

Board Minutes for the Board of Sanitary Commissioners Meeting of January 10, 2024

THE BOARD OF SANITARY COMMISSIONERS conducted a regularly scheduled meeting.

Board members present; Stephen Brand, President; Adam Leach, Vice President; Tim Overton, Board Secretary; Aaron Clack, Board Member; and David Smith, Board Member.

Department managers and staff present; John Barlow, District Administrator; Joe Rhetts, Legal Counsel; Maura Hoff, Legal Counsel; Deana Cox, Financial Manager; Rick Conrad; BWQ Director; John Anderson, District Engineer; Jason Donati, Sanitation Superintendent; Thom Noble, Director of Engineering; Tim Stover, IT Administrator; Harvey Wright, Sewer Maintenance Superintendent; Melanie Lanich, Insurance; Chuck Jones, Lab Manager; Jason Ingram, WPCF Superintendent; and Maggie Bales, Executive Office Manager.

Public present: Andre Riley and Deen Rogers of Baker Tilly Municipal Advisors, 8365 Keystone Crossing, Indianapolis.

Consideration of Minutes: Mr. Brand entertained a motion to approve the minutes as presented. Mr. Leach moved to approve the Board Meeting Minutes as submitted for the meeting of December 13, 2023. Mr. Overton seconded the motion. Mr. Clark abstained from the vote. The motion was passed (4-0).

Consideration of Claims: Mr. Brand entertained a motion to consider the register of claims totaling \$6,632,710.54. Mr. Brand stated of the total there is a half year bond payment in the amount of \$5,141,985.05. He stated a claim on page two of four there is a claim to Specialty Earth Sciences for quarterly monitoring for the remediation being done at WPCF facility, totaling \$21,763.70. Mr. Brand stated a claim on page three of eighteen for the CNG fourth quarter bill totaling \$38,222.13. He stated a claim on page nine of eighteen for polymer on the belts at WPCF totaling \$13,905.00. Mr. Brand stated a claim on the same page to Specialty Earth Sciences for ongoing environmental cleanup totaling \$34,500.00. He stated a claim on page fifteen of eighteen to the Indiana State Board of Accounts totaling \$14,370.00. Mr. Brand stated a claim on page sixteen of eighteen for an MOU for the Riverside and Jackson trail project that is part of the Next Level Trail that will go through DAC. He stated the claim total \$295,267.00 and in that a stormwater project on Tyrone for \$80,445.65, included in the \$295,267.00. Mr. Smith moved to approve the consideration of claims. Mr. Leach provided second. Mr. Clark abstained from the vote. Motion passed (4-0).

District Administrator Update – Mr. Barlow stated the MSD staff will be completing the annual ethics training at the Shafer Leadership facility on Friday. He stated that includes Office Managers. Mr. Barlow stated the Hoyt intersection closure is due to be opened by the end of this week if not sooner. He stated once the intersection is open the construction down Hoyt will begin. Mr. Barlow invited Rick Conrad to introduce the successor to the Directors position at BWQ. Mr. Conrad stated his gratitude to the board and Mr. Barlow for the opportunity to be the District Administrator. He stated thanks to the work of the board and the employees at MSD there is some excellent positive momentum moving forward and it will be his goal to make sure that continues. Mr. Conrad stated that he and Mr. Barlow are meeting on a regular basis to ensure he can hit the ground running. He stated that he is happy to announce his replacement who will be just the fourth director of BWQ in 51 years. Mr. Conrad introduced Mr. Chuck Jones as Director. Mr. Conrad stated that Mr. Jones has been with the bureau for 26 years and has been the lab manager for fourteen of those years. He stated during this time Mr. Jones and his group have been perennial winners of the Indiana Water Environment Association's Laboratory Excellence Award and Mr. Jones has been a great person to share experiences with and discuss things with as well. Mr. Clark expressed his appreciation to Mr. Jones for his willingness to step up and serve. Mr. Overton gave his congratulations to Mr. Jones. He wished him luck and asked him to let the board know if there is anything they can do to

help. Mr. Leach stated that Mr. Jones has big shoes to fill. He stated the district has done a good job developing talent internally where we do not have to look very far for successor roles. Mr. Leach stated it is a testament to the organization that we have developed talent within and have people willing to step into those roles. Mr. Smith gave his congratulations to Mr. Jones. Mr. Brand gave his congratulations to Mr. Jones. He stated that Mr. Conrad mentioned Mr. Jones will be the fourth director. He asked if Mr. Conrad could name the other two. Mr. Conrad stated that the Bureau was founded in 1972 by John Craddock, he was director for about 30 years and was followed by Richard Haike who was the Laboratory Manager at the time he took over and was director for about 7 years. He stated that he has been there for about 14 years.

Department Head Update – None.

Old Business: None.

New Business:

1. Election of Officers for 2024 – Tabled. Mr. Smith made a motion to table this until the next meeting. Mr. Leach provided second. Mr. Clark abstained from the vote. Motion passed (4-0).

2. Master Service Agreement with Baker Tilly Municipal Advisors – John Barlow and Andre Riley. Mr. Barlow stated that MSD last adjusted revenue rates in 2016. He stated that we are probably overdue to do a rate study to determine where we are at with revenue rates and stormwater rates. Mr. Barlow stated Baker Tilly has been our Municipal Advisor for many years. He stated that they have sent us a proposal for a master study with a scope of work that includes cost analysis for a rate analysis for revenue, cost of service study and a financial capability analysis. Mr. Barlow stated these are all things that would be much needed for us to evaluate what our rates are currently and what they may be in the future. He invited Mr. Riley to the podium. Mr. Riley stated that he is taking over for Dean Rodgers and has been a partner with Baker Tilly for 21 years. He stated that if the board has any questions, he is happy to answer them. Mr. Brand stated that the board has had this for a while. Mr. Leach asked how long it would take to get our first deliverable to start the wheels turning on the potential rate increase could be. Mr. Riley stated based on the general Gant chart timeline it would start at the beginning of February with data requests and giving that a month to get the information from the district. He started then using about a month to a month and a half to go through that information and ask questions to management and take another month to a month and a half to determine how to move forward. Mr. Riley stated that middle to end of summer and then offer time for any tweaks, about an eight-month period. Mr. Brand stated that when he looks at the services, scope of work, the analysis and the cost of revenues that is the rate analysis. He stated for clarification that this is for the sewer rates and stormwater rates. Mr. Riley stated that is correct. Mr. Brand stated for clarification that these have not been raised since July 2016 for both. Mr. Riley stated that is correct. Mr. Brand asked for clarification on part D, the financial capability analysis. Mr. Riley stated that due to the compliance order with IDEM and the CSO improvements needed to be made, that if there are going to be any changes in timing or the scope this section would allow us to look at modifications of the FCA and/or anything to file with IDEM. He stated that this would allow us to take into consideration the new guidance from EPA that was released last year. Mr. Riley stated that there are some additional things to look at from an affordability standpoint if you start to look at phase rates. Mr. Brand stated that it is basically an affordability index to understand if the community can afford this increase based on deadlines set by IDEM to complete the CSO projects. Mr. Overton stated that in the report can you include income loss due to inflation since 2016. Mr. Riley stated that there are some things we can look at like effective buying power and things of that nature, look at baselines and trends to factor those in. He stated that it is subject to a lot of assumptions. Mr. Brand made a motion to approve the master service agreement as presented to include D in the scope of work, the financial capability analysis. Mr. Overton provided second. Mr. Clark abstained from the vote. Motion

passed (4-0).

Additional Board Topics:

1. Mr. Clark stated that he is trying to hit the ground running. He stated that he spent some time with Mr. Noble in the Engineering offices and some time with Mr. Barlow. Mr. Clark stated that he is looking forward to meeting with Mr. Donati and Mr. Ingram. Mr. Brand stated that once he has visited the departments, he has ideas on how he can take projects that Mr. Wolfe was carrying out.
2. Mr. Overton stated that it is a new year, and we have people in new places which means a new set of eyes that may see things others have not. He stated that if the board can help in any way to please bring it to their attention.
3. Mr. Leach stated a shoutout to Engineering that has been doing some new things. He stated the in-line pipe patch is saving them effort on deep repairs. Mr. Leach stated they are investing in equipment to be able to line the manholes which used to be contracted out. He stated the self-performing work helps save the infrastructure, saves money, and less road closures. Mr. Leach stated that Cartegraph will help with this as well. He stated that everyone at MSD keeps doing a great job and he looks forward to another great year.
4. Mr. Smith stated that he appreciates the work of all employees and is looking forward to a new year.
5. Mr. Brand stated that he asked Harvey Wright to give a report with numbers of call outs and give some metrics for 2023 out of his department He stated that last year the number of call outs went down meaning we are doing better with preventative maintenance and the self-service things we are doing, becoming more effective and efficient at the same time.

Public Comments: None.

Adjourn: Mr. Brand stated our next regularly scheduled meeting will be held on Wednesday, January 24, 2024, at 11:30 a.m. in the City Hall Auditorium. Mr. Brand stated he would accept a motion to adjourn. Mr. Overton made a motion to adjourn the meeting for January 10, 2024. Mr. Smith seconded the motion. Mr. Clark abstained from the vote. Motion passed (4-0).

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Respectfully Submitted,



Maggie Bales, Executive Office Manager

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


Stephen Brand, President


Tim Overton, Secretary


Adam Leach, Vice President


David Smith, Board Member


Aaron Clark, Board Member