

MONTGOMERY COUNTY REGIONAL WATER & SEWER DISTRICT
01/08/2025 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, January 8, 2025 at 4:00pm. The meeting was conducted at the Montgomery County Government Center in Crawfordsville, Indiana.

Board members present were: Chairman Dan Guard, Greg Morrison, Treasurer Joyce Grimble, David Reeves. (Absent - none; replacement for Jake Bohlander expected from County Council next week)

Also present: Chris Kellner - BCS Management, Dan Taylor - Taylor, Minnette, Schneider, and Clutter P.C., Amy Moore - VS Engineering, Tom Astbury - Astbury Water Technology

Call to Order - Chairman Dan Guard called the meeting to order at 4:03pm. Quorum present. (All Board members present were sworn into office just before the meeting started.)

I. Management & Administration:

A. Minutes & Board Meeting Schedule

Minutes for 12/11/2024 were provided by BCS Management for Board approval. *David Reeves made the motion to approve the minutes. Greg Morrison seconded. Motion passed 4-0.*

B. Treasurer's Report: Operating Fund Bank Balance = \$65,421.10 | Grinder Pump Maintenance Fund Balance = \$7,904.04 | Capital Fund Balance = \$41,014.81 in new money market account or MMA (\$1,000 remaining in savings account)

There was a discussion about the name and purpose of each fund. The operating fund is a checking account where most of the transactions for the District should be taking place; i.e. the day-to-day operational disbursements and receipts (e.g. regular sewer bills). The capital fund is a savings / money market account designed to hold sufficient funds to meet the fixed capital asset replacement needs of the District's system (e.g. new lift station pumps). Capacity fees (and future planned allocations from the operating fund) would go into that capital fund and the occasional checks every month or so would come out for repair and replacement of system components. The low churn nature of the capital fund is precisely why it is being moved from a low yield savings account to a higher yield MMA, to better steward the District's finances. Furthermore, this design helps track capital replacement expenditures.

Motion for Joyce to close and move the remaining \$1,000 out of the old savings account to the new money market account so that all of the capital fund money is in one account made by Dan Guard. Second by David Reeves. No further discussion. Motion passed 4-0.

C. Administrative Report - BCS Management

- i. Kellner shared a copy of the monthly administration report. Total claims were \$76,261.23 which is unusually high especially because Dutcher submitted November (late) and December pump & haul together this month. A net

operating deficit of (\$1,326.99) for the month was reported. However, on the year, there was a net operating surplus of \$53k - before year-end adjustments to be made with the Annual Budget Review. Dan Guard noted this is an improvement from prior years where deficits were common.

- ii. Kellner stated that in order to manage cash flow effectively and avoid a \$14k cash shortfall (overdraw) in the operating fund this month - assuming all claims are approved as presented - that the following checks should be withheld until sufficient funding is available:

- o Check No. 11244 Dutcher Trenching \$20,825.00
 - Per standard practice, wait for commercial users to pay the pass through invoice we send after we receive Dutcher's invoice
- o Check No. 11245 Dutcher Trenching \$11,900.00
 - b. Per standard practice, wait for commercial users to pay the pass through invoice we send after we receive Dutcher's invoice
- o Check No. 11237 BCS Management \$5,184.08
 - c. BCS is willing to help float the District and wait this month for contractual pay
- o These would provide a healthy cash flow cushion of \$35k+ as receipts come in this month. Kellner explained this is prudent and aligned with current District practices.

David Reeves expressed that the Board should at least pay Dutcher immediately for the November pump & haul services. Kellner reminded the Board Dutcher was late in invoicing the District so the District had no opportunity to pass through that claim by billing the commercial users (with our markup) hence the cash crunch. Joyce Grumble agreed with paying Dutcher without delay since the District should stay in good standing and not be overdue on balances.

Motion for Amy Cating to only withhold Check No. 11245 and Check No. 11237 until sufficient funds are available in the operating fund to remain cash flow positive this month made by Joyce Grumble. Second by David Reeves. No further discussion. Motion passed 4-0.

- ii. Kellner reported that, other than the Dutcher double invoicing this month, a major contributing factor to the cash crunch for the District is the overdue balances of these commercial users: Nucor, Nucor Towers, and Landstar with ~\$47k, ~\$419, and ~\$1.3k respectively (approximately \$49k total). BCS worked with Amy Cating to resolve these issues instead of filing liens immediately, giving grace and maintaining diplomacy. Here is the progress / status for each account:

NTS - They decided to sign up for ACH to avoid missing payments.

Landstar - They are new users and had requested an address change (they initially provided the wrong one). They are now back on track with payments.

Nucor - They had a staff change (the new AP person was paying P&H but not the sewer bill). They "should be good" going forward. Due to their own administrative error, Nucor requested the removal of penalties amounting to \$3,115.29 per Amy Cating. Kellner passed along that request.

The Board discussed waiving current penalties. Dan Taylor articulated it concisely: while the District would like to waive those penalties, we cannot - by law - do so. We must treat all users fairly and abide by our own ordinances and Indiana Code. Providing payment in a timely manner is the only way to avoid those penalties. (Refer to IC 36-9-23-31 for details.)

Motion for Amy Cating to continue to pursue the late payment penalties on the Nucor account, denying their request \$3,115.29 of fees to be waived on the recent regular sewer bills made by Joyce Grimble. Second by David Reeves. Kellner stated this decision would be promptly passed along to Amy Cating and then Nucor. Motion passed 4-0.

- iii. Tina McGrady / Journal Review requested public meeting notices for 2025. BCS fulfilling that lawful request.
- iv. BCS has fielded 4 user calls concerning the December rate increase, handling them with empathy and informing callers on the process. Kellner reported this is common once bills reflect the rate increase.
- v. Connection incentive program: BCS reports that while 3 prospective users pursued the incentives, none followed through to completion during the limited time period of the program. Kellner noted this is precisely why districts are given the statutory power to enforce or compel connection to the public sewer. Kellner suggested that future incentive programs may be more successful if timed to end mid-year (after tax refunds in May) rather than at year-end, when holiday spending may crowd out something like a sewer project.
- vi. Kellner reported, mainly in response to David Reeve's question last month, that 2024 total website unique visitors was over 1000.

D. Maintenance Report - Astbury Water Technologies

- i. Tom Astbury reported the plant operated at an average flow of 41,100 gallons per day (GPD) (41% capacity) with max flow of 71k GPD and minimum flow of 28k GPD. Plant in full compliance.
- ii. Astbury had a busy weekend responding to the overflow at SR 32 West Lift Station. The telemetry caught the issue; the crews responded but not fast enough to avoid the overflow. A failed Variable Frequency Drive (VFD) was the root cause. Astbury requested authorization to proceed with the fix (done by IPW) for a total not to exceed \$10,252. This adds to the list of pending maintenance issues / opportunities including buying a spare pump (\$18k) from Xylem and cloth filter pump (\$9,788) from IPW. The grand total for these repairs and spare (proactive procurement) would be \$38,040.

Motion to authorize Astbury to proceed with SR 32 West Lift Station VFD replacement, spare lift station pump procurement, and cloth filter pump replacement, not to exceed \$38,040 made by Joyce Grimble. Second by Greg Morrison. Kellner noted that as these future claims come in, they should be processed through the capital fund (not operating) as that is its purpose. Motion passed 4-0.

II. Project Updates:

None

III. New Business

A. Public Meeting Video Access Introduction- BCS Management, Inc.

Kellner met with Tom Klein, Howard County Administrator, early today to discuss the IT setup and plan to comply with the revised IC 5-14-1.5-2.9 which requires live transmission of the RSD meetings by July 1, 2025. (The reason the RSD must comply is that its regular meetings are in the same meeting room in which a governing body described in clause (A) conducts its regular meetings.) Klein agreed to coordinate training for Kellner in February or March to

live-stream RSD public meetings to the existing County YouTube channel. That way, at least 3 meetings can be test runs before compliance is required in July.

IV. Old Business

A. Digital Forms Implementation - BCS Management, Inc.

Status update: The Change of Ownership and Sewer Service Inquiry Form have been digitized and through alpha testing. Now, the BCS web dev team has been tasked to implement onto the website for beta testing, leaving the existing pdf / hardcopy versions giving the user choice. These digital forms reduce legibility & data invalidity issues, automatically database the information given, and make it more convenient and expeditious for users.

V. Approval of Claims

A. Account Payable Claims = \$76,261.23

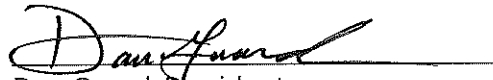
Joyce Grimble motioned to approve claims payment as presented. Greg Morrison seconded. No further discussion. Motion passed 4-0.

VI. Adjournment

Dan Guard moved to adjourn. David Reeves seconded. Motion passed 4-0. The meeting adjourned at 4:50pm.

Submitted by Chris Kellner - BCS Management

Approved _____ 2-12 _____ 2025


Dan Guard, President