

TAYLOR REGIONAL SEWER DISTRICT
Board Meeting Minutes
Crossroads Community Church 4254 S 00 E.W., Kokomo, IN 46902

The Taylor Regional Sewer District met on Tuesday, September 9, 2025, at 6:00 p.m. (*Motions italicized*)
Board members present: Tyler McClish, Brad Bray, Larry Hayes, Scott Waymire, Ted Miller
Also present: Christopher Kellner, Alisa Bernotas – BCS Management; Tom Astbury – Astbury Water Technology; Brent Dechert – Dechert Law (not present for the first 15 minutes or so)

Call to order: Interim President Tyler McClish called the meeting to order at 6:01 p.m. with a quorum present.

Management & Administration

Minutes Approval:

Minutes for 08/12/2025 presented for board approval. Larry Hayes moved to approve the minutes as presented. Seconded by Scott Waymire. Motion carried 5-0.

Treasurer's Report

Claims: \$56,124.29* w/ internal funds transfers
Revenue: \$62,583.46
Lien Masterfile Balance: \$29,097.10

Operating Fund Balance: \$87,834.61
Capital Fund Balance: \$68,048.23
Grinder Pump Maint. Fund Balance: \$18,574.28
{Grand Total of Funds: \$174,457.12}

*This included a total of \$13,500 of internal funds transfers, which are not a cash outflow for the district. The adjusted claims total is \$42,624.29 (outflow only).

Ted Miller, a new board member, asked Alisa Bernotas to explain each line item in the Account Payable Voucher (APV). During the discourse, mileage was verbally removed from BCS Management claims per Alisa Bernotas' guidance (reflected in the total below).

Motion to approve the claims of \$55,897.29 with a \$227.00 reduction to Warrant 4775 (BCS Management) made by Larry Hayes. Seconded by Scott Waymire. Motion carried 5-0.

Maintenance Report - Astbury Water Technologies

Presented by Tom Astbury – Astbury Water Technologies

- IDEM inspected the system on August 27th noting known noncompliance items yet to be rectified (e.g., influent bar screen, clarifiers, return activated sludge pump). Astbury knows Aaron Deeter, the inspector, who expressed excitement about the progress that has been made in the past two (2) years. Without the progress, an agreed order would have likely been issued based on Astbury's conversation with Deeter. Response to inspection was completed by Astbury and shared with the board via email. (The public can view all IDEM inspections in the IDEM Virtual Filing Cabinet online.)
- The main lift station generator is "good to go" while two (2) more are needing additional work. Tyler McClish expressed concern about the slow movement by Buckeye Power, asking if other companies could quote. Astbury stated a second opinion can be sought. Tyler McClish expressed trust in Astbury's judgement.
- The Crossroads' lift station had a history of deadheading and pumping too often. The five (5) nearby air release valves have been replaced, fixing the issue. Less pump time means less electricity used (cost savings) and longer useful life (cost savings).
- The S 125 / 150 E sewer extension was investigated and found to be not serviceable, likely installed incorrectly back circa 2004. Scott Waymire said he visited and saw as much. Larry Hayes commented

the railroad there (Norfolk Southern) may have caused issues. Christopher Kellner stated he would check with Dechert on the easements filed with the properties there (along the railroad).

- Mike Gillespie was able to find a work around to save on fixing the flow meters right now (cost savings). That represents a \$5,000 savings due to Astbury's creative solution.
- Astbury requested funds for fixing the two (2) backup generators at the mentioned lift stations and the telemetry for the wastewater treatment plant (WWTP). Tyler McClish confirmed that all the lift stations have telemetry. Ted Miller recommended Astbury supply electrical parts from Select Equipment (a local, Kokomo outlet) to find good, affordable used components. Scott Waymire expressed distaste with spending funds unless absolutely necessary. Scott Waymire asked what an agreed order entails. Astbury explained an agreed order comes with penalties or monetary fines, "holding your feet to the fire." Eventually noncompliance leads to receivership (takeover) by the State. Waymire expressed concern about the currently high rates (nearly \$90 per EDU) and asked if maintenance would be reduced going forward. Astbury stated good, preventative maintenance does help save costs. Waymire asked Kellner to forecast cash flow to see if rates may increase. Kellner said he and Bernotas forecasted cash flow to be proactive, and the District should be on track with no major rate increases needed in the foreseeable future. The biggest relief will come when the SRF bond is paid off in 2038, allowing more capital funds to be set aside for big purchases. Waymire asked about rate increase procedures. Kellner explains the ordinance requires a rate study every two (2) years with the next one scheduled for 2026. Astbury explains adding revenue through new users is also helpful when the system has excess capacity (as it does now.)

Motion to approve the lift station backup generator repairs and Plant telemetry projects not-to-exceed \$20,000 made by Larry Hayes. Seconded by Scott Waymire. Motion carried 5-0.

Administrative Report - BCS Management

Presented by Christopher Kellner - BCS Management

- \$178k funds in the bank accounts (3) total as of today (not reconciled for float).
- As a result of the enforcement effort, 62 new accounts were created and included in upcoming monthly sewer billings, and if paid in a timely fashion, revenue should be significantly increased in September. The board still needs to decide how to handle property owners who are pursuing a septic exemption that does not fit the Indiana Code due to missing septic system installation records (on new business items.) 30 new connections from enforcement in process.
- Ted Miller welcomed as a new, volunteer board member (and ratepayer).
- House Enrolled Act 1459 is a new law that requires the Taylor RSD to prove competence every four (4) years - technically, legally, financially, and managerially - including mandatory board training. BCS provided comments to the "Strawman GAO" or draft version published by the IURC. More IURC guidance is coming out in October.

Old Business

1. None

New Business

1. Officer Elections – Tyler McClish, Interim President

With a full, five member board now and the new bylaws in place; nomination and approval for offices must now be made. (Offices described in bylaws available on the website.)

A motion to nominate and approve Scott Waymire as President of the Taylor RSD Board was made by Tyler McClish. Seconded by Ted Miller. Motion carried unanimously (5-0).

A motion to nominate and approve Tyler McClish as Vice President of the Taylor RSD Board was made by Larry Hayes. Seconded by Scott Waymire. Motion carried unanimously (5-0).

A motion to nominate and approve Larry Hayes as Treasurer of the Taylor RSD Board was made by Tyler McClish. Seconded by Scott Waymire. Motion carried unanimously (5-0).

A motion to nominate and approve Ted Miller as Secretary of the Taylor RSD Board was made by Tyler McClish. Seconded by Scott Waymire. Motion carried unanimously (5-0).

2. IC§13-26-5-2.5 Septic Exemption Noncompliance Issue – Brent Dechert, Dechert Law

Brent Dechert reiterated his legal advice to follow Indiana Code, suggesting a special exemption for a septic system that passed an IOWPA inspection but lacks installation records (including Health Department permits) is not advisable. Larry Hayes expressed a desire to adhere to state law. Waymire, who experienced the IOWPA inspection process and trusts it, believes a special exemption is best if the inspection is clean, despite legal risks. Dechert plans to seek more information from IDEM legal counsel. Christopher Kellner shared that Larry Hayes' idea of asking the Health Department about retroactive permits received a negative response. Ted Miller inquired if those waiting or exempt would be charged the full sewer bill rate, to which the answer was yes. Waymire emphasized the desire to do right by people, noting that a \$500 IOWPA inspection is more affordable than a \$20,000 connection project. Dechert plans to draft a resolution and report IDEM legal counsel at the next meeting so a vote may be held.

Tabled

3. Serving County Road S 125 / 150 E – Tom Astbury, Astbury Water Tech

Astbury stated Steve Fraelish, a semi-retired engineer he works with already, could provide an affordable preliminary engineering report (est. \$2500) with a high-level cost estimate for 1) a sewer main along the road there with the five or so homes along that path (original construction of system) or 2) a line that only serves the RV Park possibly along the highway. Kellner explained that the return on investment is high enough to justify the extension, with a payback period of 4-7 years depending on the exact cost to construct and the EDU assessment. Astbury suggested a recapture agreement where any future connections made to this specific sewer main would compensate the RV Park developers for a period of time (e.g., 10 years). Kellner shared another approach would be having the RV Park developers pay for (at least a large portion of) the sewer main extension in exchange for a proportional credit to their sewer billing, allowing the RV Park to lower operating costs for the startup period of the next 4-7 years. Waymire asked if the developers would come to the meetings. Kellner explained they have the past two months. They are in communication with BCS and are currently working on the zoning. Astbury and Kellner put a ballpark estimate between \$150,000 and \$200,000 for this sewer main extension. Waymire suggested pump and haul may be the best option for the RV Park (no need for a sewer main). Kellner explained that some of the homes along that same route want a sewer main, with one property owner adamantly opposed (for financial reasons). The general consensus of the discussion was that if the RV Park developers make a major contribution to cover the cost of the project for the District, then it may be viable. Kellner committed to speaking with the developers to get more information.

Tabled

4. Astbury Promissory Note – Tom Astbury, Astbury Water Tech

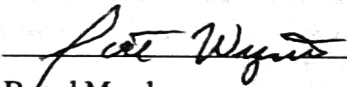
Tabled

Public Comments (~6 in attendance)

- A resident brought documents to show the board. He believes the District should pay to connect his home to the system, nearly 20 years after the original construction of the system. Kellner showed the digital records the District has related to this property. Kellner reviewed all of the documents and shared he does not see any promise or evidence that the District would or should do so. Waymire suggested getting an IOWPA inspection and exemption may be a better solution. Kellner suggested for the resident to go to the health department and see if there are records or permits on file there as a good next step.
- A contractor asked about construction standards and specifications. Kellner shared the district website URL, where those files are shared publicly.

Adjournment

There being no further business to come before the board, *Scott Waymire moved to adjourn the meeting. Seconded by Tyler McClish. Motion carried 5-0 in favor. The meeting adjourned at 7:40 p.m.*



Board Member

(Prepared and submitted by Chris Kellner – BCS Management)