

**NASHVILLE UTILITY SERVICE BOARD MEETING
WEDNESDAY, JUNE 16, 2021**

Commission members present in person: President Roger Kelso, Vice-President Bob Willsey, Member Pam Gould, Member Bob Kirlin (arrived at 7:14pm). Commission member not present: Secretary Alyn Brown. Also in attendance in person: Municipal Operations Consultant Dax Norton, Town Administration Manager Phyllis Carr, NMU Water/Sewer Utility Operator Robin Willey and Records Clerk Sandie Jones.

COMMISSION BUSINESS

1) CALL TO ORDER

President Kelso called the meeting to order at 7:05 pm and did the roll call.

2) APPROVAL OF MINUTES – 5-19-20-2021 MEETING

Member Gould asked that the minutes be amended on page three to reflect that Secretary Brown asked the question about insurance.

Member Kirlin made a motion to approve the 5-19-2021 meeting minutes with the amendment. President Kelso seconded the motion. All were unanimously in favor.

3) MONTHLY REPORTS

A. BUDGET/REVENUE MANAGEMENT REPORT

MOC Norton reported

- Water utility in the black last year.
- Same thing happened last year in water budget
- Substantial recovery on water side throughout the year.
- Beginning of year, we typically have lots of upfront costs.
- Rates are not where they should be and have not been adjusted in years.

Member Kirlin –

- Address equipment costs now and deal with the other rates later (Cost of the lift station went up)

Vice-President Willsey

- Last year it turned around \$102,615.17
- 73,686.63 – January 1
- 136,725.17 – Dec 31

President Kelso – Wastewater looks more problematic

Member Gould – Add another column that compares last year's month to date.

Vice President Willsey suggested a modest rate increase now, and move up with inflation and index Rates. Member Gould asked if the state regulates rates or Town Council. Town Council sets rates.

MOC Norton suggested we need Capital Improvement plan and cost of service study based on cost and capital plans need. For example: replace water lines, and base rates on Capital

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Improvement Projects. MOC Norton is concerned that the rates are so tight, that it may be taking away from improving projects.

MOC Norton also discussed the 2019 legal fees from BCWU and NMU.

Member Kirlin asked for input on controlling expenses, and Operator Wiley suggested that they do more work internally and use less outside contractors. MOC Norton advised that part of his job is to review expenses and that vehicle maintenance is problematic. Vice-President Willsey suggested looking at trends in spending. Upfront expenses such as insurance (workers compensation, liability, and vehicle) skew the expenses. Other items discussed were the hook-on fees, and lift station expenses.

President Kelso suggested creating action items.

B. 2022 BUDGET PLANNING

Discussion about Budget Work Session and suggested dates.

The USB agreed on the following meeting dates to work on the budget:

- Monday, July 19th 10am - 11:30am Budget Education Workshop
- Wednesday, July 21st 10am - 2pm Budget Work Session
- Thursday, July 22nd 7pm Regular USB Monthly Meeting
- Monday, August 16th 10am - 11:30am Final Budget Work Session
- Wednesday, August 18th 7pm Regular USB Monthly Meeting

Member Gould asked if they need to talk with a rate consultant. MOC Norton advised the Clerk-Treasurer Young has a consultant that she likes to work with. Member Kirlin suggested they look at other like sized communities and their rates. Member Gould commented that they should look at having a cost of services study done. Discussion.

President Kelso made a motion to have a cost of services study done on both utilities. Vice-President Willsey seconded the motion. All were unanimously in favor. This motion is to be brought before the Town Council at their June 17, 2021 meeting.

Member Kirlin would like the utility rate ordinance changed as soon as possible to reflect the rate increase in the cost of purchasing lift station equipment and tap fees. MOC Norton will bring this request before the Town Council at their June 17, 2021 meeting.

C. OPERATIONS REPORTS

Town Administration Manager Carr advised they did a random meter audit during the meter readings this week. All were accurately reading the correct water consumption.

Water/Sewer Operator Willey advised he had obtained three quotes for purchase of a hydrovac. MOC Norton advised they can get a loan through the Indiana Bond Bank with an interest rate of .7% - 2%. This would allow them to get the hydrovac this year and begin making payments next year. The USB agreed to move forward with the purchase of a hydrovac and asked MOC Norton to bring this before the Town Council at their June 17, 2021 meeting for their approval.

Water/Sewer Operator Willey advised that he had rebuilt the hydrant at East Main Street, repaired at Town Hall, repaired water lines on Honeysuckle Lane. At least 2 more of the 200

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hydrants that we have need to be repaired. MOC Norton suggested that grant money may be available to upgrade to new type of fire hydrants.

MOC Norton is working on a summary report for operations and will add water loss percentages to next month's report.

4) UNFINISHED BUSINESS

A. STATE PARK UTILITY EXPANSION PROGRESS – DAX UPDATES

MOC Norton reported that the PERs and SRF applications have been submitted. They asked the SRF for 5.7 million dollars in grant funds for the wastewater work.

President Kelso would like a list of talking points as to the benefits of the Town providing water and wastewater utilities to the park. This would give current customers and residents a better understanding of the project.

Member Gould asked if there were any potential issues with Brown County utilities, but we already have water and sewer in the park

5) NEW BUSINESS

A. DISCUSS STATE WATER INFRASTRUCTURE FUND PROGRAM APPLICATION

MOC Norton reported on the State Water Infrastructure Fund (SWIF) grant money may be available. There are also programs under EPA and FEMA that may be available. MOC Norton also discussed Economic Development Districts and the desire to have them set up by the end of the year.

President Kelso suggested a post budget funding exercise with MOC Norton providing details about potential grants.

B. DISCUSS WATER MASTER PLANNING

MOC Norton discussed water master plan, how can we expand and what is the history behind the regional sewer district. MOC Norton advised that Councilmembers Gore and Rudd are meeting with Brown County Water Utilities as directed by the judge. There are now maps of each territory available. The NMU does not have a master plan but needs this to move forward.

President Kelso suggested that we need to reach out to the other water and sewer utilities to function more efficiently.

Member Gould suggested cooperation around the different geographical areas to minimize conflict in the future.

Member Gould suggested prioritizing the following:

- Budget – July to August
- Grant Funding – September
- Master Plan - October

C. AGENDA ITEM REQUESTS FOR UPCOMING MEETINGS

President Kelso – Discussion of franchise fees.

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Member Gould asked about the review and approval of the two leak adjustment requests before the board. Records Clerk Jones explained the current process and that the requests will come before the USB for final approval.

Vice-President Willsey made a motion to approve the two leak adjustment requests as presented. Member Gould seconded the motion. All were unanimously in favor.

MOC Norton advised that moving forward, a USB Member will review the leak adjustments prior to their regular meetings. The adjustments will then be part of the USB's consent agenda at the next meeting. Member Kirlin would like a USB member to sit with the Clerk-Treasurer's Office and W/S Operator Willey to discuss all requests at one time.

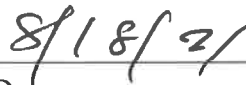
6) ADJOURN

Member Kirlin made a motion to adjourn the meeting. President Kelso adjourned the meeting at 8:53pm.

The audio recording made at the Nashville Utility Service Board meeting on 6-16-2021 is retained in the office of the Town Clerk-Treasurer.



President Roger Kelso



Date