

Minutes
Board Meeting of November 20, 2019

THE BOARD OF SANITARY COMMISSIONERS conducted a regularly scheduled meeting in the Auditorium on the first floor of City Hall in Muncie, Indiana.

Board members present were: William Smith, Michael Cline and Joseph Evans.

Department managers and staff present were: Mark McKinney, Legal Counsel; Deana Cox, Financial/Billing Manager; Phil Reagon, Sanitation Superintendent; John Anderson, District Engineer; Harvey Wright, Sewer Maintenance Superintendent; Jason Donati, Stormwater/Recycling Educator and Megan Huff, Administration Office Manager.

Public: Kim Ferguson, 1806 N Petty and Mary Stilts, 712 S Burlington.

Consideration of Minutes: Mr. Cline moved to approve the minutes as submitted for the November 6, 2019 meeting. Mr. Evans seconded the motion. The motion was approved (3-0).

Consideration of Claims: Mr. Evans moved to approve the Register of Claims for \$1,945,020.08. Mr. Cline seconded the motion. The motion was approved (3-0).

Old Business:

None.

New Business:

1. Resolution 2019-18, Salary Resolution for 2020. – Deana Cox, Financial Manager. Mrs. Cox proposed the Salary Resolution for 2020. Mr. Evans moved to approve Resolution 2019-18, Salary Resolution for 2020. Mr. Cline seconded the motion. The motion was approved (3-0). Mr. Smith wanted to state that we have not requested any increased taxes when we did our tax budget for 2020. He said we have also not increased our storm or sewer rates for this year. Mr. Cline said we see no reason to go into new debt and raise the stormwater rates in 2020. He said in 2020 we have to comply with our newest project in the mandated LTCP agreement that may increase sewer rates. Mr. Smith said as previously discussed this LTCP agreement was signed by a previous Board, but we are trying to get IDEM to amend this agreement. If IDEM will not amend the agreement then rates will have to go up. Mr. Cline said from time to time IDEM will enforce new treatment plant standards and there is a brand new requirement coming at the end of 2020 to remove phosphorus before discharging into the river. He said this will be a nationwide regulation.

2. Resolution 2019-19, a Resolution to Transfer Funds within the MSD. – Deana Cox, Financial Manager. Mrs. Cox proposed a transfer of funds within the MSD. Mr. Cline moved to approve Resolution 2019-19, a Resolution to Transfer Funds within the MSD. Mr. Evans seconded the motion. The motion was approved (3-0).

3. Stormwater Budget for 2020. – Deana Cox, Financial Manager. Mrs. Cox proposed the Stormwater Budget for 2020. Mr. Smith said there are no increases within the budget. Mr. Evans moved to approve the Stormwater Budget for 2020. Mr. Cline seconded the motion. The motion was approved (3-0).

4. Revenue Budget for 2020. – Deana Cox, Financial Manager. Mrs. Cox proposed the MSD Revenue Budget for 2020. Mr. Smith said there were no increases within this budget either, but by the end of next

year based on the IDEM agreement some adjustments will need to be made. Mr. Cline moved to approve the MSD Revenue Budget for 2020. Mr. Evans seconded the motion. The motion was approved (3-0).

5. Holiday Schedule for 2020. – Deana Cox, Financial Manager. Mrs. Cox proposed the Holiday Schedule for 2020. Mr. Evans moved to approve the Holiday Schedule for 2020. Mr. Cline seconded the motion. The motion was approved (3-0).

6. Board Meeting Dates for 2020. – Deana Cox, Financial Manager. Mrs. Cox proposed the Board Meeting dates for 2020. Mr. Cline moved to approve the Board Meeting dates for 2020. Mr. Cline noted that the first Board meeting of 2020 would not be on a Wednesday due to the New Year's Holiday. Mr. Evans seconded the motion. The motion was approved (3-0).

7. Request for Proposals of a Guaranteed Energy Savings Contract for MSD Headquarters. – William Smith, Acting District Administrator. Mr. Smith said this is for an analyzation of how much money we can save on our new MSD building through Energy Savings. Mr. Cline said this is just an announcement to share that we are doing this project and then at a future meeting we will invite proposals. He said they will do an energy audit of the existing building as well as proposed improvements on the power or gas. Mr. Cline said this is then monetized over a 20 year period which should pay for the cost of the more efficient windows, air conditioning, etc. He said it is then required that the vendor comes in under that budget. Mr. Cline moved to approve Request for Proposals of a Guaranteed Energy Savings Contract for MSD Headquarters. Mr. Evans seconded the motion. The motion was approved (3-0).

Public Comments:

Mary Stilts, 712 S Burlington, said she had some questions on documents included in a request for information she received regarding MSD credit cards. She asked why a credit card in the name of Deana was used by Jason for \$69.45 at Aldi. Mr. Smith asked Mr. Donati to come up to the podium to help explain. Mr. Donati said this specific receipt was for snacks purchased for the 2019 Prairie Creek Camp. He said the purchase was for snacks for the kids attending camp. They are asked to bring lunches, but we provide snacks in between and as a backup for a child that forgets their lunch. Mr. Donati said this is an environmental educational camp and we have been doing it for 11 years. He said he does not have a MSD credit card in his name so he used Deana's card. That is done throughout the District. Mrs. Stilts thanked Mr. Donati for the clarification. She said there are some purchases made on July 10th, 24th, 31st, August 7th, 15th and September 5th that are all working lunches. She said it is almost \$200 per month in working lunches. Mrs. Stilts said she thinks this needs to be cut. Mr. Smith said he would rather go to lunch and spend his own money, but we have our attorney here for an hour a week, as well as two other Board members for a limited amount of time. He said we stay in the office to make the best use of our time by bringing in Panera Bread or somewhere rather than leaving out of the office. Mr. Smith said the State Board of Accounts has examined this and said they understand why we are doing this as long as we document it. He said out of our 34 million dollar budget there are some other areas we should really be looking at like the LTCP of 190 million dollars.

Lawrence Grubb said on November 7th he accidentally overpaid on his sewage bill by \$2,000. He said his bank said there is nothing they could do on their end, but he is on a fixed income and needs the money. Mr. Smith said he understands that is a lot of money to have overpaid. Mrs. Cox, Financial Manager, said the refund will be issued based on approval at the next Board meeting. Mr. Smith asked what could be done to speed this up so he can get refunded quicker. Mrs. Cox said she could ask the Controller's office if they could issue the check separately sooner. Mr. Smith asked Mr. McKinney if we needed a motion to approve that. Mr. McKinney said yes. Mr. Evans moved to approve the refund to Mr. Grubb prior to the next Board Meeting. Mr. Cline seconded the motion. The motion was approved (3-0).


Kimberly Ferguson, 1806 N Petty, said she wanted to commend the Board for the previous motion because obviously he cannot wait 30 days for that amount of money. She asked the Board about the statement that it will be required in 2020 to remove phosphorus from the treated water. Mr. Cline said that will be done at the Treatment Plant prior to going into the river. Mrs. Ferguson asked if this would require a new building to be built at the Plant. Mr. Cline said yes. Mrs. Ferguson asked if there was a figure on that building. Mr. Cline said the engineers estimate is 1.5 million dollars, but that does not include contractor's costs yet. He said there is a firm called Baker Tilly that has been hired to conduct a rate study, but it has not been completed yet. Mr. Cline said we have to have the study completed before we can project the rates. He said this mandate is a double hit because we have to buy the chemical to remove the phosphorus which costs money. Then the chemical binds with the bug that has the phosphorus, so you have more sludge coming out of your Treatment Plant which then has to be hauled away. Mrs. Ferguson asked if there would be another rate increase anticipated for this. Mr. Cline said yes. She asked if this was an IDEM mandate. Mr. Cline said yes to every City in the Country and it is through EPA. Mrs. Ferguson asked when this would begin. Mr. Cline said we anticipate breaking ground in 2020. Mr. Cline said this has been the 6th mandate of a Treatment Plant that he has seen in his 45 years of engineering. He said it does not happen often, but when it does it is usually expensive. Mrs. Ferguson said the Board would be receiving a letter from herself and many other citizens asking for the IDEM mandated Long Term Control Plan Update to be stopped or to find another revenue source to pay for it. They would also like to see the 30-40% of the stormwater that would be polluted into the river to find a better solution. She said in the letter it will also be asked to see other options regarding the back flows that are less expensive for the community. Mr. Cline said we are submitting a letter to IDEM, as well, and we would like to add your letter into that packet. He said another thing we are looking into is implementing better practices for landowners upstream from the Plant that could potentially cut down on the amount of phosphorus that is brought into the plant such as planting grass. He said this has not been done in Indiana yet, but any modest practices done within the agricultural community could lessen the eColi in the river than we would by reducing 10% more overflows. Mr. Smith said we will share with the public what we are submitting to IDEM. Mrs. Ferguson said she just wants to express her concern for the community especially for the citizens who are already having their water shut off. She asked if there was any way that the Board could share the amount of water shut offs being done every 2 weeks or every month at the meetings. Mr. Smith said in October there were 70 shut offs. He said that is the worst part of his job. He said there has to be a balance found between complying with IDEM mandates and putting people out of their homes.

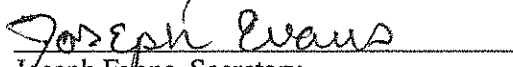
There were no further comments.


Respectfully Submitted,


Megan Huff, Administration Office Manager

*Approved by the Board of Sanitary Commissioners
Muncie Sanitary District*


William Smith, President


Joseph Evans, Secretary


Michael Cline, P.E., Vice President