

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, August 12, 2025, at 6:00 p.m. (*Motions italicized*)
Board members present: Tyler McClish, Brad Bray, Larry Hayes, Scott Waymire
Also present: Christopher Kellner, Alisa Bernotas – BCS Management; Tom Astbury – Astbury Water Technology

Call to order: Interim President Tyler McClish called the meeting to order at 6:00 p.m.

Management & Administration

Minutes Approval:

Minutes for 07/08/2025 presented for board approval. Brad Bray moved to approve the minutes as presented. Larry Hayes seconded. Motion carried 4-0.

Treasurer's Report

Claims: \$55,179.69* w/ internal funds transfers

Revenue: \$40,352.25

Lien Masterfile Balance: \$29,097.10

Operating Fund Balance: \$85,281.28

Capital Fund Balance: \$57,533.32

Grinder Pump Maint. Fund Balance: \$15,571.39

{Grand Total of Funds: \$158,385.99}

*This included a total of \$14,750 of internal funds transfers, which are not a cash outflow for the district. The adjusted claims total is \$40,429.69 (outflow only).

Tyler McClish questioned the \$83 mileage expense claim made by BCS. Kellner explained it was due to excess mileage driven in a previous month, presented separately as a request for reimbursement.

Motion to approve the claims of \$55,179.69 as presented made by Brad Bray. Larry Hayes seconded. Motion carried 4-0.

Scott Waymire, a newly appointed board member (and ratepayer), introduced himself and expressed his desire to support prudent management of the District. Tyler explained that the composition of the board requires three (3) ratepayers out of the five (5) members - which we now have (Tyler, Larry, Scott). Kellner explained Crossroads is actively recruiting a board member to represent their organization, one of the largest users in the system. (Open board seats advertised on the website and bill insert.)

Maintenance Report - Astbury Water Tech

Presented by Tom Astbury – Astbury Water Technologies

- Astbury provided some background for Scott Waymire and the public present, that BCS has led the turnaround of Taylor RSD since October 2023 - helping to find and secure over half a million in mostly grants to do the critical repairs to the system.
- As part of the triaged critical repairs planned since 2023, the clarifiers (2) at the Plant need new mechanical rakes and gear boxes. The quote is \$30,320 for all parts and labor. Astbury operates a Plant in another location with a similar setup so they can do the work in-house. This invoice would be added to the anticipated structured note (5 year, US treasury rate).
 - Larry Hayes asked what the useful life of these new components would be. Astbury stated it would be 20+ years with proper preventative maintenance.

- The Return Activated Sludge (RAS) pump itself has been replaced in the critical repair triage process; now, it needs to be put into service and the stopgap setup dismantled. This includes new valves (rusted shut) and piping, much of it underground, of the return line. The quote is a not-to-exceed (NTE) \$5,000 for all parts and labor.
- S 150 E / 125 E (Oakford) investigation of out-of-service sewer forcemain there, which may serve the 5 homes and RV Park development (working through zoning now). The effort to pot hole, check tracer wires, find any damage and end points is quoted at NTE \$3,000.
- Air relief valves (ARVs) several down in manholes have been found to be failing. They prevent air bubbles from passing into the lift station and other pumps, causing deadheading and pump stress. The quote to replace four (4) ARV in disrepair is \$9,095.
- For the project to replace the headworks influent drum screen with a manual bar screen (one of the last items noted as noncompliant by IDEM included in the critical repairs) is still being planned and triaged.

Motion made to approve the projects listed above by Astbury NTE \$47,415 made by Larry Hayes. Scott Waymire seconded. Motion carried 4-0.

Administrative Report - BCS Management

Presented by Christopher Kellner, BCS

- \$158k funds in bank accounts (3) total as of today (not reconciled for float).
- Adjusted claims were \$40k, balanced with the billing currently - operating at a breakeven level.
- In the enforcement at this point, only five (5) property owners have not responded yet despite all receiving the certified mail notice to connect. There are 28 in the connection process, 21 pursuing exemption, 5 not capable of discharge (demolished/no building drains), and the remainder are engaged or close to a decision.
- An important discussion for today is whether or not Taylor RSD should grant special septic exemptions that do not fit the IC 13-26-5-2.5 State law. The Board's attempt is to be as lenient as possible; however, the legal test is a risk. The legal counsel from Brent Dechert is this: "I think that opens us up to adverse legal actions. I would not advise that we permit any exemptions that do not strictly comply with the statute. With that said, if the Board so chooses to allow the exemption in cases where the property owner would otherwise comply but for failing to have their system approved by the local health department when initially installed, we would need a Resolution to be passed saying as much. Obviously, with the new inspection, they would now be approved by the local health department." (Read aloud.)
 - Scott Waymire shared his support for allowing these special exemptions as long as the IOWPA inspection report is clean, presenting no clear risk to the public health or environment.
 - Kellner explained that the risk is from a lawsuit by a property owner who followed the law (IC 13-26-5) and connected at significant cost (\$10-30k) who now finds out that there could have been a special exemption made for them.
 - Larry Hayes asked how many properties would fall into that category. Kellner stated 32.
 - Brad Bray asked how many properties have already connected. Kellner stated 4 have completed their project and many more are in process.
 - Scott Waymire asked Kellner about BCS's experience in other RSD. Kellner explained it is very uncommon for RSDs to make policy or resolutions that do not conform with State law. Case law may be created from such instances, after trial and appeals, to update the State law.
 - Brad Bray expressed his firm commitment to make sure no one loses their house over this compelled connection enforcement effort.
 - Larry Hayes asked how many of the 28 properties currently in the connection process *did not* have a septic permit/records with the Health Department. Kellner stated that 17 are in that

situation. Only 32 of the properties on the entire list have septic records with the Health Department. Hayes wants leniency and fairness without “opening a can of worms” here.

- Tyler McClish asked if there was an issue with tabling and finding more info. Kellner recommended waiting for more information, since the property owners (2) involved are already waiting.
- Kellner updated the board on the RV Park development where the broken sewer main may be able to be repaired or a new forcemain extended there. Astbury emphasized that there is excess capacity at the Plant available. Kellner presented a rough estimate of the financial benefit to the District would be \$28k in annual sewer billing with \$50k capacity fees (upfront) to help offset the cost of the project. The Rate Ordinance could be revised to accommodate seasonality or encourage the development.
 - Scott Waymire asked how many users are currently connected to the system. Alisa Bernotas explained the history, how some customers are paying but not connected. There were 297 users at a recent billing. Astbury suggested a dye testing program to confirm/verify connections. Kellner asked for a budget (cost and timeline) for that effort to be forthcoming after the enforcement next year. Kellner suggested the County Health Department or other stakeholders may help fund that effort to make sure no failed septs are still in use (disguised as Taylor RSD customers).
- House Enrolled Act 1459 is a new law that requires the Taylor RSD to prove competence every four (4) years - technically, financially, managerially - including mandatory board training. More IURC guidance is coming out in October.

Old Business

1. None

New Business

1. Duke Energy Authorization – Chris Kellner, BCS Management

An issue with an account occurred (power out at Timbernest Lift Station). A lack of access made the issue persist longer than needed. Redundant access between personnel is an essential risk management tactic.

Motion to authorize more BCS representatives (in addition to Alisa) to the Duke Energy account made by Larry Hayes. Scott Waymire seconded. Motion carried 4-0.

Public Comments (~8 in attendance)

- A current ratepayer complained about having to connect his grinder pump power supply to his home (he is an electrician) at his own expense. Moving forward, grinder pump stations are to be dedicated to serve one property (no longer shared) and the power supply is provided by that property, not the District.
- A current ratepayer expressed his desire to return to the interim rate. That interim rate was established during the construction of the system to begin serving the debt incurred and is no longer valid or legal. The full, fair, and legal rate is the rate applied now to all users.

Adjournment

There being no further business to come before the board, *Scott Waymire moved to adjourn the meeting. Larry Hayes seconded. Motion carried 4-0 in favor. The meeting adjourned at 7:23 p.m.*

Board Member

(Prepared and submitted by Chris Kellner – BCS Management)