



Marion Utilities

1540 N Washington St.
Marion, IN 46952
www.marionutilities.com

Service Board

BOARD MINUTES OF THE AUGUST 11, 2022 MEETING

The Marion Utility Service Board held their meeting on Thursday, August 11, 2022 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; Von Jackson; and Herschel Lewis. Mia Erickson and Al Green were absent.

Also present at the meeting were: Chuck Binkerd, Director; Pat Pinkerton, Assistant Director for Engineering and Solid Waste; Robin Shrader, Assistant Director for Operations and Maintenance; Mike Conner, Attorney; Misty Humphries, Secretary; and Mr. Nekoda Cox.

CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS

There were no additions or deletions.

APPROVAL OF MINUTES

Mr. Lewis moved, seconded by Mr. Carl, to approve the minutes of the July 14, 2022 meeting. All board members present voted aye. Motion carried unanimously.

FINANCIALS

Mr. Binkerd presented the June, 2022 financials. He explained that based on the timing with the bank statements Mrs. Wilson considers us caught up. Mr. Binkerd stated that the Water cash fund dipped slightly as operating expenses were slightly above average. Water sales were also slightly above, but not enough to offset the additional expenses. The expense increase in water were in some of the project expenses that were capital in nature, but not enough project to capitalize them as a project at year-end.

Mr. Binkerd said that Wastewater made the principal payment on the two outstanding bonds in the amount just above \$1 million. That and the capital expenditure of \$300 thousand reduced the cash balance. The accruals were larger than usual in June as there was a decrease in the customer refunds due of \$64,000 which usually indicates a cash outlay.

According to Mr. Binkerd, Stormwater gained in cash in the month as revenues were at average and expenses were below average (with minimal capital expense). Solid waste was similar with average sales and average expenses. Mr. Logan asked if there were any questions regarding the financials. There being non, Mr. Carl moved, seconded by Mr. Lewis, to approve the financials as presented. All board members present voted aye. Motion carried unanimously.



UPDATE ON PROJECTS

Mr. Pinkerton reported that the cured-in-place projects that were bid and awarded have had their paperwork turned back in. He also stated that the Lenfesty Storm Sewer quotes were out and would be back by August 16th. The Horton Street Water Main quotes should be back on August 30th as well. Mr. Pinkerton said that there was some concern because ductile pipe has been on order for other projects, and it won't be in until next year. There was an alternate in the quotes that would allow for PVC although Mr. Pinkerton was not set on PVC.

2214 S. WASHINGTON STREET REFUND REQUEST

Mrs. Humphries explained that Mr. Cox was charged for Water, Wastewater, Storm, and Solid Waste services for his 2214 S. Washington Street residence. Mr. Cox came in and advised that there was no usage of services at his home. Mrs. Humphries stated that she verified that there was no water or wastewater usage at the residence and had adjusted the bill for Mr. Cox in the amount of \$539.66 for the period of July, 2021 through May, 2022. Mr. Cox was requesting that a refund from the time of his account establishment. The time period would be from May, 2020 to July 22, 2021. Mrs. Humphries stated that because this was above her authority, the request was brought before the board. The Water and Solid Waste Committee was assigned the request for review. At the Committee meeting, the Committee had agreed to adjust the water and wastewater charges in the amount of \$670.74. As far as adjustment of the Solid Waste services, the Committee was not in favor of adjusting those charges as review of the video showed two toters were set out and picked up. Mr. Cox stated that he and his wife bought the property from Equity First. Mr. Cox stated that the property was vacant, and there was no water service. Mr. Cox stated that there was never supposed to be trash service. Mr. Cox stated that he would have to argue regarding the trash service. The house had been vacant. Construction materials were the only items that would have been placed in the toters. Mr. Cox said that he has tried to throw away construction materials at his other address and had gotten busted. Mr. Cox said that this was very petty, and he was sorry that this was coming before the board. Mr. Cox stated that all they have at the home is wood, lathe, and plaster. Mr. Cox stated that he had receipts for 20 yard dumpsters that he had rented. Mr. Cox stated that he was not sure if his neighbor put trash in the toters for his residence. However, the trash in the toters was not his. Mr. Cox argued that he should not be responsible for the trash because the toters should not have been there in the first place as only storm water services were supposed to be on the account. Mr. Pinkerton added that if trash services were not in use, then the toters should have been secured at the home. Mr. Cox stated that the toters were up at his house, and he was not sure who was pulling the toters to the road and using them. Mr. Cox said he is not trying to be disrespectful, but he is frustrated. Mr. Pinkerton explained that the toters are assigned to the home, and Mr. Cox is responsible for securing the toters so that no others could use them. Mr. Cox stated that was irrelevant because the toters should never have been there. Mr. Logan stated that he was involved in the Committee recommendation. The toters picked up were placed in front of the residence belonging to Mr. Cox. Mr. Carl clarified that the \$670.74 would be in addition to the adjustment already issued. Mrs. Humphries said that was correct. Mr. Logan asked if there would be a credit on the account or if a refund would be issued. Mrs. Humphries said that a refund would be issued unless Mr. Cox requested to leave the credit on his account. Mr. Cox requested that he receive a refund. Mr. Lewis asked what could be done to ensure that the toters were not placed at the street for pick up in the future. Mr. Cox said he wishes that he would have placed the toters inside. Mrs. Humphries explained that one of the toters was a private gray toter that Mr. Cox purchased from the Utility. The second toter was a blue toter belonging to the Utility so a service order to pick-up the Marion Utilities' blue toter could be issued and the services would be removed from the account. Mr. Binkerd said it was important to understand and note that every home has a toter assigned to it. The toters were not picked up unless the customer requested that the toter be removed along with services. Mr. Lewis added that as

customers move, the toters were left in place for the next resident. Mr. Binkerd stated that was correct. Mr. Dorsey asked if it would be fair to refund half of the Solid Waste charges and what that amount was. Mrs. Humphries said that the total Solid Waste charges were \$358.80. Mr. Binkerd clarified that Mr. Dorsey was suggesting to refund \$179.40. Mr. Jackson asked when Mr. Cox received the toters. Mrs. Humphries said that blue toter was at the residence May, 2020. Mr. Cox purchased the private gray toter from the Utility on August 6, 2020. Mr. Green asked if there were any customers that had Solid Waste services only. Mr. Pinkerton answered yes. Mr. Jackson reiterated that the toters were out on the Solid Waste pick-up day, but Mr. Cox was not at the residence. Mr. Cox stated that was correct, and he had not been there in approximately two months. Mr. Cox said that there were workers there, but they had been instructed not to use the toters. Mr. Cox stated that there were cameras on site so he didn't have to be onsite. Mrs. Humphries asked Mr. Cox if he could look at the camera footage to find out who had been setting his toters out. Mr. Cox responded possibly. Mr. Cox stated that his cameras picked up the shooting on Washington Street so he may be able to tell. Mr. Jackson moved, seconded by Mr. Lewis, that board approve the recommendation of the Water/Solid Waste Committee to adjust and refund the Water and Wastewater charges but not the Solid Waste charges. All board members present voted aye. Motion carried unanimously. Mr. Binkerd recommended that Mr. Cox definitely move the toters inside or secure those until they could be picked up. Mr. Cox stated that he would.

BLACK DRAGON SOLID WASTE SERVICE REQUEST

Mr. Pinkerton explained that the Black Dragons had submitted a request for two of their events. Toters were supplied for the first event in July. A second event is planned for September. As two requests for the same group have never been received before, the issue was sent to the Water/Solid Waste Committee for review. In the past, a roll off box or up to 20 toters have been provided for charitable community events free of charge. The Committee met and recommended that the first event would be free meaning that there would not be any charge. However, if an organization requests a second event or more, the transportation cost should be covered. Mr. Pinkerton said the transportation cost was the cost to physically move the roll off box to the location and back. The cost was \$200. Mr. Lewis moved, seconded by Mr. Green, to approve the Water/Solid Waste Committee's recommendation to charge the transportation cost if more than one request for Solid Waste services was requested by an organization. All board members present voted aye. Motion carried unanimously.

BILL ADJUSTMENT REQUEST FOR 330 SHERMAN STREET

Mrs. Humphries explained that Mr. Loftis and his wife moved into the property at 330 East Sherman Street which was owned by his mother. In December of 2019, the services were shut off as Mr. Loftis and his wife moved to Muncie. Mr. Loftis has written the board as his mother has been charged for illegal usage. Mr. Loftis stated that between January and April someone broke into the home. He was not sure how long the person was there, but it was not longer than two weeks. After replacing the window and placing cameras up at the property, the owner found someone to purchase the property. When the proposed new owner came to establish service in their name, the proposed new owner learned of the \$900 bill. Mr. Loftis asked that the illegal usage charges be removed from his mother's account. Mr. Loftis also stated that there may have been a leak or broken pipe at the address. On July 8, 2022, Mr. Loftis called the office and stated that there was a leak at the property. However, it was found and fixed by the proposed new owner. Mr. Loftis has asked that if the illegal usage was not forgiven, if a leak adjustment could be provided. Mrs. Humphries stated that at that time there was no documentation of the leak or receipts for the repairs that had been presented. The Committee recommended that the illegal charges remain in place and a leak adjustment not be issued with receipts or proof of repairs. Mrs. Humphries added that this request was different in that Mr. Loftis is requesting the removal of charges or a leak adjustment on an account that does not belong to him. Mrs. Humphries

stated that Mr. Loftis explained that his mother was a full-time RV traveler and that was why Mr. Loftis was making the requests. Mr. Dorsey moved, seconded by Mr. Lewis, to approve the Committee's recommendation of leaving the illegal usage charges in place and not issuing a leak adjustment without receipts or proof of repairs. All board members present voted aye. Motion carried unanimously.

2ND STREET PROPERTY ACQUISITION UPDATE

Mr. Pinkerton said this property had been worked on for a while. Everything has been signed, the money has been transferred, and the acquisition was being recorded. Mr. Binkerd added that he thought the property had been vacated at the time the property changed ownership. Mr. Pinkerton said that he would contact Mr. Fausnight to come in and make sure that there was no one in the building. The building would then be scheduled for demolition. Mr. Pinkerton said with this purchase, the whole quarter block between Race and Nebraska would be owned by the Board.

TRANSFERS & PAY REQUESTS

Mrs. Shrader presented pay request number 13 for James S. Jackson in the amount of \$333,148.85 for the Long Term Control Plan. Mrs. Shrader said this payment would be 80.8% of the contract price. Mrs. Shrader added that some finishing touches on things were going to be added across Washington Street to make a connection to the interceptor. Mr. Binkerd said that restoration was starting which was always nice to see. Mr. Lewis moved, seconded by Mr. Carl, to approve the pay request. All board members present voted aye. Motion carried unanimously.

RESOLUTION 3-2022 LEGAL SERVICES AGREEMENT

Mr. Binkerd stated that the Legal Services Agreement had expired. Mr. Conner had been gracious enough to continue serving the board under those terms though. The Resolution in front of the Board was for the same terms other than a slight increase to fees. The fees would increase from \$3,750 per quarter to \$4,500 per quarter and hourly fees would increase from \$160 per hour to \$190 per hour. Mr. Binkerd said he thought it was a fair amount. Mrs. Erickson asked why the new fees would not start until January if the contract is expired now. Mr. Conner said that he wasn't going to ask for it to be earlier than that. Mr. Conner said that historically, his firm as let the contract expire for some time before asking for a renewal. Mr. Conner added that it's only been twice in 33 years that a client has acted this fairly to remind him that there has not been a fee increase and the service agreement needs to be reviewed. Mr. Conner stated that he really appreciates the Board and the Utilities. Mr. Lewis moved, seconded by Mr. Green, to approve Resolution 3-2022 Legal Services Agreement. All board members present voted aye. Motion carried unanimously.

LONG TERM CONTROL PLAN CHANGE ORDER

Mrs. Shrader presented change order number eight due to a situation with grating. The thickness of the grating needed to be increased. Mrs. Shrader said it was a small change order in the amount of \$1,861. The second change order needed some revision and would be brought back at a later time according to Mrs. Shrader. Mr. Jackson moved, seconded by Mr. Lewis, to approve change order number eight. All board members present voted aye. Motion carried unanimously.

Mrs. Shrader explained that when the street was excavated across Washington Street, some changes were needed. The 20" water main was lower than expected which called for some other fittings etc. The recommendation was that the change would not exceed \$4,000. Mrs. Shrader said she would bring it back once the official paperwork was received.

SOLID WASTE Toter FEE

Mr. Pinkerton reminded the Board that when the Solid Waste Utility was established, private toters were offered for purchase at \$60 each. The price of the toters has gone up and were no longer able to be purchased for \$60. Mr. Pinkerton said that the same toter at Lowe's was priced at \$136. He explained that when the toters were delivered, staff had to assemble and deliver them. The cost of the unassembled toter had increased to \$70. Mr. Pinkerton recommended setting the price at \$100 which would cover assembly and delivery. A higher price could be justified, but \$100 was still affordable to customers. Mr. Binkerd said that he would recommend taking Mr. Pinkerton's suggestion for now as the Cost of Service study will also look at the price of toters and make a recommendation. Mr. Carl asked if the price included sales tax. Mr. Pinkerton said yes. Mr. Jackson asked if there was a barcode on the toters. Mr. Binkerd said that the toters had a serial number but not a barcode. The serial number has been recorded in each customer account. Mr. Jackson moved, seconded by Mr. Lewis, to approve the private toter purchase price of \$100. All board members present voted aye. Motion carried unanimously.

BRINKS CASH MANAGEMENT

Mr. Binkerd said that this item was on the agenda with the intention of having a proposal to present. However, there were some follow up questions that delayed the proposal. The service was being provided in conjunction with Star Financial services. Brinks would bring a safe here, deposits could be made, Brinks would be liable for the funds and would maintenance the safe as well as maintain a warranty. Mr. Binkerd said that this would be placed on the next agenda.

RESIDUAL CHARGES

Mrs. Shrader said back in 2020 the Board agreed to set up some hauling charges for the various residuals delivered to customers. Agricultural lime has been most frequently distributed. Dewatered biosolids and sandy compost are next with street sweeping sand rounding up deliveries. Mrs. Shrader would recommend increasing delivery charges by doubling them due to gas prices. Mrs. Shrader said that there was not a charge for the materials themselves. Private companies charge for the materials as well as the delivery of those materials. Mrs. Erickson asked if doubling the cost would be closer to covering costs or would it cover costs. Mrs. Shrader said it would come closer but would not cover the costs. The charge would help to cover the rental costs of the dewatering equipment. Mr. Logan said he would be making the changes effective upon passage. Mr. Dorsey moved, seconded by Mr. Lewis, to approve the increase of residual charges by doubling the current costs effective immediately. All board members present voted aye. Motion carried unanimously.

820 N. WABASH PROPERTY ACQUISITION

Mr. Binkerd thanked the Board for a special board meeting that was convened on Monday. There were some concerns about the effects of the storm water system and the fact that the pipe goes underneath the house. The homeowners across the street have experienced some damage from flooding in this area. The board approved acquiring the property at the Sherriff's sale on Wednesday, August 10th for \$80,000. There were some concerns brought up regarding the need for appraisals. Because of the short time between finding out the property was for sale, the Sherriff's sale, and the need for appraisals being brought up, there was no time for appraisals to be done. A neighbor bought the property at the Sherriff's sale and owns the property now. There has been an agreement that the property would be bought for the cost he has in the property. He purchased the property for \$59,000 and may have a few ancillary costs in it as well. Mr. Binkerd said he was not sure if there was action needed at this time or not. Mr. Conner said that there is a required process consisting of a resolution. Mr. Conner said he didn't

think there would be any issue with the appraisal coming in around \$60,000. Mr. Binkerd said that an update would be brought back at a later date.

SENIOR LEADERSHIP REPORTS

P. Pinkerton, Assistant Director for Engineering & Solid Waste

Mr. Pinkerton reported that the Transfer Station averaged 58 tons per day in July. This probably set another record for July.

Shrader, Assistant Director for Operations & Maintenance

Mrs. Shrader stated that the IWEA Annual Conference was scheduled for next week in Ft. Wayne. The digester lid is scheduled for dismantling on August 23rd. Mrs. Shrader said there would be a very large crane on the property and cameras were going to be set up on the property to record the removal. Mrs. Shrader also reported that there had been a lot of interviews going on. The trickle-down effect was still working its way through workgroups. Mr. Logan asked how many people we were down. Mrs. Shrader said three. The new laboratory technician was scheduled to start Monday. The Administrative Support Assistant and Water Operator positions were still open.

C. Binkerd, Utility Director

Mr. Binkerd shared a very nice "thank you" note from the Juneteenth Committee. Their event was a success, and they appreciated the support. There was an employee appreciation event this morning. It was much appreciated and well attended. Mr. Binkerd also thanked the Board for supporting the employees with an Employee Appreciation Breakfast this morning. Mr. Dorsey asked if Juneteenth was included as a recognized holiday. Mr. Binkerd said that it was not, but he would bring it to the next board meeting for discussion.

BOARD MEMBERS' COMMENTS

There were no comments at this time.

CHAIRMAN'S REMARKS

Mr. Logan thanked everyone for attending the meeting. He apologized for the length but stated it was important to get business taken care of.

The next meeting was scheduled for 5:30 p.m. on Thursday, September 1, 2022.

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

Meeting adjourned at 6:48 p.m.

Robert Logan, Chairman
Marion Utilities Service Board

ATTEST



Misty Humphries
Its Secretary