tuesday the City Council held the second reading of the Solid Waste Rate Increase Ordinance. It went well. There were three comments with two of them being very positive. The Council passed the ordinance unanimously. Mrs. Shrader said that there was a commitment made to look at the financial situation closely with more frequency so that any rate increases needed in the future would not be as much. Mr. Carl said it was interesting that one of the comments was that the increase should be greater. Mr. Logan stated that Mrs. Shrader represented the Utilities very well and did an outstanding job.

SOUTH ADAMS STORM SEWER & 37TH & NEBRASKA STREET STORM SEWER UPDATE

Mr. Pinkerton reminded the Board that at the last meeting there were two storm sewer projects presented. On the South Adams Storm Sewer project, Dave's Excavating was the low bidder at \$697,225. Watson bid \$772,940. The prices were approximately \$200,000 higher than anticipated and budgeted. Mr. Pinkerton recommended that all bids be rejected. Mr. Dorsey moved, seconded by Mr. Lewis, to reject all bids. All board members present voted aye. Motion carried unanimously.

The second project was at 37th & Nebraska and was recommended by the City. There were two quotes submitted. Keith Sullivan was the low quote at \$102,236.20. Dave's Excavating quoted \$126,172. Mr. Pinkerton said this project was not budgeted, but since the South Adams

project was not being done, this one could be fit into the budget. Mr. Pinkerton recommended the low quote submitted by Keith Sullivan. Mr. Lewis moved, seconded by Reverend Green, to approve the low quote from Keith Sullivan. All board members present voted aye. Motion carried unanimously.

TRANSFERS & PAY REQUESTS

Mr. Pinkerton presented a pay request from Watson for the SRF Water Distribution Main Project in the amount of \$215,932.50 with \$23,992.50 to be held in escrow for retainage. Mr. Lewis moved, seconded by Mr. Carl, to approve the pay request as presented. All board members present voted aye. Motion carried unanimously.

BRIDGES TO HEALTH SPONSORSHIP REQUEST

Mrs. Shrader shared that Bridges to Health was holding an Overdose Awareness Day event on August 31, 2024 as a lead into National Recovery Month. Mr. Lewis suggested sponsoring the event at the \$250 level as that seemed to be the standard level of support for requests. Mr. Lewis moved, seconded by Reverend Green, to sponsor the event for \$250. All board members present voted aye. Motion carried unanimously.

BLUFF'S BASIN REQUEST

Mr. Pinkerton said that a couple of years ago Mr. Chuck Herriman with Bluff's Basin asked that the Utilities to consider taking over the Water and Sewer system at Blue Heron. Mr. Herriman explained that he owned a private utility, Bluff's Basin, for public purposes. The Utility at the time had utilities out to Val Lane. The agreement was that Bluff's Basin would extend the Utilities to Blue Heron. Mr. Herriman's partner Mr. Braun passed away three years ago. Prior to his passing, Mr. Braun held the same designation as Mr. Pinkerton. Mr. Herriman shared some photos of the subdivision. He explained that unfortunately the subdivision did not develop as thought due to the economic situation of Marion after several companies left the community. Mr. Herriman explained that he would like Marion Utilities to take over the private utility. Mr. Herriman said he had always had a great appreciation and respect for Marion Utilities and believed Marion Utilities to be a great governmental division. He also shared that he had worked with Bill McElhaney, Chuck Binkerd, Mrs. Shrader, and Mr. Pinkerton as well as the Utility attorney Chris Janak on this matter. Mr. Herriman said he would appreciate it if the Utilities would take over Bluff's Basin. Mr. Logan asked if there were any questions. Mr. Lewis asked about the subdivision being undeveloped. Mr. Herriman explained that the services were installed at each lot, but there were 19 lots without homes on them. Mr. Carl asked how the rates there compared to those of Marion Utilities. Mr. Herriman said that the rates were lower as they had not been raised since its inception. Mr. Herriman shared that his bill on 4th Street was approximately \$90 and those at Bluff's was closer to \$78. Mr. Herriman thanked the Board for their consideration. Mrs. Shrader said that next steps would be to work on the agreements. Mr. Logan asked if Solid Waste services would be provided. Mr. Pinkerton said yes, that residents had actually signed up for solid waste services approximately four months ago. Mr. Carl asked if the new meters would be installed there. Mrs. Shrader said yes. Mr. Lewis asked if the water source now was Marion Utilities. Mrs. Shrader answered in the affirmative. Mr. Logan thanked Mr. Herriman for his presentation.

SPHERE PAINTING QUOTE

Mrs. Shrader explained that the methane sphere had been here for quite some time with maintenance and inspection being done. However, it was time for a large overhaul. This was budgeted as part of the digester improvement program that was budgeted at \$350,000. It would include an interior and exterior rehabilitation. Quotes were requested from three vendors. TMI Coatings was the only vendor that responded. TMI Coatings offered \$79,800 as a quote which included evacuating the sphere, an interior and exterior cleaning process, as well as painting. Mrs. Shrader said that TMI would measure the thickness of the paint to ensure a lifespan. Mr. Jackson asked what maintain meant. Mrs. Shrader said that it would include blasting to the metal, repainting, and ensuring that the thickness of the paint was such that the life of the sphere was protected. Reverend Green asked if that would be done in the interior of the sphere as well. Mrs. Shrader answered yes. Mr. Jackson asked if there was a problem that occurred in the years to come if we would be protected. Mrs. Shrader said that the measuring and monitoring of the paint thickness would help with that. Mr. Carl asked if the Utilities had used TMI before. Mrs. Shrader said yes, they have been used. The quality of the work was not in question. There had been some communication bobbles, but a close eye was being kept on the communication. Mr. Lewis moved, seconded by Mr. Carl, to approve the quote of TMI in the amount of \$79,800. All board members present voted aye. Motion carried unanimously.

JULY MUSB MEETING SCHEDULE

Mrs. Shrader said there were a few conflicts coming up. With there not being much on the agenda for the June 20th and July 4th being the first Thursday in July, Mrs. Shrader recommended postponing the June 20th meeting and moving the meeting to July 11th. Mr. Logan stated that this had been done in the past. Mr. Lewis stated that there would only be one meeting in June and July then. Mrs. Shrader stated that was correct. Mr. Logan stated that he didn't want to call a full meeting if there wasn't business to present. Mrs. Shrader stated that if something did arise that the Board would be contacted. Mr. Lewis moved, seconded by Reverend Green, to postpone the June 20th meeting and reschedule the July 4th meeting to July 11th. All board members present voted aye. Motion carried unanimously.

SENIOR LEADERSHIP REPORTS

P. Pinkerton, Assistant Director for Engineering & Solid Waste

Mr. Pinkerton reported that the month of May saw 1,007 tons come through the Transfer Station which averaged 56 tons per day. He said maybe the Transfer Station had leveled out. In other business, Mr. Pinkerton said that there was an employee on FMLA which would run out on June 26th. His next appointment was July 3rd so a small extension was needed. Mr. Dorsey moved, seconded by Mr. Lewis, to extend the employee's FMLA. All board members present voted aye. Motion carried unanimously. Mr. Carl asked if there was an issue on Kem Rd. Mr. Pinkerton said that was not the Utilities.

R. Shrader, Utility Director

Mrs. Shrader stated that there had been some calls come in regarding the City-wide Clean-up scheduled for the end of June. City Council President McKinley thanked us for our effort with that at the end of the last Council meeting. Mrs. Shrader stated that the Mayor has scheduled that with an outside vendor. Mrs. Shrader also reported that there was still a candidate in the running for the Assistant Director of Operations & Maintenance. Mrs. Shrader would like to schedule a meeting with potential direct reports and invite the Personnel Committee to meet with the candidate as

well. Mrs. Shrader asked that the Personnel Committee please stay after the meeting for a moment to schedule a meeting date.

BOARD MEMBERS' COMMENTS

Mr. Lewis asked about the retro pictures on the slides. Mrs. Shrader explained that there was a college intern who was handling the pictures. Mr. Lewis said that they were fun.

CHAIRMAN'S REMARKS

Mr. Logan thank everyone for their attendance.

The next meeting was scheduled for 5:30 p.m. on Thursday, July 11, 2024

There being no further business before the Board, Reverend Green moved, seconded by Mr. Lewis, to adjourn the meeting. All board members present voted aye. Motion carried unanimously.

Meeting adjourned at 6:16 p.m.

Robert Logan, Chairman
Marion Utilities Service Board

ATTEST



Misty Humphries
Its Secretary