

Board Minutes for the Board of Sanitary Commissioners Meeting of October 21, 2020

THE BOARD OF SANITARY COMMISSIONERS conducted a regularly scheduled meeting in the Muncie City Hall Auditorium.

Board members present; Stephen Brand, Board President; Brian Stephens-Hotopp, Board Vice President; Joseph Evans, Board Secretary; William Smith, Board Member and Tonya Brothers-Bridge, Board Member.

Excused absences: there were none.

Department managers and staff present; John Barlow, District Administrator; Josh Brown, Legal Counsel; Mark McKinney, Legal Counsel; Deana Cox, Financial/Billing Manager; Jason Donati, Stormwater/Recycling Educator; Tammy Branson, Sanitation Office Manager; John Anderson, District Engineer; Harvey Wright, Sewer Maintenance Superintendent and Megan Huff, Sewer Maintenance Secretary.

Public present: no one signed in.

Consideration of Minutes: Mrs. Brothers-Bridge moved to approve the minutes as submitted for the October 7, 2020 meeting. Mr. Stephens-Hotopp seconded the motion. The motion was approved (5-0).

Consideration of Claims: Mr. Stephens-Hotopp said he would highlight some items that were brought up before the meeting regarding the claims. He said starting on page 1 there was an item for \$12,748.90 which was a reimbursement to the Sewer Maintenance from Sanitation for 4-6 weeks of vehicle repairs; roughly a \$47,000 reimbursement to the CNG fund as a quarterly payment; on page 4 there are some items identified as small construction projects with Schneider General Contractor and Yarberry Land Services; on page 5 there was an AT&T bill for fiber services; several claims that are part of the new Sanitation building design and construction; and an escrow payment for \$67,000 to the Bank of New York Trust for the work Bowen is completing. Mr. Smith moved to approve the claims totaling \$1,881,028.50. Mr. Stephens-Hotopp seconded the motion. The motion was approved (5-0).

Old Business:

None.

District Administrator Update or Department Head Update – John Barlow, District Administrator. Mr. Barlow said we have submitted a Request for Qualifications for Engineering Consultants to hire for upcoming Stormwater work. He said the proposals were reviewed by himself, Rick Conrad and Mr. Stephens-Hotopp and the firms that were selected are Commonwealth Engineers, American Structurepoint and Wessler Engineering. Mr. Barlow said the contracts will be drawn up to have these firms on call for upcoming projects that our Engineering department cannot handle. Mrs. Brothers-Bridge asked how we choose which firm to have on call for which projects. Mr. Barlow said that would be a great question for Mr. Stephens-Hotopp. Mr. Stephens-Hotopp said the reason to have three firms would be that they all have qualifications to handle the type of work we are requesting, but we needed enough capacity to handle these projects which is why we selected more than one. He said we will spread the work out over the firms in a parallel manner. Mr. Barlow introduced Deana Cox, Sewage Billing & Financial Manager to speak with the Board. Mrs. Cox said she has been with the District for 18 years now and has been the Financial Manager since January 2019. She said some of her duties as Financial Manager include preparing budgets, financial statements, working with the Department Heads, the District Administrator and the Board. Mrs. Cox said some of her duties as Billing Manager are managing

five employees, overseeing the billing, the collections for the Sewage accounts as we roughly bill about 25,000 customers per month. She said her employees do a tremendous job at assisting her in the Billing Office. Mr. Stephens-Hotopp asked what ways people can make their payments at this time. Mrs. Cox said they can call into our Billing Office, mail their bills to the address on their bill, on our website, online through their bank account as well as a physical drop box outside our building. Mr. Stephens-Hotopp said if someone is having a problem paying their bill what should they do. Mrs. Cox said they should call our office and we will work with them to set up a payment plan. She said if the total is over \$300, we try to do a 1-year payment plan and if it under \$300 we try to do a 6-month plan. Mr. Smith asked if they could pay their bill at the Payless grocery store. Mrs. Cox said yes, they can, and at Wal-Mart, but they are charged \$2 additionally to do so. Mr. Smith complimented the wonderful job that Deana and the staff do in the Billing Office. Mr. Brand said we made the decision that we would not shut off any water this year due to COVID. He asked Mrs. Cox if she could comment on how many of our customers are in this special situation right now of running risk to have had their water shut off. She said it is about 30% of our customers that are over 90 days late on their payments. Mrs. Cox said she has mentioned in the past that she would like to see the billing be transferred back to the tenant vs. the landlord. She said that was a decision made by a previous Mayoral Administration. Mrs. Cox said when the service is shut off the tenants usually do not know about this since the landlords are the only ones receiving the notice. When owners sell their properties and do not notify us of this change, we continue billing the previous owner when they are not even living there. She would like to see us follow the Water Company protocols and bill the tenants. Mr. Brand asked if she knew why the previous Mayor wanted it structured that way. Mr. McKinney said the change was made because it is easier to collect from an owner than a tenant. He said we can put a lien on a property if the bills are not paid, but with tenants they move to often sometimes and are harder to track down for collection purposes. Mrs. Cox said since we deal with Atlas Collections more than we deal with lien properties we can always go back to the tenant to collect if the owner is deceased or files bankruptcy. Mr. Smith said this has been in discussion for some time and there are difficulties in both way of billing procedures. He said it seems to be easier for the Billing Office to bill the tenant, but it may not acquire as much during the collection process. Mr. Smith said this may need further review with the new Board to find a fair way of moving forward. Mr. Brand said we will investigate this further to see if we can find a fair outcome for both parties.

New Business:

1. Resolution 2020-12, a Resolution Adopting the Materiality Threshold as Required by the State Examiner Directive – Josh Brown, McKinney & Malapit. Mr. Brown said we have drafted a Resolution for a Materiality Threshold as Required by the State Examiner Directive 2016-5. He said this complies with Indiana Code for all erroneous or irregular material variance, losses, shortages or thefts to be reported to the State Board of Accounts. Mr. Brown said ‘Materiality’ has been defined as \$1000 per occurrence or a series of events that make up \$1000 will be reported as well. He said if there is any knowledge or reasonable cause to believe this is happening, we will also send notice to the State Board of Accounts. Mrs. Brothers-Bridge moved to approve Resolution 2020-12, a Resolution Adopting the Materiality Threshold as Required by the State Examiner Directive. Mr. Stephens-Hotopp seconded the motion. The motion was approved (5-0).

2. Resolution 2020-13, a Resolution Adopting a Non-Retaliation Policy on Reporting Possible Misappropriation of Funds or Property – Josh Brown, McKinney & Malapit. Mr. Brown said to ensure we receive compliance on the reporting for the Materiality Threshold we have drafted a Non-Retaliation Policy for employees to feel comfortable reporting any occurrences in good faith. He said we will make sure the employees are aware of new policies nor receive any retaliation for reporting. Mrs. Brothers-Bridge said we are reporting instances of a \$1000 threshold to the State Board of Accounts, but we also would like to be notified if there is any wrongdoing in any amount. Mrs. Brothers-Bridge moved to approve Resolution 2020-13, a Resolution Adopting a Non-Retaliation Policy on Reporting Possible

Misappropriation of Funds or Property. Mr. Stephens-Hotopp seconded the motion. The motion was approved (5-0).

Additional Board Comments:

Mr. Brand said if there are any flooding or drainage issues in your neighborhoods because of the heavy rains, please be sure to let the District Administrator or Engineering Department know right away. He said when water is ponding in the roadway it can cause potholes and other safety concerns.

Mr. Stephens-Hotopp said over the past month, or two, a few MSD Board members have been meeting with members from the Delaware County Regional Waste District to address the contract that is currently in existence. He said the goal is to address the concerns of both agencies while working on a new contract. Mr. Stephens-Hotopp said we currently have a Guaranteed Savings Contract with Bowen and it will soon be closing out, so we will be looking at providing an advertisement for a new Guaranteed Savings Contract. He said this process will be started in the next few weeks and we will work to select a new Contractor. He said not all our work will be done through the Savings Contract, but it is a helpful tool that the District has been able to use in the last several years. He said we will continue to follow the bidding processes for storm and sewer work occasionally. Mr. Stephens-Hotopp said we are also looking into Solar Energy options with a firm that is currently working with the City. He said we are asking them to look at some properties owned by the District to see if any make sense to generate energy for any of our properties.

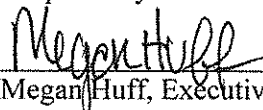
Mr. Smith said he is going to be leaving the Muncie Sanitary District Board on December 31st, 2021 and he was concerned about a new Board coming in and learning everything that the District has going on in such a short time. He said Mr. Brand has come on the Board has put in the time and effort to get up to speed on our projects and current events. Mr. Smith said the other two new Board Members as well have picked up on everything very quickly and we have created quite a team. He feels the District is going to be left in great hands and wants to compliment all three of the new members.

Public Comments:

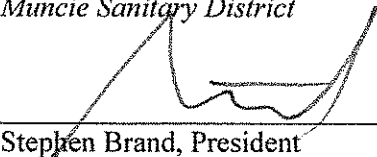
There were no further comments.

Adjourn: Mr. Brand said he would accept a motion to adjourn the meeting. Mr. Stephens-Hotopp made a motion to adjourn the meeting. Mrs. Brothers-Bridge seconded the motion. The motion was approved (5-0).


Respectfully Submitted,


Megan Huff, Executive Office Manager

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


Stephen Brand, President


Joseph Evans, Secretary


Brian Stephens-Hotopp, Vice President


William B. Smith, Board Member

Tonya Brothers-Bridge
Tonya Brothers-Bridge, Board Member