

**MONTGOMERY COUNTY REGIONAL WATER & SEWER DISTRICT**  
**7/10/2024 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, July 10th, 2024 at 4:00pm. The meeting was conducted at the Montgomery County Government Center in Crawfordsville, Indiana.

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

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

**I. Call to Order** - Chairman Dan Guard called the meeting to order at 4:03pm. Quorum present.

**II. Management & Administration:**

**A. Minutes & Board Meeting Schedule**

Minutes for 6/12/2024 were provided by BCS Management for Board approval. *David Reeves motioned to approve the minutes. Greg Morrison seconded. Motion passed 4-0.*

**B. Administrative Report - BCS Management**

- i. Chris Kellner shared regular operating results showing a year-to-date current net surplus of over \$36,720 with a \$10,100 surplus this past month. While the operating fund balance is approaching the minimum 3 month reserve threshold, the capital fund remains low with only \$4500. The Grinder Pump Maintenance fund is currently above \$17,198 and could afford the District to purchase ~6 replacement units (pumps and adapter kits). Astbury emailed the Board that supply is low and may need to be replenished soon. BCS will see if Covalen can provide the needed pumps.
- ii. BCS resolved the 5 RTS mailers from last month so all 64 property owners should now be aware of the program. 42 unique visitors to the website viewed the brochure. BCS is in conversation with Don Orr / Health Department to get a follow up letter sent out as another nudge.
- iii. SBOA Audit Corrective Action Plan is underway and ahead of schedule. Per the findings, BCS prepared a draft materiality threshold policy and capital asset policy for the Board first read at this meeting. Dan Taylor praised the drafts and encouraged the Board to review and adopt in the next meeting.
- iv. Nucor Tower Structures applied for a permit to connect to the system. VS Engineering confirmed the EDU assessment of 25. This is a significant revenue item for the District: \$37,500 capacity fee initially with \$1,925 monthly to follow at current rates. With the impending rate increase, that monthly sewer bill reaches nearly \$2,500 - an improvement of over 8% in billing to support the system.
- v. Since the last Board meeting, VS Engineering found out that Landstar failed to wait for inspection before finishing construction. Amy Moore / VS and Lana / BCS to follow up with the parties concerned to tighten up the process going forward. Greg Morrison noted again that there seems to be a communication gap between the County and District. Dan Taylor reminded the Board it was Landstar's mistake, not the County or the District. And that a TAC or technical

advisory committee for the County would help coordinate various utilities and stakeholders in the future to catch issues early. Kellner (BCS) noted the 2011-2 Connection ordinance provides teeth for each violation of up to \$2500 in fines.

### **C. Maintenance Report - Astbury Water Technologies**

- i. Tom Astbury reported via email the WWTP ("Plant") is in full IDEM permit compliance for May. The Plant operated at 50,100 gallons per day (GPD) on average (50% capacity) with max flow of 69k GPD and min flow of 24k GPD. David Reeves asked at what capacity utilization level a Plant expansion would be triggered. Dan Guard said there was a "shelved" expansion plan ready for when the Plant hits 75% capacity utilization. Amy Moore asked for a reminder that the plans were completed and MCRSD has stamped plans / specs. Dan Guard confirmed.
- ii. Astbury requested BCS order another (5) grinder pump units to be kept as spares.

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

*None*

### **IV. New Business**

#### **A. New Service Agreement - In the Black Bookkeeping, LLC**

Amy Cating / In the Black Bookkeeping presented via email a service agreement renewal with an ~\$80 per month increase to cover billing & collections software upgrades (Starnik). According to Cating, her pricing has not increased since 2019. Joyce Grimble (Treasurer) noted renewal and adjusted pricing was overdue, supporting Cating's proposal. Dan Taylor stated that Item 17 of the contract puts the District in significant risk as it limits liability for Cating to only 2 months pay; therefore, legal counsel advises striking that item out of the contract completely before signing. The Board and Dan Taylor affirmed their trust of Cating throughout the discussion. Kellner (BCS) added that Item 17 references professional liability insurance (errors and omissions) and the District should ascertain In the Black Bookkeeping's current policy information to understand the coverage provided.

*Motion to approve In the Black's Bookkeeping agreements contingent upon Item 17 being removed made by David Reeves. Second by Joyce Grimble. No further discussion. Motion passed 4-0.*

### **V. Old Business**

#### **A. Improved Connection Agreement - Taylor, Minnette, Schneider & Clutter, P.C.**

After review, BCS commented that the billing start should be the immediate / next billing cycle subsequent to a completed inspection rather than 30-60 days later. Dan Taylor agreed and the finalized draft was presented for Board approval. Both the new connection agreement for the Voluntary Sewer Connection Incentive Program running through December 31, 2024 (for residential and small business only) and the general connection agreement (without incentives, for all customers, going forward) will be updated with the improvements made by TMS. BCS will post on the District website promptly.

*Motion to approve revised connection agreements made by Greg Morrison. Second by Joyce Grimble. No further discussion. Motion passed 4-0.*

**B. 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. (See prior minutes for history details). Dan Taylor updated the Board stating USIC had responded in the 30-day window. Winhoven was granted by the court a 30-day extension to respond by July 16th. Once both responses are filed with the Court, next steps (pre-trial conference, move to mediation, etc.) will be pursued.

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

In May, Niki Franklin shared her study findings on an immediate, 2-year, and 3-year phase in scenarios for the needed rate increase. The increase would raise rates from \$77.40 per EDU per month to \$98.30, a 27% increase. The Board held discussion in June with a planned vote on implementation for July. (For a full history review the minutes from March forward.)

Niki Franklin summarized and repeated her study findings saying the rate increase was necessary to support the ongoing operations and, especially, the capital fund (replacement, improvements, expansion) for the system. Kellner (BCS) noted the phased increases (12.7% each year for 2 years or 8.29% each year for 3 years) would also be large (above 5% annualized) increases. Franklin recommended the Board complete a rate study, which costs ~\$2k, each year to make gradual adjustments going forward. Kellner noted the current rate ordinances (since 2011) for the District provide for *annual rate reviews*. Greg Morrison made the case for the immediate rate increase, "bite the bullet" approach, to support the needed financial improvements for the system and avoid an extended period of high rate increases.

*Motion to approve the 27% rate increase procedures immediately made by Greg Morrison. Second by David Reeves. No further discussion. Motion passed 4-0.*

**VI. Treasurer's Report**

**A. Operating Fund Bank Balance = \$92,873.30** (includes capital fund allocation) | **Grinder Pump Maintenance Fund Balance = \$17,198.89** | **Capital Fund Balance = \$4,500.00** (allocated, not separated yet)

**B. Account Payable Claims = \$43,218.34**

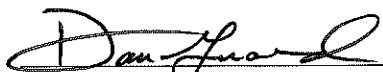
*Joyce Grimble motioned to approve claims payment as presented. Greg Morrison seconded. No further discussion. Motion passed 4-0.*

**VII. Adjournment**

*Having no other business to come before the Board, Joyce Grimble moved to adjourn. Greg Morrison seconded. Motion passed 4-0. Meeting adjourned at 5:07pm.*

Submitted by Chris Kellner - BCS Management

Approved 8-14- 2024

  
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Dan Guard, President