



Marion Utilities

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

Service Board

Memo To: All Utility Board Members
From: Bob Logan, Chairman
Date: January 14, 2022
Re: Agenda for January 20, 2022 Utility Board Meeting

Dear Board Member:

This is to inform you of our Board Meeting to be held Thursday, January 20, 2022 at 5:30 p.m. in the L.E.A.D Center Building 101 at Marion Utilities, 1540 North Washington Street, Marion, Indiana.

The following will be the agenda:

- I. **ROLL CALL**
- II. **INTRODUCTION OF GUESTS**
- III. **CONSIDERATION OF AGENDA ADDITIONS OR DELETIONS**
- IV. **APPROVAL OF MINUTES**
 - A. Regular meeting of January 6, 2022
- V. **FINANCIALS**
 - A. November 2021
- VI. **OLD BUSINESS**
 - A. Update on Projects – P. Pinkerton





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VII. NEW BUSINESS

- A. Transfers & Pay Requests - Senior Leadership Team
- B. 2021 Budget Reconciliation- Senior Leadership Team
- C. Long Term Control Plan Change Order- R. Shrader

VIII. SENIOR LEADERSHIP REPORTS

- A. Assistant Director for Engineering & Solid Waste- P. Pinkerton
- B. Assistant Director for Operations & Maintenance- R. Shrader
- C. Utility Director- C. Binkerd

IX. BOARD MEMBERS' COMMENTS

X. CHAIRMAN'S REMARKS

XI. NEXT MEETING

Thursday, February 3, 2022

Robert Logan, Chairman
Marion Utility Service Board

cc: News Media
City Administration/Council
Department Heads





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Service Board

BOARD MINUTES OF THE JANUARY 20, 2022 MEETING

The Marion Utility Service Board held their meeting on Thursday, January 20, 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: Bob Logan, Chairman; Doug Carl; Bill Dorsey; Al Green; Von Jackson; and Herschel Lewis. Mia Erickson was 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; Tiffany Snyder, Accounting/Billing Coordinator; Misty Humphries, Secretary; Brad Luzadder, City Council Liaison; and Dewayne Rogers, 3545 S Boots Street. Mike Conner, Attorney, participated via conference call.

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 January 6, 2022 regular meeting. All board members voted aye. Motion carried unanimously.

FINANCIALS

Mrs. Snyder presented the 2021 November Financials. Mrs. Snyder said that the sales were on average. The accounts receivable was lower. Operations and maintenance expenses were significantly lower across the board. Jennifer Wilson and her coworkers have included pie graphs and line charts as well. Mrs. Snyder said that work was being done on the December bank reconciliation as well as on the fixed assets. Mr. Lewis moved, seconded by Mr. Carl, to approve the November financials. All board members voted aye. Motion carried unanimously.

UPDATE ON PROJECTS

Mr. Pinkerton reported that the water main project on Valley Avenue at Jackson has 100' feet in which was about 1/3 of the way completed. The hardest part was getting through Boots Creek.

TRANSFERS & PAY REQUESTS

Mrs. Shrader presented pay request number six for the Long Term Control Plan to James Jackson for \$972,819. Mrs. Shrader noted that work was moving along and was on track. Mr. Dorsey moved, seconded by Mr. Lewis, to approve the pay request as presented. All board members voted aye. Motion carried unanimously.



2021 BUDGET RECONCILIATION

Mrs. Shrader presented the Water reconciliations. They were as follows:

Line 202 was high due to the \$100,000 due to the Risk and Resiliency Study that was not budgeted.

Line 206 was unpredictable because that is work that goes out on in the system.

Line 301 had an overage of \$12,300 due to a costly repair on a vac truck.

Line 904 was high as there had been a large number of hydrants that have been hit last year. Most of those were results of high speed chases and the drivers didn't have insurance.

The Wastewater budget reconciliations were:

Line 101 was due to a slight miscalculation which led to lines 107 and 108 being off as well.

Mrs. Shrader joked that Line 201 was Mr. Binkerd's fault. The reconciliation was due to fees for fighting the AEP rate increase.

Line 310, laboratory supplies, had a purchase of a \$7,000 piece of equipment which was used to purify water for testing. This was an unplanned but necessary purchase. Mrs. Shrader mentioned that another piece of equipment was also purchased out of this budget line.

Lines 501, 502, 503 differences were due to COVID supply chain issues. It was really a transportation issue of getting the chemicals here.

Mrs. Shrader reminded the board that a budget increase of \$400,000 was requested. After things were re-arranged an adjustment was needed for line 914. Mrs. Shrader clarified that these were only adjustments to the budget lines and not to the overall budget itself. Mr. Carl pointed to the decreases and asked what the acronym CHP was for clarity. Mrs. Shrader answered Combined Heat and Power Unit. Mr. Logan added that the acronym FOG was fats, oils and grease. Mrs. Shrader said that was correct. Mr. Dorsey asked how the alum was this year. Mrs. Shrader said the alum was okay, but chlorine saw a significant increase.

Mr. Pinkerton presented the following Storm Water reconciliations:

Mr. Pinkerton said that there was only \$20,200 that needed to be accounted for. Of that, line 107, FICA, the correct percentage was not used. The correct percentage was 7.65%.

Line 201 was also due to fighting the AEP rate increase and consultants' bills associated with the fight.

Mr. Pinkerton reiterated that the total was only \$20,200. Mr. Pinkerton said he would decrease the line for regular salaries and line 901 buildings/fixed equipment to cover the \$20,200.

Mr. Pinkerton said that Solid Waste struggled. The total to be reconciled was \$140,685.

Again, the line for FICA was off. Line 201 for professional services went over with AEP issue as well.

Transportation expense is where the truck maintenance came in. Mr. Pinkerton said he was optimistic and budgeted \$75,000. The total for the year was \$150,000. This was due in part to rebuilding all three arms on the automated trucks; over \$12,000 in repairs to the loader; \$62,000 was for the Labries; and the repairs to the New Way trucks were \$28,000. Almost \$40,000 was spent just on trucks. Mr. Pinkerton reported that for 2022, he budgeted \$150,000. As the trucks get older there more maintenance is required. Mr. Pinkerton said that fuel also hit the budget. There was an increase in fuel of \$1.00 and it hadn't come back down. The expense was around \$98,000 instead of the \$75,000 budgeted. Line 901 was over by \$11,000 because items were purchased for Recycling Center like the bailer. A grant for \$7,000 to purchase the bailer was received, but it hadn't shown up yet. The accounts to decrease were on the right of the paper Mr. Pinkerton presented. Mr. Pinkerton summarized by stating that the last line resulted in an overall increase to 2021 budget of \$33,235. There was \$728,000 in cash reserves that could handle the increase.

Mr. Lewis moved, seconded by Mr. Carl, to approve the 2021 budget reconciliations and requested increase as presented. All board members present voted aye. Motion carried unanimously.

LONG TERM CONTROL PLAN CHANGE ORDER

Mrs. Shrader presented change order number five in the amount \$16,679 for the chlorine tank. She explained that there was a vault with quite a bit of equipment. The soil was found to be troublesome. After testing was completed, the area was tested and found to be stable enough for the pad. Mr. Dorsey moved, seconded by Mr. Lewis, to approve the change order. All board members present voted aye. Motion carried unanimously.

3545 S. BOOTS

Mr. Dewayne Rogers asked if he could address the Board. Mr. Lewis moved, seconded by Mr. Green, to amend the agenda to allow Mr. Rogers to address the Board. All board members present voted aye. Motion carried unanimously.

Mr. Rogers stated that his bill was too high. The average was bill was \$52 a month. Now the balance was \$300, and he doesn't understand why it was so much. Mr. Logan asked if Mr. Rogers had gone through the normal protocols. Mr. Rogers said yes. He added that the high bills had started ever since he had a water leak. Mr. Rogers stated that he was paying the bills. Mr. Logan asked if the leak was completely fixed. Mr. Rogers said yes, he fixed it himself. Mr. Rogers said that the customer service representatives did a leak adjustment, but it wasn't enough. Mr. Lewis asked Mr. Rogers if he was getting a monthly bill of \$300. Mr. Rogers answered no, the balance was \$300. Mr. Rogers said that he also applied for assistance with the H2O Community fund and was denied, but he doesn't understand why. Mr. Rogers added that he went to the United Way and was told the Water Company didn't want to look over anything. Mr. Binkerd stated that there were some extenuating circumstances on the back end of the bill and recommend assigning the issue to the Water Committee for review. Mr. Dorsey clarified that the monthly bill was \$55 and the running balance was \$300. Mr. Rogers said that was correct. Mr. Dorsey instructed Mr. Rogers to keep paying \$55 until the issue was reviewed. Mr. Rogers said he had no choice but to pay because he didn't want the water shut off. Mr. Logan assigned the issue to the Water Committee for review.

SENIOR LEADERSHIP REPORTS

P. Pinkerton, Assistant Director for Engineering and Solid Waste

Mr. Pinkerton had nothing further to report.

R. Shrader, Assistant Director for Operations & Maintenance

Mrs. Shrader shared that there was an open position. An internal candidate filled a different position. This resulted from a trickle-down effect. Mr. Dorsey asked what the position was. Mrs. Shrader said it was for a Customer Service Field Technician. Mrs. Shrader then shared pictures of work on Long Term Control Plan.

C. Binkerd, Utility Director

Mr. Binkerd reported that there had been several conversations regarding Utilities that are in need of a rate review. Mr. Binkerd said he has spoken with Councilman Luzadder, Deb Cain, and Council President Brian Cowgill today. Jennifer Wilson feels like we are very close in having the financial review completed and, in a place, where she can begin work on a rate case. Those utilities of particular concern were the Water and Solid Waste Utilities. Mr. Binkerd said that there was about \$700,000 cash in total. When the budget is \$1.5 million then \$700,000 puts the Utility in a precarious position. Mr. Binkerd said that there are also a lot of delinquents that can be overwhelming. There were 352 accounts delinquents this week. However, one positive thing was the IERA Program. The program was funded by stimulus money and has proven to be a benefit to the community. Customer Services Representatives present customers with a resource guide, IERA information, and they make extended arrangements with customers while the

application is processed. Mr. Jackson asked how much our partners are contributing to the fund. Mr. Binkerd said that the program was not funded by donations. As far as contributing to other local programs, Mr. Binkerd was not sure of the community level donations. However, customer service representatives were working hard with customers in order to encourage customers to keep their arrangements.

BOARD MEMBERS' COMMENTS

There were no comments at this time.

CHAIRMAN'S REMARKS

Mr. Logan thanked everyone for their attendance. He has heard on news where communities' wastewater treatment plants were testing for COVID for levels. Mr. Binkerd said the study was reviewed when Purdue University first started the program. Mr. Binkerd said the Utilities declined to be a part of that program as origination areas could not be pinpointed. Mr. Binkerd said he didn't want to contribute to bad data. In closing, Mr. Logan thanked to Mr. Luzadder for joining the board that evening.

The next meeting was scheduled for 5:30 p.m. on Thursday, February 3, 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 6:10 p.m.

Robert Logan, Chairman
Marion Utilities Service Board

ATTEST



Misty Humphries
Its Secretary