

**MONTGOMERY COUNTY REGIONAL WATER & SEWER DISTRICT**  
**5/8/2024 Board Meeting Minutes**  
**Montgomery County Government Center**  
**1580 Constitution Row - Suite E**  
**Crawfordsville, IN 47933**

The Montgomery County Regional Water & Sewer District met in session on Wednesday, May 8th, 2024 at 4:00pm. The meeting was conducted at the Montgomery County Government Center in Crawfordsville, Indiana.

Board members present were: Chairman Dan Guard, Jake Bohlander, Greg Morrison, Joyce Grimble, David Reeves

Also present: Nichole (Niki) Franklin - Peters Franklin, LTD; Tom Astbury - Astbury Water Technologies; Chris Kellner - BCS Management; Tyler Nichols - Taylor, Minnette, Schneider, and Clutter P.C., Amy Moore - VS Engineering

**I. Call to Order** - Chairman Dan Guard called the meeting to order at 4:00pm. Quorum present.

**II. Management & Administration:**

**A. Minutes & Board Meeting Schedule**

Minutes for 4/10/2024 were provided by BCS Management for Board approval. *Joyce Grimble motioned to approve the minutes from 4/10/2024. Greg Morrison seconded. Motion passed 5-0.*

**B. Administrative Report - BCS Management**

- i.** Chris Kellner shared operating results showing a year-to-date current net surplus of over \$21,636 with a modest \$711 surplus this past month.
- ii.** Kellner moved the focus of discussion to the new connection brochure and letter drafts to gain approval to go to print (with any needed modifications).
- iii.** Lana Beregszazi and Amy Cating worked with the State Board of Accounts field examiner for the concluded audit. Exit interview coordination is ongoing.
- iv.** Later in the meeting, discussion moved to the new Casey's truck stop gas station within the Montgomery RSD territory. Amy Moore provided a high level budgetary estimate of \$1.5 to \$2M to extend the sewer main to that area. Tom Astbury noted that Casey's septic mound would likely fail in 10 years time. Greg Morrison added that the District should be more proactive in the future, working with the Building Permits team and - as Tyler Nichols remarked - the Health Department as other new construction emerges. To wit, Landstar received a permit in April. There was general agreement in the Board to support follow up with local officials. Dan Guard said he would follow up with the appropriate contacts to advocate for a checklist item or required information shared about the RSD for new construction projects when near the service area. Closing that communication gap is crucial for the future.

**C. Pump Maintenance Successful - Astbury Water Technologies**

- i.** Tom Astbury reported the good news of no immediate action items to discuss. In March, the WWTP ("Plant") averaged over 41,000 gallons per day with removal of contaminants above 95%. Spare parts inventory rising by \$10,000 to meet future regular maintenance needs.

- ii. In April, the Board approved Astbury to request Aqua Aerobics Engineering to inspect and assess repairs to the Plant, expenses not to exceed \$4,000. Tom Astbury reported that they found and resolved various technical issues after 2 visits. The assessment and resolution work was successful and came in under budget. Tom Astbury also reported the volume of sewage processed noting the Plant was able to handle the demand while running at 50% capacity during the assessment and resolution work.

### **III. Project Updates:**

#### **A. Connection Incentive Program Update - BCS Management**

In April, the Board approved spending up to \$5,000 for BCS to run a new voluntary connection education and incentive program. The potential to add 45+ connections to the sewer main at \$900 annual incremental revenue supports the spending. Chris Kellner presented the draft brochure and letter to be printed and mailed to eligible property owners. Joyce Grimble brought to the Board's attention the use of the word "danger" twice on the brochure as too aggressive. Amy Moore recommended replacing "danger" with "risk" instead to convey the same meaning. After a brief discussion, the Board made a motion to approve the brochure and letter with the modification of making that one editorial change. (Prior to the start of the meeting, David Reeves discussed sharing a short list of qualified contractors as part of the initiative. Chris Kellner said there is a list of "Certified Contractors" in the SOP files, that could be refreshed and shared with would-be connectors.)

*Motion to approve (with the discussed modification) the marketing materials made by Dan Guard. Second by David Reeves. Jake Bohlander asked about the efficacy of similar marketing materials run by BCS for other clients. Chris Kellner will follow up the next meeting with any relevant statistics available. Motion passed 5-0.*

### **IV. New Business**

Emerging from discussion related to the Conice case (V. B.) Joyce Grimble made a motion to have Taylor, Minnette, Schneider, and Clutter P.C improve the new connection contract as a proactive measure, especially given the launch of the initiative discussed in III.A. Greg Morrison asked for clarification from Tyler Nichols on what could have been done better in the Conice case. Clear language about enforcing connection timing and the District reserving rights is central. Dan Guard confirmed a new contract would better protect the interests of the District.

*Motion to rewrite new connector contract by Joyce Grimble. Second by Greg Morrison. No further discussion. Motion passed 5-0.*

Emerging from the discussion related to new development (see B.iii) possibilities, David Reeves asked if establishing a receiving station - given the Plant has excess capacity now - would be a good idea. Dan Guard said if the return on investment is clear, then it could be done. Pump and haul customers sometimes need to go as far as Indianapolis from this area.

### **V. Old Business**

#### **A. Legal recourse for damages to Nucor Rd sewer main - Taylor, Minnette, Schneider & Clutter, P.C.**

In December 2023, Winhoven Pipeline LLC damaged the sewer main along Nucor Rd in several spots. Astbury responded immediately and followed proper remediation procedures. BCS made a claim with USIC / 811, the locator who may have incorrectly marked the underground line. USIC officially denied fault. BCS also contacted Winhoven and followed up to get their official response at the end of April. Winhoven does not claim fault, providing evidence the line was mislocated. Tyler Nichols recommended the District authorize initiation of litigation with both parties to recover all damages.

*Motion to approve by Jake Bohlander. Second by Greg Morrison. No further discussion. Motion passed 5-0.*

**B. Review of “early bird connectors” contract RE: Conice, LLC - Taylor, Minnette, Schneider & Clutter, P.C.**

Conice did not decommission their septic system or connect to the sewer line when the grinder pump was installed. The free pump was provided as an incentive to connect. Conice has not paid their recent sewer bills because they have not connected yet. A lien was made against Conice in response. Tyler Nichols reviewed the agreement and stated the language does not reserve rights or reservations for the District in this case. There is no recourse to take back the pump. Tyler Nichols counseled the Board to remove the lien against Conice immediately.

*Motion to approve releasing the lien made by Dan Guard. Second by Greg Morrison. Motion passed 5-0.*

**C. Rate Study Updated Scenarios - Nichole Franklin, Peters Franklin LTD**

Niki Franklin shared her study findings on an immediate, 2-year, and 3-year phase in scenarios for the needed rate increase. Nichole Franklin described the tension between the political palatability of a slower rate increase balanced against having a strong financial position for the District sooner. The increase would raise rates to \$98 per month, the top of the list in the study as noted by David Reeves. The main reason for the increase is for the District to improve the operating funds to at least 3 months of reserves.

Greg Morrison and Jake Bohlander both discussed how rate increases, while not ideal, are necessary to avoid excess debt and provide opportunity for expansion. Amy Moore noted not having those funds makes it difficult to pursue grants as it did in the past. Dan Guard confirmed with Tyler Nichols that the rate increase requires a 60-day public response period (advertise, hold hearing, take response) before going into effect. That timing gives the Board until August to decide how to proceed. Nichole Franklin recommends considering a rate increase each year. Chris Kellner agreed that regular cadence is key. This will be a topic for June and July meetings.

**VI. Treasurer’s Report**

**A. Operating Fund Bank Balance = \$116,611.31 | Grinder Pump Maintenance Fund Balance = \$15,947.39 | Capital Fund Balance = \$4,500.00**

*Joyce Grimble checked balances today at 1pm. Chris Kellner confirmed the exact breakdown of the balances by fund.*

**B. Account Payable Claims = \$67,180.02**

*Greg Morrison motioned to approve a claim payment as presented. Jake Bohlander seconded. No further discussion. Motion passed 5-0.*

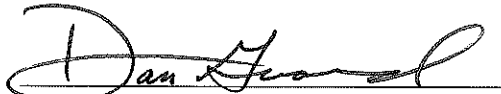
**VII. Adjournment**

*Having no other business to come before the Board, Dan Guard moved to adjourn. Jake Bohlander seconded. Motion passed 5-0.*

Meeting adjourned at 4:51pm.

Submitted by Chris Kellner - BCS Management

Approved this 12 day of <sup>June</sup>~~May~~, 2024.

A handwritten signature in black ink that reads "Dan Guard". The signature is written in a cursive style with a large initial "D".

Dan Guard, President