

**NASHVILLE TOWN COUNCIL AND UTILITY SERVICE BOARD MEETING  
THURSDAY, FEBRUARY 17, 2022**

Town Council Members present in person: President Nancy Crocker, Vice-President Anna Hofstetter, Councilmember Jane Gore, Councilmember Tyra Miller, and Councilmember Dave Rudd. Utility Service Board Members present in person: Vice-President Bob Kirlin, Secretary Alyn Brown, Member Pam Gould, Member Dan Klaker. Commission member not present: President Bob Willsey. Also in attendance in person: Municipal Operations Consultant Dax Norton, Town Clerk-Treasurer Brenda Young, Town Administration Manager Phyllis Carr, NMU Water/Sewer Utility Operator Robin Willey and Records Clerk Sandie Jones.

**BUSINESS**

**1) CALL TO ORDER**

USB Vice-President Kirlin called the meeting to order at 7:00 pm and did the roll call.

**2) UTILITY SERVICE BOARD WATER ADJUSTMENT REQUESTS**

USB Vice-President Kirlin advised that they will table the water and sewer adjustment requests until the next meeting.

**3) WATER LOSS REPORT**

MOC Norton reported they had 54% water loss last year and about 54% loss again this year. The Salt Creek meter feeds almost all of the original village district area. If we buy 600,000 gallons of water, we are losing 320,000 gallons of it.

Water/Sewer Operator Willey and MS Consultant Engineer Nathan DeLisle explained that the pipes are old and water seeps through the pipes and into the ground. Many of our saddle connections are rusty and leaking and the water can travel long distances and go unnoticed for years. USB Vice-President Kirlin noted that had a company come in and look for leaks. They found five leaks, which included leaky hydrants. Water/Sewer Operator Willey reported that those leaks and hydrants have been repaired.

USB Vice-President Kirlin asked how many sections we can track water from. Water/Sewer Operator Willey reported three areas: Salt Creek, Bear Wallow, and Bean Blossom. He advised that the galvanized water pipes were donated to the town in the 1940's. MS Consultants Engineer DeLisle explained that water can seep through the galvanized pipe, it forms pinhole leaks, and water seeps out. This would be impossible for us to find with the sound based technology. Galvanized pipe material for water distribution is not commonly used and rare to find.

USB Vice-President Kirlin asked how much would it cost to replace all of the water lines in the downtown area. MOC Norton estimated that it would take roughly \$4 million to replace the pipe in town. Resident Jim Hayes asked how much the water loss costs the Town. Krohn and Associates CPA Jarrod Hall estimated that 10% of the total revenue, \$267,000 is lost.

USB Vice-President Kirlin explained that the utility board is new, but they are working on details of the water and sewer departments. They are now looking into the where the issues are and how they can fix them.

**NASHVILLE TOWN COUNCIL & UTILITY SERVICE BOARD MEETING  
FEBRUARY 17, 2022**

**4) DISCUSSION OF CAPITAL PROJECTS OF THE UTILITIES**

**A. WATER MASTER PLAN**

MOC Norton advised the first step to fixing their water loss is to create a water master plan and asset management plan. He presented contract Attachment G – Water Master Plan with MS Consultants. He advised that they need to have the master plan in place to get grant funding.

MS Consultants Engineer DeLisle explained that a water master plan will:

- Pull together what record documents exist
- Mapping, pipe diameters, etc.
- Create a hydraulic model
- Look at Flow data and demand data
- Get an idea of where we are today
- Review the Sanitary master plan document
- Develop the water master plan to compliment the sanitary plan
- Figure out what the scope of the water pipe replacement needed would be
- Create maps
- Identify what needs to be replaced
- Be able to better dial in the \$4.5 Million cost within the master plan.

USB Member Gould asked Engineer DeLise to describe a similar project he has done. He advised that the last time he did a project like this was for Whitestown. They had a newer distribution system with approximately 26% loss. Discussion.

Town Council President Crocker asked what the risk is if we do not fix our water loss. MOC Norton advised that the utility would continue to lose revenue and there is a risk of fines and/or IDEM could take over the utility.

USB Member Gould asked how long it would take to complete the water master plan. Engineer DeLise answered it would take approximately six months.

MOC Norton advised that the majority of money that is available for these projects are loans. He advised that a low interest loan from the state revolving fund and is a 20-year loan, sometimes 30-years. Rural Development (RD Loans) are 40 years. A loan would reduce the burden and pain on the rate payers. OCRA is another funding opportunity, but we will still need the loans.

MOC Norton reported in some cases they will push you to raise rates before you get the grants. Will not get to the level of loan consideration until you are at the correct rate level. USB Vice-President Kirlin asked if \$1 million would get us through Phase I. MOC Norton advised it would not and the projected cost of \$4.5 million will likely be closer to 6 million by the time we start. Water/Sewer Utility Operator Willey commented that he is already seeing huge price increases for replacement parts.

USB Vice-President Kirlin asked where the \$75,000 for the water master plan will come from. MOC Norton advised they can borrow these funds from the Sewer Fund. Town Council President Crocker commented that we probably need to raise the water rates as well. She doesn't want to do this but if they don't fix some things, they will have more problems in the future. Discussion.

**NASHVILLE TOWN COUNCIL & UTILITY SERVICE BOARD MEETING  
FEBRUARY 17, 2022**

USB Secretary Brown asked if they should get a competitive quote for water master plan. Discussion. MOC Norton advised that the USB could enter into a contract without the need for Town Council approval. Discussion.

Resident Ric Fox agreed they need to fix the problems quickly. As a water customer, he knows people will be upset about the increased rate. He suggested raising the rates in steps and preemptively raise the water rates to get some money coming in. Mr. Fox noted that another concern is related to fire protection what will happen if we do not have enough water. USB Vice-President Kirlin suggested that we look at doing a smaller rate increase every year to balance it out.

Clerk-Treasurer Young advised that they will need to have an ordinance or resolution to borrow the funds from the wastewater fund. She asked for the motion to be made contingent upon the borrowing of the funds.

Member Gould moved that the Utility Service Board approve the Attachment G proposal from MS Consultants contingent upon the Town Council passing an ordinance or resolution to borrow the funds from the wastewater fund. Member Klaker seconded the motion. USB Vice-President Kirlin asked if MS Consultants can speed up the timeline. MS Consultant Engineer DeLisle said he can still get this done by June 2022. USB Member Gould, USB Vice-President Kirlin, and USB Member Klaker voted in favor, Secretary Brown opposed. The motion passed 3-1.

**B. BROWN COUNTY PARK CONNECTION**

MOC Norton reported that the Brown County State Park has asked to receive water and sewer services from the Town. There would be a special wholesale rate for the water as they are paying and maintaining their own infrastructure. Discussion.

MOC Norton advised that the cost of service study did take into account additional revenues created to take care of a special wholesale rate. The Park's total project costs are estimated at \$3.1 million and includes 1800' of water line and a new 300,000 gallon storage tank in the park. The Town would not be paying for these upgrades. MOC Norton reported that it will be a 21% increase in our overall revenue and noted that other towns give discounted rates for this type of connection. Discussion. MOC Norton and CPA Hall gave feedback on various wholesale rate options. Discussion.

USB Member Klaker moved to go with option 3. The motion died for lack of a second.

USB Member Gould moved to offer a 25% discount off our current residential water rate and, any increases the discount is tied to the then current rate and MOC Norton will negotiate with DNR on behalf of the Town. USB Member Klaker seconded the motion. Roll call vote: USB Secretary Brown, USB Member Gould and USB Member Klaker voted in favor of the motion, USB Vice-President Kirlin voted against the motion. The motion passed 3-1.

Town Council Vice-President Hofstetter moved to accept the rate recommendation presented by the Utility Service Board. Town Council President Crocker seconded the motion. Roll call vote: Town Council President Crocker and Town Council Vice-President Hofstetter voted in favor. Town Council Member Gore, Town Council Member Miller and Town Council Member Rudd voted against the motion. The motion did not pass 3-2.

**NASHVILLE TOWN COUNCIL & UTILITY SERVICE BOARD MEETING  
FEBRUARY 17, 2022**

Town Council Vice-President Hofstetter moved to acknowledge the recommendation by the USB and enter into negotiations and offer a 30% discount off the current residential rate and any increases the discount will be tied to the then current rate. Town Council President Crocker seconded the motion. Discussion. Roll call vote: Town Council President Crocker and Town Council Vice-President Hofstetter voted in favor. Town Council Member Gore, Town Council Member Miller and Town Council Member Rudd voted against the motion. The motion did not pass 3-2.

Town Council President Crocker move to acknowledge the recommendation by the USB and enter into negotiations at a \$7 rate. Town Council Member Rudd seconded the motion. Roll call vote: Town Council President Crocker, Town Council Member Gore, Town Council Member Miller and Town Council Member Rudd voted in favor. Town Council Vice-President Hofstetter voted against the motion. The motion passed 4-1.

**C. SANITARY SEWER UPGRADES**

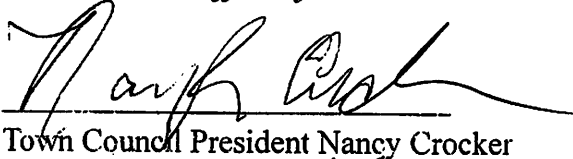
MOC Norton reported that in 2019 they had two bad inspections at the Wastewater Treatment Plant. IDEM put them on an agreed order, and they need to fix the I & I because there is a capacity issue. MOC Norton advised they have received \$2 million in SWIF funds, but we need to come up with the additional money for this. It will cost them approximately \$7 million to do the projects in the agreed order. He explained that even with a Rural Development loan they are looking at a potential 40.2% sewer rate increase.

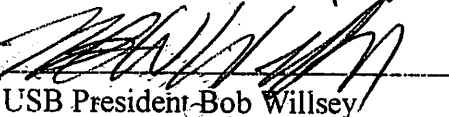
Town Council President Crocker asked if both groups wanted to continue this discussion tonight or schedule another meeting. Both boards agreed to meet on Wednesday, February 23, 2022 at 6:30 pm to discuss this matter. Town Council President Crocker asked both boards to look at the reports they have been given regarding the sanitary sewer upgrades and financials.

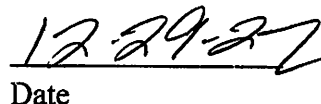
**5) ADJOURN**

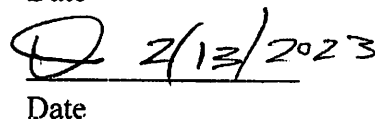
USB Vice-President Kirlin motioned to adjourn the meeting. Town Council President Crocker seconded the motion. The meeting was adjourned at 9:24 pm.

*The audio recording made at the Nashville Utility Service Board meeting on 2-17-2022 is retained in the office of the Town Clerk-Treasurer.*

  
Town Council President Nancy Crocker

  
USB President Bob Willsey

  
Date

  
Date