

Board Minutes for the Board of Sanitary Commissioners Meeting of October 19, 2022

THE BOARD OF SANITARY COMMISSIONERS conducted a regularly scheduled meeting.

Board members present; Tonya Brothers-Bridge, Vice President; Adam Leach, Secretary; and David Smith, Board Member. President Stephen Brand was noted as an excused absence.

Department managers and staff present; John Barlow, District Administrator; Mark McKinney, Legal Counsel; Deana Cox, Financial Manager; John Anderson, District Engineer; Jason Ingram; Water Pollution Control Facility Superintendent, Jason Donati, Stormwater Educator; Harvey Wright, Sewer Maintenance Superintendent; Thom Noble, Sewer Maintenance Assistant Superintendent; Phil Reagon, Sanitation Superintendent; Tim Stover, IT Administrator; and Maggie Bales, Executive Office Manager.

Public present: None.

Consideration of Minutes: Mrs. Brothers-Bridge entertained a motion to approve the minutes as presented. Mr. Leach moved to approve the Board Meeting Minutes as submitted for the meeting of October 5, 2022. Mr. Smith seconded the motion. The motion was approved (3-0).

Consideration of Claims: Mrs. Brothers-Bridge entertained a motion to consider the register of claims totaling \$2,406,989.33. Mr. Leach stated a claim to Greeley and Hansen for \$19,749.29 for the Aultshire stormwater improvements. He stated a claim to Wessler Engineering for the Indian Village and Lynn Mar stormwater improvements. Mr. Leach stated a claim to Bunn for the Storer Estates project in the amount of \$640,180.99. He stated that is paid out of ARP stormwater funds distributed by the City to the Sanitary District for use on large stormwater projects. Mr. Leach stated there is a PM contract for the lift stations in the amount \$23,865.00. He stated there was a credit on that of \$7,488.00. He stated PM is Preventative Maintenance that prevents us from spending additional funds when things break. Mr. Smith moved to approve. Mr. Leach provided second. The motion was approved (3-0).

District Administrator Update – John Barlow. Mr. Barlow stated that the long-term control plan final draft has been submitted from our consultants to him and Jason Ingram for review. He stated that he sent the final draft was sent to the Board members for their perusal. Mr. Barlow stated that we also have our financial capability analysis which will be an appendix. He stated a letter will be put together Friday to officially send to IDEM to submit as our long-term control plan amendment. Mr. Barlow stated this is amended from the 2011 long-term control plan that called for full separation. He stated once the letter is sent to IDEM that will commence the approval process. Mr. Barlow stated this will hopefully have some substantial costs savings and improved environmental characteristics as opposed to the other one. He stated the levee mowing bids in the past were done after the beginning of the year. Mr. Barlow stated the bids will be done this year for the 2023 season which will allow the prospective contractors to plan ahead and anticipate equipment and staffing. He stated the bid packet will be put together in hopes of advertising by the end of this month. Mr. Barlow stated that this is in hopes that the bid opening would be on the 30th of November. Mrs. Brothers-Bridge stated that the current long-term control plan has indicated or shows that 100% sewer separation is not in the best interest. Mr. Barlow stated that is correct. He stated 100% sewer separations means 100% stormwater discharge to the river. Mr. Barlow stated that with the current and with the amended plan that a great portion of stormwater would still come to the plant with the regular sanitary flows to get full treatment before it is discharged. He stated sampling was done on the river and showed that full separation is not ideal for environmental good practices. Mr. Barlow stated there are two portions: financial and environmental. Mr. Leach stated that stormwater is not necessarily clean water. He stated stormwater may contain runoff from people's yards, pet waste, sediment from roads, and sediment from construction sites. He stated the expectation that stormwater is clean going into the river is not true. Mr. Leach stated this has been well studied by other cities that have done through full

separation and water quality of their receiving bodies of water has degraded by doing full separation. He stated a partial separation where we prevent overflows would allow us to maintain a high-water quality. Mr. Leach stated we have a large plant as compared to our normal flows especially since we went through the separation project. He stated we are looking at this from a biological standpoint to do what is best for the river and not what sounds good on paper.

Department Head Update – Phil Reagon. Mr. Reagon stated leaf season is here and we will start our leaf season pickup November 2nd. He stated that he went out on today and tomorrow's routes, there might be 15-20 stops out there. Mr. Reagon provided an update on the CNG station for the last year. He stated in 2022 diesel prices have been unpredictable. Mr. Reagon stated in April of 2020 MSD entered a five-year contract to purchase natural gas of the open market from our distributor. He stated we pay \$2.82 a dekatherm; the price now is about \$6-7. Mr. Reagon stated as of October 1 Sanitation has used 64,495 gas gallon equivalent. He stated that costs Sanitation \$96,741.27 as opposed to \$226,890.23 in diesel costs. Mr. Reagon it will increase in the next quarter by about \$35,000-40,000 savings. He stated the CNG savings has been \$130,000 just in fuel costs alone and does not account for def fluid costs savings and regens in old diesels and downtime in regens costs savings. Mr. Reagon stated our savings is in fuel and in federal alternative tax credits, amounting to \$405,175.49. He stated that does not count for 2021 that is to be expected about \$70,000. Mr. Reagon stated our federal money that we have received back is just over \$480,000 since we built the station. He stated the did extend those credits for another three years, which is \$0.50 per gallon for every gallon that runs through the station. Mr. Reagon stated that having our own CNG station has put us in front of a lot of people on getting grants. He stated that by having the CNG station we have received over \$225,000 in grants that we would have spent on trucks regardless. Mr. Reagon stated we sell about 5,000 to 6,000 gallons a month to contract customers and retail customers. He stated that it is safe to say that the 15-year return on investment that the station was built on will be about five years ahead of schedule. Mr. Leach asked the cost difference on a CNG versus a diesel vehicle. Mr. Reagon stated about a \$40,000 difference. Mr. Leach stated that if we bought ten vehicles, we spend about \$500,000 additionally putting the money into the fleet because of the cost differential. He stated that with the savings and with he credits we are still ahead. Mr. Leach stated it is not only based on the cost differential. Mr. Reagon stated there are a lot of other cost savings like oil changes. He stated a diesel oil change is \$200 twice a year and a CNG oil change is about \$80 once a year. Mr. Reagon stated that even at once a year the oil life still has about 60% left. He stated that 47 CNG trash trucks put out the same amount of pollution as one 2007 diesel trash truck.

New Business:

1. Resolution 2022-5 Rate Increase for Septic Vendors and Hauling – Jason Ingram. Mr. Ingram asked the Board to consider the 2022-5 resolution, a price increase for septic hauling fees. He stated that we have not had an increase since 2014. Mr. Ingram stated our current fees are \$60 for 0 to 2000 gallons and \$90 for more than 2000 gallons. He stated that is the equivalent of about \$0.03 per gallon. Mr. Ingram stated that he is asking for the increase to be \$90 for 0 to 2000 gallons and \$135 for more than 2000 gallons. He stated this equates to a 1.5 cent per gallon increase. Mr. Ingram stated for reference some surrounding utilities are Bluffton at \$0.10 per gallon, Richmond at \$0.035 per gallon expected to raise January 1, 2023, and Marion at \$0.04 per gallon up to 2,500 gallons with an additional \$60 for every 1,000 gallons. He stated that Water Pollution Control Facility must maintain the septic receiving station, including, but not limited to, maintenance, parts (repairs and replacements), semiannual service from Sewer Maintenance and electricity and chemicals to our current rate payers. Mr. Ingram stated that we are the only facility in Delaware county that offer this service and we do not want to pass this increase off to our current rate payers. Mr. Leach asked where the nearest plant to ours that would accept this waste. Mr. Ingram stated either Richmond or Bluffton. Mr. Leach stated Anderson or New Castle does not take it. Mr. Ingram stated that is correct and we only take Delaware county residential. Mrs. Brothers-Bridge stated for clarification that individual septic pump companies will pump your septic, put it in their trucks,

ad bring it to our facility to dump that off. Mr. Ingram stated that is correct and we treat the waste. He stated we remove the debris and send it to a landfill. Mrs. Brothers-Bridge stated this is only for Delaware county. Mr. Ingram stated that is correct, for residential. Mrs. Brothers-Bridge entertained a motion to approve the rate increase. Mr. Leach moved to approve. Mr. Smith provided second. Motion passed (3-0).

2. Bid Opening for 20th & Mock – John Anderson. Mr. Anderson stated that this a bid opening for the 20th and Mock storm sewer. He stated the project is for about two and a half blocks of new storm sewer to take care of some drainage problems in that area. Bids are as follows:

1. Cobalt Civil out of Winchester - \$446,440.00
2. Watson Excavating out of Redkey – \$336,345.00
3. JG Case Construction out of Muncie - \$398,000.00

Mr. Anderson asked the board to take the bids under advisement and review. Mr. Leach stated that the lowest apparent bid is from Watson Excavating \$335,345.00. He suggested we take these under advisement to allow Mr. Anderson time to review and make sure the bid packet is complete. Mr. Leach stated assuming it is complete then send it to legal for further review and award at the next meeting.

3. Release of Retainage for the MSD 2021 Bond Projects with Bowen Engineering – Deana Cox. Mrs. Cox asked for the approval to release partial retainage to Bowen Engineering in the amount of 420,415.04. She stated this is for the completion of CSO 23, sewer separation project and White River interceptor. Mr. Leach stated that this is work that has been completed so instead of holding the entirety of the contractor's retainer we are going to do a partial release. He stated this is the CSO 23 work and the White River interceptor lining project. Mrs. Brothers-Bridge stated that this is part of our contract with Bowen Engineering to hold dollars until such work is completed or substantially completed. She stated we verified with United Consulting that the work is done therefore the request to release the retainage amount so they can pass those dollars onto the subs that have done work on their behalf. Mrs. Brothers-Bridge stated for clarification that some meetings ago we had some questions from subs that are doing work with Bowen, and we have verified that Bowen is paying their subs timely. Mr. Barlow stated that is correct. Mrs. Brothers-Bridge entertained a motion to approve the release of retainage in the amount of \$420,415.04. Mr. Leach moved to approve. Mr. Smith provided second. Motion passed (3-0).

Additional Board Topics: None.

Public Comments: None.

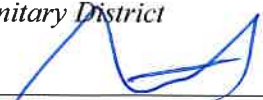
Adjourn: Mrs. Brothers-Bridge stated our next regularly scheduled meeting will be held on Wednesday, November 2, 2022, at 11:30 a.m. in the City Hall Auditorium. Mrs. Brothers-Bridge stated she would accept a motion to adjourn. Mr. Smith made a motion to adjourn the meeting for October 19, 2022. Mr. Leach seconded the motion. The motion was approved (3-0).

Respectfully Submitted,



Maggie Bales, Executive Office Manager

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



Stephen Brand, President



Adam Leach, Secretary

Tonya Brothers-Bridge
Tonya Brothers-Bridge, Vice President

David Smith
David Smith, Board Member