



TriCo Regional Sewer Utility

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Board of Trustees Meeting Agenda

Monday, November 11, 2019 @ 6:30 p.m.

Clay Township Government Center

10701 N. College Avenue, Indianapolis, IN 46280

- 1. Roll Call**
- 2. Public Comment**
- 3. Memorandum, Board Meeting**
October 14, 2019 Board Meeting Memorandum
- 4. Approval of Claims Docket**
- 5. Attorney's Report**
- 6. Utility Director's Report**
 - a. Agreement approvals
 - i. Bose McKinney & Evans – Bond Counsel
 - ii. OW Krohn & Associates – Municipal Advisor
- 7. Committee Reports**
 - a. Budget & Finance Committee
 - b. Personnel & Benefits Committee
 - i. Health Insurance Renewal
 - c. Capital & Construction Committee
- 8. Old Business**
- 9. New Business**
- 10. Adjourn**



BOARD OF TRUSTEE MEETING

Monday October 14, 2019 6:30 p.m.

Memorandum

ROLL CALL

Present: President Marilyn Anderson, Vice President Steve Pitman, Treasurer Jane Merrill, Secretary Michael McDonald, members, Barb Lamb, Jeff Kimbell, Eric Hand, Carl Mills. Others in attendance were Utility Director Andrew Williams, Legal Counsel Anne Poindexter, Controller Cindy Sheeks and Administrative Assistant Maggie Crediford

Chuck Ryerson was absent.

PUBLIC COMMENT

There was no one present from the public.

APPROVAL OF MEETING MEMORANDUM

Ms. Merrill made a motion to approve the September 9, 2019 Board of Trustee meeting memorandum. The motion was seconded by Mr. Kimbell and approved unanimously.

APPROVAL OF CLAIMS DOCKET

Mr. Mills made a motion to approve the claims docket. Mr. McDonald seconded the motion and it was approved unanimously.

ATTORNEY'S REPORT

There was no report.

UTILITY DIRECTOR'S REPORT

COMMITTEE REPORTS

Budget & Finance Committee

Schafer Enforcement Action

Ms. Merrill made a motion to impose a fine of \$2,000 to Schafer Powder Coating which is to be held in abeyance for 12-months pending no other zinc level infractions. Mr. McDonald seconded the motion and it was approved unanimously.

Policy Revisions

Ms. Merrill made a motion to approve the proposed policy updates from the Board packet. Mr. Mills seconded the motion and it was approved unanimously.

Personnel & Benefits Committee

Ms. Lamb said the Personnel and Benefits committee had no action items for the month.

Capital & Construction Committee

Dedications

Ms. Merrill made a motion to approve the dedication of sanitary sewers at Aria Apartments, The Bridges Retail Development, and Jackson's Grant at Williams Creek Section 6. Mr. Pittman recused himself from the vote. Mr. Kimbell seconded the motion and it was approved unanimously.

Lift Station 14 Parallel Force Main Award

Mr. Pittman made a motion to award the #1901 Lift Station 14 Parallel Force Main contract to TPI Utility Construction, LLC in the amount of \$853,500. Mr. Hand seconded the motion and it was approved unanimously.

Digester Improvements Contract Award

Mr. Pittman made a motion to award Maddox Industrial Group the 2019 Digester Improvement Project in the amount of \$48,750. Mr. Hand seconded the motion and it was approved unanimously.

Office Improvements Special Committee

Mr. Pittman said the committee met; design work is moving along as expected. Staff is hoping to have bids for the project in December and presented to the Board for a vote in January. Ms. Merrill asked if there have been any design changes since the last presentation. Mr. Pittman said there had not.

Ms. Lamb mentioned that while the project appears to be moving forward, the Board has not yet voted to approve moving the administrative staff to the plant. Mr. Williams said the Board voted to move forward with design plans so an actual bid for construction could be obtained and considered. At this time, Blackline has indicated that the project is still projected to come in within budget.

Mr. Mills said since the Utility is looking at financing a portion of this project as well at the plant expansion, actual costs are needed to make decisions regarding financing options.

Mr. Williams stated staff had been approached from the Town of Zionsville and asked to take the plans before the Plan Commission. Ms. Poindexter advised it would be good practice to share the plans with the Town and get input from the Town's Planning Department. But explained as a public utility TriCo does not need to have the project approved through the plan commission process. Mr. Williams said Staff will share the plans with the Town of Zionsville's Planning Department.

Mr. Mills expressed his desire to move quickly from a financing and interest rate standpoint.

Ms. Anderson asked if the project is projected to be in budget. Mr. Williams confirmed, Staff expects the cost of the project to be within the projected budget.

Old Business

Ms. Merrill noted the high number of failed I&I inspections listed on the selected stats sheet. Mr. Williams said the Utility has been conducting individual smoke testing in locations where I&I is suspected. Ms. Sheeks said if a property owner is a "no show" for an appointment this will also show up as a failed inspection since the inspector was unable to complete the inspection.

Adjournment

Mr. McDonald made a motion to adjourn the meeting. Mr. Mills seconded the motion and it was approved unanimously.

The meeting adjourned at 6:56 p.m.

The next Board of Trustees Meeting is scheduled for Monday, November 11, 2019 at 6:30 p.m.

Respectfully submitted,



Andrew Williams
Utility Director

Approved:

_____ as Presented
_____ as Amended

Michael McDonald, Secretary

Marilyn Anderson, President

The TriCo Connection

Volume 12 Issue 11 November 2019

MONTHLY NEWSLETTER

FINANCIAL UPDATE -CINDY SHEEKS

September 2019 Total Revenue was \$756,017 which is \$72,539 above projections. Residential sales were \$416,055 and 3.12% higher than budgeted. Commercial sales totaled \$277,065 which is 8.47% higher than expected. Total operating expenses were \$447,019 in September which is 3.10% over the monthly budget. Wages and benefits spending were under budget by \$5,639 for a total of \$170,405 during the month. Administration spending was \$77,218 in September and over budget by \$20,760. Treatment costs totaled \$154,945 which was over budget by \$9,528. Collection costs totaled \$44,451 in September which was \$11,216 under budget. Net income in September was \$299,023 after depreciation and amortization of CIAC and was above projections by \$74,131 for the month.

Spending Breakdown in September:

Wages	38.12%
Administration	17.27%
Treatment Costs	34.66%
Collection Costs	9.94%

Spending Breakdown YTD:

Wages	41.32%
Administration	13.15%
Treatment Costs	36.23%
Collection Costs	9.30%

Cash generated for September shows a net increase in all funds by \$637,456. Capital spending was \$112,239 which included spending for LS 14 Interceptor, Plant Expansion, Office Remodel, Camera Pole, and Pump replacement. Cash on hand at 09/30/19 was \$11,488,314. The balances in the funds are listed below:

Operating	\$3,904,930
Interceptor	\$408,474
Plant Expansion	\$4,578,758
Operating Reserve	\$2,192,400
Reserve for Replacement	\$403,751

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Calendar of Events

November 11	Board Meeting	6:30 p.m.
November 13	Staff Meeting	10:00 a.m.
November 22	B&F Meeting	7:30 a.m.
November 22	Weigh-In/Lunch	11:00 a.m.
November 27	P&B Meeting	7:30 a.m.
December 2	C&C Meeting	4:30 p.m.

CONSTRUCTION & ENGINEERING - WES MERKLE

Engineering staff completed 542 locates, 73 I&I inspections and 51 lateral inspections in October. Staff did a very nice job of covering for each other while several were on vacation this month. Kermin issued three failures on I&I inspections – one for an illegal sump pump connection and the others for cleanout issues. There were several challenging lateral installations where multiple inspections were necessary because of crews not completing satisfactory work in accordance with standard specifications. Nate is monitoring work on multiple large projects near our infrastructure. Locate request volume slowed somewhat as the month went on which is typical for fall.

Eric continued observing construction for this year's neighborhood sewer project. Ryan is performing construction administration work in-house. Ryan continued to drive dedication of the Crossfields gravity sewers. These sewers were installed nearly 25 years ago and serve about a dozen homes; however, property owners have requested TriCo take ownership of the sewers. Jeff completed flow meter maintenance and assisted Collections with interceptor cleaning location recommendations. He also located plant utilities for potholing, where depth and location data will be used to avoid costly conflicts with new infrastructure to be installed with the plant expansion project. Jeff, Ryan and Wes updated EDU statistics to illustrate service area growth over the past 12 months; this work will be complete in November.

Low pressure sewer installation is now complete in Oak Tree, Larkspur and Brandywine with restoration work wrapping up. Sewer installation in Crossfields should be complete mid-month. Ryan and Wes are working on easement acquisition for the Haver Way Sewer and lift station improvements project. A preconstruction meeting was held on the Lift Station 14 (Austin Oaks) Parallel Force Main project where construction is expected to start after the new year. Eric will provide the construction observation services. The plant outfall sewer will proceed with bidding and construction once remaining easements are acquired from DOW. Staff has continued plan review and coordination work for the plant expansion and office unification projects. The bidding process starts later this month with bids received mid-December for both projects. Wes secured an attorney and financial advisor to set up bonds for upcoming capital projects. Bonds will close in February.

COLLECTIONS REPORT – AARON STRONG

Collections Staff televised 36,924 feet of sanitary sewer in the month of October. Eco Infrastructure televised just over 18,000 feet in Basin 23 and Basin 5, bringing our yearly televising total to 211,651 feet in the Year 1 cleaning and inspection cycle.

Air Release Valve (ARV) inspection continues with 53 units inspected and cleaned. The remaining 30 ARV's will be completed in the first weeks of November.

Culy Contracting lined eight manholes and was awarded the contract to raise 15 manholes in roadways. This work is expected to be completed in November.

Collections Staff assisted in the design of the plant upgrade by potholing utilities throughout the plant. Staff located and hydro excavated 12 locations reporting utility type and depth to the Engineering Staff. This work will to minimize the chance for conflicts during the plant expansion construction.

Collections removed a grease blockage from the Thompson standby pump at Lift Station 8, the plug was removed from the hard-suction side of the pump. Staff televised the piping to identify the issue and jetted the line to remove the obstruction.

Odor control media in the Biological unit at Lift Station 17 and the scrubber unit at Lift Station 2 have been replaced. The media at Lift Station 2 was tested and found to be depleted. The biological unit cannot be tested and is replaced biannually.

TREATMENT REPORT – SCOT WATKINS

Staff finished the biannual equipment oil changes as part of the preventive maintenance program. The Indiana Department of Environmental Management (IDEM) performed the annual unannounced plant inspection. The NPDES Inspection Report's overall inspection findings were "Conditions evaluated were found to be satisfactory at the time of the inspection", which is the highest rating on the form. We did receive a "marginal" rating on "Overflow Events in the last 12 months" due to the fact that we had four occurrences. Three were due to mechanical failures and the fourth was due to a lightning strike on the control panel at Lift Station 24.

Maddox was awarded the Digester improvements project and the work should be completed by mid-December. During the annual prairie grass cutting it was discovered that the well water line is leaking and has been repaired.

We have a new resident at the plant, Bambi. He decided to take a swim in Clarifier 4. Thankfully staff members were able to rescue him and prevent any equipment damage. DNR has been contacted but will only intervene if the deer is injured.

Third quarter FOG reports have been entered and fourth quarter inspections have begun. The laboratory performed 497 CBOD5 tests, 257 Total Suspended Solids tests, 162 Phosphorus & Ammonia tests and 59 E. Coli tests. October 31st is the last day for E. Coli testing for the year.



Bambi, TriCo's night security guard

Bob presented at the Indiana Rural Water Association's fall conference in Fort Wayne on "*Clearing the FOG: Developing and Implementing an Effective Fats, Oil and Grease Management Program*". Joe and Brandon completed their required quality assurance/quality control (QA/QC) testing to allow them to work in the lab and conduct the daily tests. Bob is assisting a local 6th grader on her science project focusing on water quality.



IRWA Fall Conference



Bob Roudebush presenting at the IRWA Fall Conference



SAFETY UPDATE - LOREN PRANGE

TriCo had no reportable injuries and has gone 3529 days without a lost time accident.

The following safety tailgate sessions were held:

09/24/19 Reducing the risk of workplace violence

10/01/19 Keep trouble out and let help in with access control

10/08/19 You've got the power! of power tools

CPR and First Aid training has been scheduled for October 30th.

The combo combustible sensor in the MSA air monitor was replaced, checked and put back into service.



CUSTOMER SERVICE-SHELLY KEEFE

Five liens were filed in October totaling \$394.57. The lien balance is now \$40,392.68.

In October, 40 new customers were added to billing and 18 permits were issued.

The annual Chili and Dessert Cook-off was held October 30. Congratulations to Kelly Ryan who won for Best Chili and Shelly Keefe who won for Best Dessert.



Best Dessert and Best Chili Winners

Birthdays

Drew Williams November 1

Eric Luis DelaCruz November 6

Anniversaries

Kermin Huntley November 21 8 years of service

Maggie Crediford November 27 2 years of service

TriCo Regional Sewer Utility
Register of Claims
For the period 10/09/2019-11/5/2019

Payment date	Check number	Bank name	Payee name	Amount	Amount Allowed	Description
10/9/2019	13718	Operating	Sundee Verma	\$72.15	\$72.15	Refund-2497 Still Creek
10/16/2019	13719	Operating	Boone County Recorder	\$25.00	\$25.00	Lien filing
10/16/2019	13720	Operating	Colleen Byrnes	\$26.80	\$26.80	Lien file-Boone Co Recorder
10/16/2019	13721	Operating	Cody Cain	\$64.96	\$64.96	Mileage
10/16/2019	13722	Operating	Josh Ryan	\$150.00	\$150.00	Install new office toilet
10/17/2019	13723	Operating	Express Services, Inc.	\$1,181.95	\$1,181.95	Temp Staff w/e 10/06/19
10/17/2019	13723	Operating	Express Services, Inc.	\$1,166.30	\$1,166.30	Temp Staff w/e 10/13/19
10/17/2019	13724	Operating	Straeffer Pump & Supply, Inc.	\$1,562.10	\$1,562.10	Line Maintenance
10/17/2019	13725	Operating	Thorne Rental	\$268.00	\$268.00	Refund-1107 E 105th St
10/18/2019	13726	Operating	Rick Hoole	\$58.00	\$58.00	Mileage 10/11, 10/15
10/21/2019	13727	Operating	AFLAC	\$504.04	\$504.04	Deferred Liability
10/21/2019	13728	Operating	AT&T Mobility	\$1,304.00	\$1,304.00	LS Phone Service
10/21/2019	13729	Operating	Carmel Utilities	\$13.45	\$13.45	LS 1 Water
10/21/2019	13729	Operating	Carmel Utilities	\$13.45	\$13.45	LS 2 WATER
10/21/2019	13729	Operating	Carmel Utilities	\$27.35	\$27.35	LS 26 WATER
10/21/2019	13730	Operating	Office Keepers	\$375.00	\$375.00	Plant cleaning service - Aug
10/21/2019	13730	Operating	Office Keepers	\$375.00	\$375.00	Plant cleaning service -Sept
10/21/2019	13731	Operating	Nelson Lentz	\$15.32	\$15.32	Refund-780 Woodview Dr S
10/24/2019	13732	Operating	Bruce Milem	\$257.68	\$257.68	2218 Mustang Chase-Sewer Overpayment
10/25/2019	13733	Operating	Indiana Water Environment Asso	\$90.00	\$90.00	IWEA-Continuing Education -Joe Hood
10/28/2019	13734	Operating	Water Environment Federation	\$1,537.00	\$1,537.00	2020 Membership Renewal
10/29/2019	13735	Operating	Matt Starr	\$69.60	\$69.60	Mileage 10/19, 10/21
10/29/2019	13737	Operating	US Postmaster	\$3,597.54	\$3,597.54	Postage for mailer
10/30/2019	13738	Operating	AT & T	\$698.93	\$698.93	Internet
10/30/2019	13738	Operating	AT & T	\$698.93	\$698.93	Plant Internet
10/30/2019	13738	Operating	AT & T	\$93.64	\$93.64	Plant phone service
11/1/2019	13739	Operating	Eric Luis Delacruz	\$106.99	\$106.99	Uniforms-Boots
10/31/2019	13740	Operating	Aaron Strong	\$30.00	\$30.00	Monthly cell phone
10/31/2019	13741	Operating	Eric Luis Delacruz	\$30.00	\$30.00	Monthly cell phone reimbursement
10/31/2019	13742	Operating	Jeffrey Martin	\$30.00	\$30.00	Monthly cell phone bill
10/31/2019	13743	Operating	Kermin Huntley	\$30.00	\$30.00	Monthly cell phone
10/31/2019	13744	Operating	Nathan Crowder	\$30.00	\$30.00	Monthly cell phone
10/31/2019	13745	Operating	Barbara Lamb	\$150.00	\$150.00	Board meeting fees
10/31/2019	13746	Operating	Carl S. Mills	\$300.00	\$300.00	Board member fees
10/31/2019	13747	Operating	Eric Hand	\$150.00	\$150.00	Board meeting fees
10/31/2019	13748	Operating	Jane B. Merrill	\$200.00	\$200.00	Board member fees
10/31/2019	13749	Operating	Jeffrey Kimbell	\$200.00	\$200.00	Board meeting fees
10/31/2019	13750	Operating	Marilyn Anderson	\$350.00	\$350.00	Board meeting fees
10/31/2019	13751	Operating	Michael A. McDonald	\$200.00	\$200.00	Board member fees
10/31/2019	13752	Operating	Steve Pittman	\$300.00	\$300.00	Board Member Fees
10/31/2019	13753	Operating	Berkshire Hathway	\$33.30	\$33.30	Refund-Thicket Tr, Solace Lane
10/31/2019	13754	Operating	Barbara Thomsen	\$27.46	\$27.46	Refund-10396 Orchard Park Dr W
10/31/2019	13755	Operating	Edith Greiwe	\$6.48	\$6.48	Refund-9963 Estep Dr
10/31/2019	13756	Operating	James L Creech	\$24.32	\$24.32	Refund-12945 Fleetwood Dr E
10/31/2019	13757	Operating	Olga A Shaneff or Angeline S Pro	\$16.31	\$16.31	Refund-3562 Towne Road
10/31/2019	13758	Operating	Bruce Milem	\$257.68	\$257.68	Refund-2218 Mustang Chase
10/31/2019	13759	Operating	Indiana Property Rentals LLC	\$58.96	\$58.96	Refund-14426 Chariots
10/31/2019	13760	Operating	Louis Collado	\$34.83	\$34.83	Refund-807 Ivy Lane
10/31/2019	13761	Operating	Jing Qi	\$30.36	\$30.36	Refund-14269 Brandt Lane
10/31/2019	13762	Operating	Julie L Ireland or Marcia I Rosenf	\$20.74	\$20.74	Refund-3853 Cornwallis
10/31/2019	13763	Operating	Lindsay Cameron	\$22.60	\$22.60	Refund-220 Wydontte
10/31/2019	13764	Operating	Kevin Steele	\$23.17	\$23.17	Refund-12000 Avedon Way
10/31/2019	13765	Operating	Joshua Snyder	\$53.45	\$53.45	Refund-2842 Daughtery
10/31/2019	13766	Operating	Lynne Graham	\$30.63	\$30.63	Refund-3863 Sugar Pine Lane
10/31/2019	13767	Operating	Theresa Quattrocchi	\$33.33	\$33.33	Refund-10630 Broadway
10/31/2019	13768	Operating	Vandyk Mortgage Corp	\$26.82	\$26.82	Refund-1938 Orchard Ct
10/31/2019	13769	Operating	Acacia LLC	\$35.88	\$35.88	Refund-1907 E 110th St
11/4/2019	13770	Operating	Express Services, Inc.	\$1,252.40	\$1,252.40	Temp Staff w/e 10/27/19
11/4/2019	13771	Operating	Robert Roudebush	\$156.02	\$156.02	Travel/Mileage-Alliance Conference
11/4/2019	13772	Operating	Tony Collins	\$270.00	\$270.00	CPR/AED Training for 6
11/5/2019	13773	Interceptor	GRW	\$11,360.00	\$11,360.00	CIP-Proj 1901 LS14 Final Design
11/5/2019	13773	Interceptor	GRW	\$2,750.00	\$2,750.00	CIP-Proj 1901 LS 14 Bidding
11/5/2019	13773	Interceptor	GRW	\$2,750.00	\$2,750.00	CIP-Proj 1901 LS 14 Bidding

Payment date	Check number	Bank name	Payee name	Amount	Amount Allowed	Description
11/5/2019	13774	Plant Expansion	GRW	\$11,700.00	\$11,700.00	CIP-Proj 1902 Final Design
11/5/2019	13774	Plant Expansion	GRW	\$3,500.00	\$3,500.00	CIP-Proj 1902 Permitting
11/5/2019	13774	Plant Expansion	GRW	\$9,725.00	\$9,725.00	CIP-Proj 1902 NPW Sys Design
11/5/2019	13774	Plant Expansion	GRW	\$5,300.00	\$5,300.00	CIP-Proj 1902 Final Design
11/5/2019	13774	Plant Expansion	GRW	\$3,000.00	\$3,000.00	CIP-Proj 1902 Permitting
11/5/2019	13775	Plant Expansion	Krohn & Associates, LLP	\$5,196.25	\$5,196.25	CIP-Proj 1902 Plant Expansion
11/5/2019	13776	Reserve for Repla	Maddox Industrial Group, Inc.	\$4,178.60	\$4,178.60	Plant R&M
11/5/2019	13777	Reserve for Repla	Miller-Eads Company	\$634.50	\$634.50	LS R&M
11/5/2019	13778	Operating	ACE Technologies, LLC	\$3,281.25	\$3,281.25	Plant Support
11/5/2019	13778	Operating	ACE Technologies, LLC	\$3,211.87	\$3,211.87	Collections Support
11/5/2019	13779	Operating	Action Equipment Sales Co., Inc.	\$170.86	\$170.86	Equipment repairs
11/5/2019	13779	Operating	Action Equipment Sales Co., Inc.	\$107.36	\$107.36	Equipment repairs
11/5/2019	13779	Operating	Action Equipment Sales Co., Inc.	\$153.52	\$153.52	Equipment repairs
11/5/2019	13780	Operating	Bee Green Lawn Care & Plant He	\$87.55	\$87.55	Plant Health Care Treatment 5
11/5/2019	13781	Operating	Bio Chem, Inc.	\$2,463.30	\$2,463.30	Plant Chemicals-PolyGone
11/5/2019	13782	Operating	BL Anderson Company, Inc.	\$1,516.67	\$1,516.67	LS R&M
11/5/2019	13783	Operating	Blackline	\$10,941.88	\$10,941.88	CIP- Proj 1909 Admin Office Improv
11/5/2019	13784	Operating	Carmel Utilities	\$40.27	\$40.27	Storm Water Fees
11/5/2019	13785	Operating	Clay Township Trustee	\$4,282.76	\$4,282.76	Gov't Center Expenses-Oct
11/5/2019	13786	Operating	Connect Electric Inc	\$410.00	\$410.00	Lift Station R&M
11/5/2019	13787	Operating	Continental Research Corporation	\$316.40	\$316.40	Plant R&M
11/5/2019	13788	Operating	Continental Utility Solutions, Inc.	\$15,950.00	\$15,950.00	Maintenance & Tech Support 12/31/19-12/3
11/5/2019	13789	Operating	Crown Trophy	\$15.00	\$15.00	Name plates
11/5/2019	13790	Operating	Dell Marketing L.P.	\$1,724.66	\$1,724.66	Computer Expense
11/5/2019	13791	Operating	Eco Infrastructure Solutions, Inc.	\$3,195.68	\$3,195.68	Televising
11/5/2019	13791	Operating	Eco Infrastructure Solutions, Inc.	\$3,566.72	\$3,566.72	Televising
11/5/2019	13791	Operating	Eco Infrastructure Solutions, Inc.	\$3,643.76	\$3,643.76	Televising
11/5/2019	13792	Operating	Element Materials Technology Da	\$38.00	\$38.00	Sewer Sampling
11/5/2019	13793	Operating	Environmental Resource Associa	\$583.40	\$583.40	Sewer Sampling
11/5/2019	13794	Operating	Faco Waterworks, LLC	\$6,971.73	\$6,971.73	Lift Station R & M
11/5/2019	13795	Operating	Fastenal Company	\$603.12	\$603.12	Plant R&M
11/5/2019	13795	Operating	Fastenal Company	\$64.51	\$64.51	Plant R&M
11/5/2019	13795	Operating	Fastenal Company	\$217.18	\$217.18	Safety
11/5/2019	13796	Operating	Fisher Scientific	\$560.30	\$560.30	Sewer Sampling
11/5/2019	13797	Operating	Grainger	\$168.22	\$168.22	Plant R&M
11/5/2019	13798	Operating	Hach Company	\$484.02	\$484.02	Sewer Sampling
11/5/2019	13798	Operating	Hach Company	\$600.11	\$600.11	Sewer Sampling
11/5/2019	13798	Operating	Hach Company	\$428.05	\$428.05	Sewer Sampling
11/5/2019	13798	Operating	Hach Company	\$155.20	\$155.20	Sewer Sampling
11/5/2019	13799	Operating	HRD Advisors Group	\$6,535.00	\$6,535.00	Managers essentials workshop
11/5/2019	13800	Operating	IPL	\$50.92	\$50.92	LS 18
11/5/2019	13801	Operating	IPL	\$106.58	\$106.58	LS 3
11/5/2019	13802	Operating	IPL	\$355.25	\$355.25	LS 8
11/5/2019	13803	Operating	IPL	\$246.94	\$246.94	LS 9
11/5/2019	13804	Operating	IPL	\$715.19	\$715.19	LS 10
11/5/2019	13805	Operating	IPL	\$78.94	\$78.94	LS 12
11/5/2019	13806	Operating	IPL	\$70.92	\$70.92	LS 20
11/5/2019	13807	Operating	IPL	\$47.32	\$47.32	LS 22
11/5/2019	13808	Operating	IPL	\$88.94	\$88.94	LS 24
11/5/2019	13809	Operating	IPL	\$50.30	\$50.30	LS 25
11/5/2019	13810	Operating	IPL	\$65.26	\$65.26	LS VV
11/5/2019	13811	Operating	IT Indianapolis	\$887.50	\$887.50	Computer Expense
11/5/2019	13812	Operating	IUPPS	\$2,796.80	\$2,796.80	Locates
11/5/2019	13813	Operating	Johnson Controls	\$763.92	\$763.92	Plant security system
11/5/2019	13814	Operating	Kinetrex Energy	\$6.95	\$6.95	Plant natural gas
11/5/2019	13815	Operating	KnowBe4, Inc.	\$663.75	\$663.75	Security Awareness-January Renewal
11/5/2019	13816	Operating	Merrell Brothers, Inc.	\$12,821.51	\$12,821.51	Biosolids Disposal
11/5/2019	13817	Operating	Miller-Eads Company	\$1,303.71	\$1,303.71	Plant R&M
11/5/2019	13818	Operating	Nalco Water Pretreatment Solutio	\$156.61	\$156.61	Sewer Sampling
11/5/2019	13819	Operating	Nature Turf Services	\$100.00	\$100.00	Plant mowing-Sept
11/5/2019	13820	Operating	NCL of Wisconsin, Inc.	\$345.33	\$345.33	Sewer Sampling
11/5/2019	13820	Operating	NCL of Wisconsin, Inc.	\$681.41	\$681.41	Sewer Sampling
11/5/2019	13821	Operating	Neofunds by Neopost	\$500.00	\$500.00	Postage
11/5/2019	13822	Operating	Nu Flow Indy LLC	\$300.00	\$300.00	Televise-13672 Brookstone Dr
11/5/2019	13823	Operating	Office Depot	\$114.74	\$114.74	Office supplies
11/5/2019	13823	Operating	Office Depot	\$18.56	\$18.56	Office Supplies
11/5/2019	13823	Operating	Office Depot	\$34.21	\$34.21	Office Supplies
11/5/2019	13823	Operating	Office Depot	\$37.99	\$37.99	Office supplies

\$382,495.86 \$382,495.86

We have examined the claims listed on the foregoing Register of Claims, consisting of 3 pages, and except for claims not allowed as shown on the register, such claims are hereby allowed in the total amount of

Docket Report Information

CIP-Proj 1901 LS 14 Forcemain Extension	\$ 16,860.00
CIP-Proj 1902 Plant Expansion	\$ 38,421.25
CIP-Office Remodel	\$ 10,941.88
	\$ 66,223.13

District Insurance \$34,303.61
Carmel September Flow Not yet received

Other Expenses	\$281,969.12
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Selected Statistics 2019	January	February	March	April	May	June	July	August	September	October	2019 Monthly Average	2019 YTD	2018 Total Through October
Maintenance Information													
Lateral Inspections	17	23	43	40	37	43	53	44	44	51	40	395	437
Certified I&I Inspections	26	21	54	53	52	72	95	59	55	73	56	560	568
Failed I&I Inspections	0	0	2	0	0	7	8	5	4	3	3	29	5
Sewer Locates	284	363	498	538	647	450	508	519	546	542	490	4,895	5,744
Manholes Added	1	3	0	0	6	0	4	3	5	2	2	24	65
Total # of Manholes	5,849	5,852	5,852	5,852	5,858	5,858	5,862	5,865	5870	5872	NA	5,870	5,837
Manholes Inspected	66	704	700	368	46	34	13	21	0	4	196	1,956	1,834
Feet of Sewer Added	21,687	497	0	2,196	1,277	0	1,077	837	1009	584	2,916	29,164	19,576
Total Footage of Sewers	1,652,834	1,653,331	1,653,331	1,655,527	1,656,804	1,656,804	1,657,881	1,658,718	1,659,727	1,660,311	NA	1,659,727	1,650,002
Feet of Sewer Televised	4,862	13,441	30,592	25,559	20,123	12,760	28,116	12,331	8,650	55,217	21,165	211,651	194,762
Feet of Sewer Cleaned	440	0	0	0	0	0	2,349	2,227	3,490	2,141	1,065	10,647	15,049
Overflows	0	0	0	0	1	0	2	0	0	0	0	3	3
Station 1 to Carmel Utilities													
Rainfall/Precipitation (inches)	2.4	3.84	4.00	4.96	5.53	7.01	2.35	3.48	2.01	4.5	4.0	40.1	32.48
Total Flow (gallons)	61,408,530	68,878,012	66,012,786	76,532,259	68,859,498	69,004,316	49,074,332	49,549,769	43,685,385	41,099,377	59,410,426	594,104,264	585,516,743
Maximum Daily Flow (gallons)	3,197,275	2,979,329	3,563,156	3,857,564	3,422,487	4,142,014	2,074,887	1,905,693	1,607,947	1,746,281	NA	4,142,014	3,929,994
Average Daily Flow (gallons)	1,980,920	2,173,951	2,129,445	2,551,075	2,221,274	2,300,144	1,583,043	1,548,430	1,456,180	1,325,786	1,927,025	NA	19,280,075
Minimum Daily Flow (gallons)	1,150,531	1,173,951	1,556,890	1,885,976	1,902,004	1,569,690	1,260,633	1,291,801	1,251,971	1,131,771	NA	1,131,771	1,066,780
Michigan Road WWTP													
Total Flow (gallons)	86,922,000	83,180,000	81,694,000	91,138,000	85,733,000	89,754,000	78,493,000	78,087,000	72,248,000	77,340,000	82,458,900	824,589,000	766,892,000
Maximum Daily Flow (gallons)	5,134,000	6,199,000	3,298,000	4,300,000	3,089,000	4,705,000	3,106,000	2,953,000	2,666,000	3,397,000	NA	6,199,000	7,867,000
Average Daily Flow (gallons)	2,803,935	2,970,714	2,635,290	3,037,933	2,765,581	2,991,800	2,532,032	2,518,935	2,408,267	2,494,839	2,715,933	NA	25,249,918
Minimum Daily Flow (gallons)	2,404,000	2,430,000	2,343,000	2,415,000	2,517,000	2,426,000	1,751,000	2,172,000	2,218,000	2,215,000	NA	1,751,000	199,800
Total Flow to Both Plants	148,330,530	152,058,012	147,706,786	167,670,259	154,592,498	158,758,316	127,567,332	127,636,769	115,933,385	118,439,377	141,869,326	1,418,693,264	1,352,408,743
Biosolids Handling (gallons)													
Wasted (Biosolids)	1,667,480	2,107,310	2,301,830	2,225,420	1,729,930	1,589,000	1,922,030	1,731,100	2,332,500	2,783,900	2,039,050	20,390,500	13,315,410
Dewatered	735,000	480,000	460,000	832,000	769,000	783,000	810,000	822,000	562,000	904,000	715,700	7,157,000	4,464,000
Digested Sludge Withdrawn	787,000	715,400	853,800	83,170	811,600	780,800	879,000	752,000	724,000	1,020,000	740,677	7,406,770	8,921,900
Customer Information											Total Billed Accts	15,695	
New Sewer Service Accounts	24	26	18	36	39	33	33	32	29	19	29	289	305
Permits Issued	24	31	31	40	35	36	27	23	51	20	32	318	396



MEMORANDUM

To: Board of Trustees

From: Andrew Williams

Date: November 6, 2019

Subject: Professional Services Agreements

In order to keep the wastewater plant expansion project on schedule, Mr. Krohn recommended that TriCo hire Bond Council and prepare for the issuance of bonds. The B&F Committee agreed to have Mr. Dennis Otten start on the bond issuance preparation and to bring the agreement to the Board for ratification.

Over the past couple of years, Mr. Krohn has been working with TriCo on the financial aspects of the plant expansion. The attached agreement defines the scope of work related to the issuance of bonds for the project.

Recommended Action: Ratify the agreements with Bose McKinney & Evans for Bond Council and OW Krohn & Associates as Municipal Advisor.

October 25, 2019

Via E-Mail

Mr. Wes Merkle, Engineering Manager
TriCo Regional Sewer Utility
10701 North College Avenue, Suite A
Indianapolis, Indiana 46280

Re: TriCo Regional Sewer Utility
Sewage Works Revenue Bonds, Series 2020

Dear Wes:

We are delighted that TriCo Regional Sewer Utility ("TriCo") has considered retaining Bose McKinney & Evans LLP as bond counsel with respect to the issuance of the above-referenced bonds (the "Bonds"). The purpose of this letter is to set forth certain matters concerning the role Bose McKinney & Evans LLP will serve and the responsibilities we will assume as bond counsel to TriCo in connection with the issuance of the Bonds. We understand TriCo anticipates issuing its Bonds in early 2020 to finance the expansion of TriCo's sewage works system and plans to sell those bonds in the open market (i.e., not the SRF Program, Indiana Bond Bank or Rural Development).

SCOPE OF ENGAGEMENT

In this engagement, we expect to perform the following duties in connection with the Bonds:

- (1) subject to the completion of proceedings to our satisfaction, render our legal opinion ("Bond Opinion") regarding the validity and binding effect of the Bonds, the source of payment and security for the Bonds, and the federal and State of Indiana income tax treatment of interest on the Bonds;
- (2) prepare and review documents necessary or appropriate to the authorization, issuance, sale and delivery of the Bonds, and coordinate the authorization and execution of such documents;

Mr. Wes Merkle, Engineering Manager
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(3) assist TriCo in seeking such approvals, permissions and exemptions from governmental agencies as we determine are necessary or appropriate in connection with the authorization, issuance, sale and delivery of the Bonds;

(4) review legal issues relating to the structure of the Bond issue;

(5) assist TriCo in reviewing those sections of the official statement or other form of offering or disclosure document to be disseminated in connection with the sale of the Bonds relating to the terms of the Bonds, the project, tax matters, legal opinions, enforceability of remedies and continuing disclosure obligations;

(6) prepare a continuing disclosure undertaking agreement, if necessary; and

(7) assist in presenting information relating to the legality of the Bonds to bond rating organizations and providers of credit enhancement, if any.

For the Bonds, our Bond Opinion will be addressed to TriCo and the purchaser of the Bonds, and will be executed and delivered by us in written form on the date the Bonds are exchanged for their purchase price (the "Closing").

The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. During the course of this engagement, we will further assume and rely on TriCo to provide us with complete and timely information on all developments pertaining to the project or any aspect of the Bonds and their security. We understand that the officers and employees of TriCo will cooperate with us in this regard. In rendering our Bond Opinion, we may, if we deem it necessary, expressly rely upon Anne Poindexter, as local counsel to TriCo, as to any pending litigation that might affect the validity of our Bond Opinion.

Our duties as bond counsel are limited to those expressly set forth above. Among other things, our duties as bond counsel do not include:

(1) except as described in paragraph (5) above, assisting in the preparation or review of an official statement or any disclosure document with respect to the Bonds, or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such

Mr. Wes Merkle, Engineering Manager

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document or rendering advice that the official statement or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

- (2) preparing requests for tax rulings from the Internal Revenue Service;
- (3) preparing blue sky or investment surveys with respect to the sale of the Bonds;
- (4) drafting of state constitutional or legislative amendments;
- (5) pursuing test cases or other litigation, such as contested validation proceedings;
- (6) making an investigation or expressing any view of the creditworthiness of TriCo or the Bonds;
- (7) responding to Internal Revenue Service audits or Securities and Exchange Commission investigations;
- (8) after Closing, providing continuing advice to TriCo or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be excluded from gross income for federal income tax purposes (*e.g.*, we will not undertake rebate calculations for the Bonds without a separate engagement for that purpose); or
- (9) any other matter not specifically set forth above that is not required to render the Bond Opinion.

ATTORNEY-CLIENT RELATIONSHIP

Upon TriCo's approval and execution of this engagement letter, TriCo will be our client and an attorney-client relationship will exist between us. Our services as bond counsel are limited to those contracted for herein. TriCo's execution of this engagement letter will constitute an acknowledgment of those limitations. We will not act as an intermediary among the parties to the transaction. Our representation of TriCo will not affect, however, our responsibility as bond counsel to render an objective Bond Opinion.

Mr. Wes Merkle, Engineering Manager
October 25, 2019
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We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our representation of TriCo as bond counsel, and the attorney-client relationship created by this engagement letter, will be concluded upon issuance of the Bonds. Nevertheless, subsequent to Closing, we will prepare and provide a transcript of the proceedings pertaining to the Bonds and make certain that the required Internal Revenue Service Form 8038-G is filed.

FEES

Our services will be billed at our hourly rates in effect from time to time for the lawyers and other personnel, including paralegals, performing the services. Jacob McClellan and I will be the lawyers primarily involved with this matter and our current rates are \$460 and \$505 per hour, respectively. We may use additional lawyers and paralegals in connection with this matter as appropriate and will bill at the normal hourly rates for those lawyers and paralegals, as the case may be. Our hourly rates are normally adjusted at the beginning of each calendar year for all attorneys and paralegals. In addition, we will expect to be reimbursed for all client charges made on TriCo's behalf, such as travel costs, photocopying, deliveries, long distance telephone charges, telecopier charges, filing fees, computer-assisted research and other expenses. We estimate that such charges will be in the range of \$250 to \$500 for the transaction.

Our fee is usually paid at the Closing, and we customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing. We may submit a statement for client charges following the Closing. If, for any reason, the financing is not consummated or is completed without the rendition of our Bond Opinion as bond counsel, we will expect to be compensated at our normal hourly rates for time actually spent on behalf of TriCo, plus client charges, as described above.

In any event, none of our fee will be based upon, or related in any way to, a percentage of the par amount of the Bonds. The fee shall be solely for legal services rendered and shall not be based upon any factors not related to the legal services rendered.

Mr. Wes Merkle, Engineering Manager
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RECORDS

At your request, papers and property furnished by TriCo will be returned promptly upon receipt of payment for outstanding fees and client charges. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to destroy or otherwise dispose of any documents or other materials retained by us after the termination of the engagement.

E-VERIFY

We acknowledge that this engagement constitutes a public contract for services subject to the terms and provisions of Indiana Code 22-5-1.7. Bose McKinney & Evans LLP has enrolled in and does verify the work eligibility status of all of its newly hired employees through the E-Verify program (as defined in Indiana Code 22-5-1.7-3). We will continue to verify the work eligibility status of all of our newly hired employees through the E-Verify program until the earlier of (i) the conclusion of this engagement or (ii) the expiration of the E-Verify program. Attached hereto is an affidavit affirming that Bose McKinney & Evans LLP does not knowingly employ an unauthorized alien (as defined in Indiana Code 22-5-1.7-9).

CONCLUSION

If the foregoing terms are acceptable to TriCo, please have an authorized representative of TriCo (e.g., Board President) so indicate by returning the enclosed copy of this engagement letter dated and signed, retaining the original for your files. We look forward to working with you and TriCo on this transaction.

BOSE McKINNEY & EVANS LLP

By: 
Dennis H. Otten, Partner

DHO:sef
Enclosure
Cc: Ms. Anne Hensley Poindexter

October 24, 2019

Mr. Drew Williams, Director
Trico Regional Sewer Utility
10701 N. College Ave., Suite A
Indianapolis, IN 46280

Dear Mr. Williams:

We are pleased to confirm our understanding of the services we are to provide for Trico Regional Sewer Utility in connection with the proposed issuance of Sewage Works Revenue Bonds (the “Bonds”).

In our role as Municipal Advisors for this engagement, we will provide some, or all, of the following services to determine suitability of the bond offering for Trico Regional Sewer Utility (the “Utility”):

- a. Evaluate options or alternatives with respect to the new Bonds.
- b. Review financial and other information regarding the Utility, the proposed Bonds and any source of repayment of or security for the Bonds.
- c. Assist Utility in establishing the structure, timing, terms and other similar matters concerning the Bonds.
- d. Consult and meet with representatives of the Utility and its agents or consultants with respect to the Bonds.
- e. Advise the Utility on the manner of the sale of the Bonds. If a negotiated sale is pursued, coordinate the selection process for underwriters/placement agents.
- f. Assist in the gathering of information with respect to financial, statistical and factual information relating to the Utility in connection with the preparation of the offering documents and coordination of the bond sale.
- g. Make arrangements for printing, advertising and other vendor services necessary or appropriate in connection with the Bonds.
- h. Respond to questions from bidders, underwriters or potential investors.
- i. Work with bond counsel and other transaction participants to prepare and/or review necessary authorizing documentation of the Utility and other documents necessary to finalize and close the Bonds.
- j. Prepare a closing memorandum or transaction summary, together with general guidance for the Utility with respect to post-closing requirements relating to the use and investment of bond proceeds and the payment of debt service.
- k. Provide such other usual and customary financial advisory services as may be requested by the Utility.

- l. Assist in preparation and/or review of the offering documents.
- m. In a competitive sale, assist Utility in collecting and analyzing bids and with the selection of a winning bidder. In a negotiated sale, advise the Utility with respect to recommendations made by the underwriters/placement agents and other interactions between the Utility and the underwriters.

Municipal Advisor's Regulatory Duties

MSRB Rule G-42 requires that the Municipal Advisor make a reasonable inquiry as to the facts that are relevant to the Utility's determination as to whether to proceed with a course of action or that form the basis for any advice provided to the Utility. The rule also requires that the Municipal Advisor undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. The Municipal Advisor is also required under the rule to use reasonable diligence to know the essential facts about the Utility and the authority of each person acting on the Utility's behalf.

MSRB Rule G-42 also requires that municipal advisors provide to their clients, disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable. If no such material conflicts of interest are known to exist by the municipal advisor, municipal advisors are required to provide a written statement to that effect. Compensation and other municipal advisor relationships could potentially be conflicts of interest under the Rule. As general mitigations of the Municipal Advisors conflicts, we mitigate such conflicts through an adherence to the fiduciary duty to our Clients, which includes a duty of loyalty to our Clients in performing all municipal advisory activities. This duty of loyalty obligates us to deal honestly and with the utmost good faith and to act in our Client's best interests without regard to our financial or other interests.

Compensation based conflicts: Fees in this agreement are based upon a range. The amount is usually based upon an analysis of the expected duration and complexity of the scope of services to be performed. This form of compensation presents a potential conflict of interest because, if the scope of services requires more work than originally contemplated, the Municipal Advisor may suffer a loss. Thus, the Municipal Advisor may recommend less time-consuming alternatives, or fail to do a thorough analysis of alternatives. This conflict of interest is mitigated by the general mitigations described above.

Other Municipal Advisor Relationships: We serve a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interest of our Clients. This conflict of interest is mitigated by the general mitigations described above.

The Utility agrees to cooperate, and to cause its agents to cooperate, with the Municipal Advisor in carrying out these regulatory duties, including providing to the Municipal Advisor accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties. In addition, the Utility agrees that, to the extent the Utility seeks to have the Municipal Advisor provide advice with regard to any recommendation made by

a third party, the Utility will provide to the Municipal Advisor written direction to do so as well as any information it has received from such third party relating to its recommendation.

MSRB Rule G-42 requires that municipal advisors provide, to their clients, certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

Accordingly, we have set out below required disclosures and related information in connection with such disclosures.

I. *Material Legal or Disciplinary Event.* There are no legal or disciplinary events that are material to the evaluation of our Firm, or the integrity of the Firm's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.

II. *How to Access Form MA and Form MA-I Filings.* The Firm's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at [http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany &CIK=0001621113](http://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001621113).

III. *Most Recent Changes in Legal or Disciplinary Event Disclosures.* The Firm has not made any material or disciplinary event disclosure on Form MA or any Form MA-I filed with the SEC.

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflict of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Firm. The Firm will provide Client with any such supplement or amendment as it becomes available throughout the term of this agreement.

MSRB Rule G-10 requires that municipal advisors notify their clients of the availability of a client brochure on the MSRB's website that provides information on the processes for filing a client complaint. Accordingly, the Firm provides the required information below.

The Firm is registered as a Municipal Advisor with the Securities Exchange Commission (867-00766) and the Municipal Securities Rulemaking Board (K0378).

The website address for the Municipal Securities Rulemaking Board is www.msrb.org. The website for the Municipal Securities Rulemaking Board has a link to a brochure that describes (i) the protections that may be provided by the Municipal Securities Rulemaking Board rules and (ii) describes how to file a complaint with an appropriate regulatory authority.

Our Responsibilities

The objective of our engagement is to apply accounting and financial reporting expertise to assist you in the presentation of financial projections without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the projections in order for them to be in accordance with accounting principles generally accepted in the United States of America.

We will conduct our compilation engagement in accordance with the Statements on Standards for Accounting and Review Services (SSARS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's *Code of Professional Conduct*, including the ethical principles of integrity, objectivity, professional competence and due care.

We are not required to and will not verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion nor provide any assurance on the financial projections.

Our engagement cannot be relied upon to identify or disclose any financial reporting misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations. However, we will inform the appropriate level of management of any material errors and any evidence or information that comes to our attention during the performance of our procedures that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our compilation procedures regarding any wrongdoing within the entity or noncompliance with laws and regulations that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of this engagement.

Your Responsibilities

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to assist you in the presentation of the financial information in accordance with the accounting principles generally accepted in the United States of America. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARS:

1. The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial information.
2. The preparation and fair presentation of financial information in accordance with accounting principles generally accepted in the United States of America and the inclusion of all informative disclosures that are appropriate for accounting principles generally accepted in the United States of America, if applicable.

3. To ensure that the organization complies with the laws and regulations applicable to its activities.
4. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement.
5. To provide us with:
 - a. Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial information, such as records, documentation, and other matters.
 - b. Additional information that we may request from you for the purpose of the compilation engagement.
 - c. Unrestricted access to persons within the organization of whom we determine it necessary to make inquiries.
6. Including our compilation report in any document containing financial information that indicates that we have performed a compilation engagement on such financial information and, prior to the inclusion of the report, to as our permission to do so.

Our Report

As part of our engagement, we will issue a report that will state that we did not audit or review the financial projections and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. If, for any reason, we are unable to complete the compilation of your financial projections, we will not issue a report on such financial information as a result of this engagement.

Other Relevant Information

Buzz Krohn is the engagement partner and is responsible for supervision of the engagement and signing the report or authorizing another individual to sign it.

We certify that there is no direct or indirect compensation made to any individuals at O.W. Krohn and Associates, LLP as a result of participation in this engagement. Further, we certify that there are no known conflicts of interest with respect to our participation on this engagement. To ensure that O.W. Krohn and Associates' independence is not impaired under the AICPA *Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our invoices for professional services will be based upon hourly time charges and out of pocket expenses. Hourly time charges will fall within a range of \$90 to \$250 per hour, depending upon the level of experience necessary for the various tasks to be performed. Total fees for this engagement are estimated to range from \$30,000 to \$40,000.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you acknowledge and agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

O. W. Krohn & Associates, LLP

By: *Buzz*

Name: Otto W. "Buzz" Krohn

Title: Executive Partner

Acknowledged:
Trico Regional Sewer Utility

Client Authorized Representative

Date



BUDGET & FINANCE COMMITTEE

Friday, October 25, 2019 at 7:30 a.m.

Memorandum

Members Present: Committee Chair Jane Merrill, members Michael McDonald and Carl Mills. Others in attendance were Legal Counsel Anne Poindexter, Utility Director Andrew Williams, Controller Cindy Sheeks, Engineering Manager Wes Merkle and Administrative Assistant Maggie Crediford.

Ms. Merrill called the meeting to order at 7:35 a.m.

PUBLIC COMMENT

There was no one present from the public.

FINANCIALS

Ms. Sheeks stated revenues were above projections for the month of September. Cash balances are close to \$11.5 million. Capital Spending is low this year but will increase in 2020.

2020 OPERATING BUDGET

Mr. Williams said commercial revenues have slowed. Staff is wondering if more efficient systems have caused the decrease in flow. Carmel Utilities has indicated that they have been seeing the same trend.

Mr. Merkle said a growth in commercial customers without a growth in water consumption is concerning because even with less water there is an increase in the biochemical oxygen demand (BOD) treatment requirements. The trend could cause treatment expenses per gallon to increase.

Mr. Williams said a COLA was discussed at the Personnel and Benefits meeting earlier in the week. The P&B Committee asked for more information and will make a recommendation for a 2020 COLA to the B&F Committee next month. Depending on what P&B decides, it would be up to a \$15,000 increase to the operating budget.

Mr. Williams said the line item for the Government Center expenses was reduced slightly for two reasons. The first being, if the Office Relocation Project is approved the office staff would be moving this time next year. Secondly, we are looking at a new phone system. The current system at the Government Center is obsolete and needs replacing. It is a good time to do something independent from the Trustee's office if TriCo is going to move. Staff is looking at a VoIP system.

Mr. Williams said an increase is projected for Computer and Consultants. Most all of the software programs used by TriCo have changed to annual subscriptions formats. Companies have moved away from selling software that would last five years or so.

Mr. McDonald asked if services provided by Rook Security is still in the budget. Mr. Williams said money is still in the budget, but Mr. Watkins and IT Indianapolis are looking at other providers for this service. Rook was purchased by a national company and is not offering the exact same services they were contracted for in 2019. Mr. Williams said Rook is no longer providing log archiving services. Mr. Watkins hired Solar Winds provide this service for the Utility. Mr. McDonald suggested bringing Rook in for a meeting to discuss our concerns with their performance.

Ms. Sheeks said from an end user standpoint there are several conflicts with what Rook has tried to implement. There have been many operational issues with the billing software and staff have noticed it often correlates with system upgrades by Rook. Mr. Williams said Ms. Sheeks is looking at different options for utility billing. Staff is trying to see what is most cost effective but also meets the needs of the Utility.

Mr. Williams said the new phone system will be VoIP. Mr. McDonald said to make sure the phone system and computer systems are aligned when choosing a company. Ms. Sheeks said IT Indianapolis is involved in the decision process for choosing phones.

Mr. Williams said lock box services provided by RPS for processing checks is included in the billing services line. Ms. Sheeks said the cost will be around \$1,200 per month. Mr. Williams explained the service would automate the processing of physical checks collected by the Utility each month. Mr. Mills said he is very familiar with the service RPS provides regarding check processing.

Ms. Merrill asked about the increase in accounting fees from 2018 to 2019. Ms. Sheeks said the accounting fees were much higher than normal since we were billed for the State Board of Accounts audit that was conducted in 2019 and covered 5-years. Audits normally occur every two years and the cost for these audits will show up in every other year's budget.

Mr. Mills questioned why the Utility hasn't spent much of the money budgeted for 2019 in Customer Outreach and Education. Mr. Williams said staff is in the process of having brochures updated to TriCo. There are two customer mailings planned for the end of 2019 and staff is looking at purchasing more educational handouts. Mr. Williams said staff is looking at educational displays for the new office as well. Mr. Mills asked if the number should be increased. Mr. Merkle said he is looking at adding the cost of educational displays into the office project.

Mr. Williams said an open house at the new facility is being discussed which could be tied into a 45th Anniversary celebration for the Utility.

2020 CAPITAL BUDGET

Mr. Merkle said the Capital Budget has been reviewed by the C&C Committee. Mr. Mills asked Mr. Merkle to create an executive summary to accompany the Capital Budget going forward. Ms. Merrill agreed an executive summary would be helpful for other Board members to see the highlights of the Capital Budget. Mr. Merkle said he would make a summary of for the Board.

Mr. Merkle explained that the Plant Expansion consists of three items. They are broken out separately because they have separate funding sources. They are the Capacity Increase, installation of grit removal equipment and the replacing of the original clarifiers. Total project cost is projected to be \$17.2 million.

Mr. Williams said Staff is optimistic on pricing since Blackline partnered with a contractor to develop the cost estimates for the project.

Mr. McDonald asked if there will be issues having the plant expansion and office remodel project going on at the same time in the same location. Mr. Merkle said the way the site is laid out, plant expansion work will not be in the same location as the office improvement project. A second entrance could be temporarily added off Mayflower Drive to accommodate work for the plant expansion portion of the project with the understanding, once the project is complete the contractor will need to remove the temporary entrance and put it back to its original state and include the costs to do that in their bid.

Mr. Merkle said it will be a challenge for staff to manage the work and will need help. Mr. Williams said the site work will be part of the plant project and the building contractor will only be working within the building footprint. Contractors will be required to use their own, well-defined, material storage areas. Contractors will need to be responsible for receiving and signing for their own deliveries. TriCo employees will not unload trucks or take packages. Mr. McDonald emphasized the building contractor will need to coordinate with the plant expansion contractor. Mr. Williams said the project will take a lot of supervision and staff is looking at options for project management. This could include the hiring of a consultant, independent contractor, or a part time staff person.

Mr. Merkle said the Outfall Sewer Project was supposed to be completed in 2019. The Utility needs to acquire easements from DOW to complete the project. Mrs. Poindexter said the Utility may need to file litigation to get their attention. The easement is a low priority for DOW. Mr. Merkle said if the project can be completed in 2020 that should be ok because there is some overlap in the work with the plant expansion project.

Mr. Merkle said the cost of the Office Unification project is projected to be within budget.

Haver Way Lift Station (Project 1802) is a 2019 project that is being pushed to 2020.

PROJECT FINANCING

Mr. Merkle spoke with bond attorney Dennis Otten from Bose McKinney & Evans LLP, who was recommended by both Buzz Krohn and Mrs. Poindexter. Mr. Otten will be sending Mr. Merkle and engagement letter. Mr. Otten suggested having a bond ordinance

ready to go with the contract award and close on the bonds within a month after the Board awards the contract. Mr. Otten is comfortable with the proposed \$13.5 million private placement bond to be paid back over 10 years.

Mr. Mills said he did not see the three 5% rate increases beginning in 2020 that were discussed by the Office Improvements Committee in the budget. Mr. Williams said rate increases are not included in the budget at this time since the proposal hasn't gone to the Board for approval. If a rate increase was approved in 2020, it would not take effect in August and not have a substantial impact on revenue for 2020. Mr. Williams wanted to present the most conservative revenue estimates for this first review of the budget.

Mr. Mills said lending institutions will need at least two to three weeks to review TriCo's financials when bids are received. Mr. Williams said the Committee will need to have the Board approve sending out letters at the December meeting. Mr. Merkle said high level info can be shared with banks at that time, but Mr. Krohn will need time to prepare the term sheets and financials.

Mr. Merkle said Mr. Otten indicated his fees would be between \$25,000 - \$30,000. Mr. Merkle asked the Committee if they were comfortable with Staff moving forward with accepting Mr. Otten's engagement letter if it doesn't exceed Mr. Williams' \$25,000 signing constraints. Mrs. Poindexter said the Utility must have bond counsel and didn't feel there would be any reason not to move forward.

Mr. Mills made a motion to allow Mr. Williams to move forward with hiring Dennis Otten from Bose McKinny & Evans LLP in an amount not to exceed \$30,000. Mr. McDonald seconded the motion and it was approved unanimously.

The meeting adjourned at 8:37 a.m.

Respectfully Submitted

A handwritten signature in black ink, appearing to read 'C. Sheeks', with a stylized flourish at the end.

Cindy Sheeks
Controller



PERSONNEL AND BENEFITS

Wednesday, October 23, 2019 at 7:30 a.m.
Memorandum

Members Present: Committee Chair Barb Lamb, and member Jeff Kimbell. Mr. Ryerson was absent. Others in attendance were Utility Director Andrew Williams, Controller Cindy Sheeks, Engineering Manager Wes Merkle, Collections Superintendent Aaron Strong and Administrative Assistant Maggie Crediford.

Ms. Lamb called the meeting to order at 7:35 a.m.

Public Comment

There was no one present from the public.

Safety Update

Mr. Williams stated employees receive CPR certifications every two years. This year's group of employees will have their training on October 30, 2019.

Staff replaced the combo combustible sensor in the MSA air monitor, checked it and put it back into service.

COLA Determination

Ms. Lamb stated she would like to refrain from determining the Committee's recommendation for the 2020 COLA until Mr. Ryerson can be present for the discussion.

Mr. Williams stated that the Utility's compensation policy does not tie the yearly COLA adjustment to specific market indicators. Ms. Lamb stated she believes COLA increases need to be tied to something and not just derived from an arbitrary number. She believes the Board should use the CPI. The latest CPI is currently 1.4%

Mr. Williams presented COLA percentages which have been approved by other local municipalities which include; Westfield at 2.6%, Noblesville at 4%, Carmel and Fishers at 3% and Zionsville at 3.5%. Mr. Kimbell asked how Carmel got to 3%. Ms. Lamb explained Carmel has an agreement with the Firefighters Union that if the CPI falls between 1% and 5% the COLA will be 3%, historically the City has applied that number to all employees to be fair.

Ms. Lamb said TriCo could also consider the CPI + or – when determining their COLA. Mr. Kimbell liked the idea of having the flexibility to make the COLA more than the CPI if it is low.

Ms. Lamb suggested having the Board consider a 2% COLA for TriCo employees in 2020. Mr. Kimbell was comfortable with 2%.

Ms. Lamb said since TriCo moved to a Step system in 2019, two employees would be receiving only the COLA if approved, all other employees would also receive a Step increase.

Mr. Williams will review the COLA discussion with the Budget and Finance Committee at their next meeting to get their input. The Committee would also like to know if the increases given by the municipalities also included a step in pay as well.

Health Insurance Premium Review

Mr. Williams said that TriCo's agent has informed us that the renewal for the current Anthem policy is a 5.3% increase. We have not yet received the renewal packet from Anthem. Mr. Williams recommended continuing with the current coverage at the 5.3% increase. The policy is Grandmothered under the Affordable Care Act which is keeping employee deductibles low at \$3000 for an individual and \$6000 for a family. The Utility has used Anthem since 2013 and employees have been satisfied with the coverage. The premiums would increase \$1,700 a month and with 80%/20%, TriCo's additional cost in 2020 would be \$16,000.

Ms. Sheeks said that our insurance agent is researching options for dental insurance and short-term/long-term disability. TriCo switched to Principal in 2019 from Mutual of Omaha. Principal has been difficult to deal with regarding the disability coverage and dental coverage with some dentists.

Office Unification Update

Mr. Williams said that Blackline reports that the project is still on budget. Staff is waiting on final plans to be submitted. An Office Improvements Committee meeting will be scheduled if needed.

Other Business

Mr. Williams said TriCo is looking at a new phone system. The current system which is under a shared contract with the Township Trustee is obsolete. Instead of entering into a new shared agreement, TriCo is looking at options that could be moved to the plant if the unification project moves forward.

The meeting adjourned at 8:15 a.m.

Respectfully submitted,



Andrew Williams
Utility Director



MEMORANDUM

To: Board of Trustees
From: Andrew Williams
Date: November 6, 2019
Subject: Health Insurance Renewal

Anthem issued the health insurance renewal for 2020 showing a 5.3% premium increase. This follows a zero percent increase for 2019. TriCo has a grandmothered small group plan that has been extended for another year. TriCo has had this Anthem coverage since 2014. When ACA compliant quotes have been received, the deductibles increase in order to maintain the same premiums.

TriCo has the Anthem Lumenos HDHP plan with the following coverage:

- Non-Embedded Deductible: \$1,500 Individual/\$3,000 Family
- Preventive Care: paid at 100%
- Maximum out of Pocket: \$3,000 Individual / \$6,000 Family
- Health Savings Account: The Utility's contribution is determined annually by the Board. Historically the Board has approved a \$1000 contribution at the first of the year and a \$1000 match. Contributions are prorated for employees hired during the year.
- \$50,000 Life Insurance

Recommended Action: Accept the renewal of our current plan for 2020 and approve the \$1000 HSA contribution and \$1000 match.