



**CITY OF BLOOMINGTON
LEGAL DEPARTMENT
MEMORANDUM**

TO: City of Bloomington Common Council Members
FROM: Christopher J. Wheeler, Assistant City Attorney
RE: Ordinance 23-29 - Authorizing the combined Wastewater and Stormwater Utility bond issuance
DATE: November 9, 2023

Ordinance 23-29 (“Ordinance”) is before the Common Council for approval as a necessary step in the City’s financing of the planned capital construction projects for the City of Bloomington’s wastewater collection and treatment system and stormwater conveyance for the years 2023 and 2024. This Ordinance frames the terms and conditions required to meet IRS requirements for tax-exempt municipal bonds for low interest bond issuances, and to ensure that the bonds can be sold for the best terms possible to the Utility.

The maximum total bond authorization sought is \$55,000,000.00 (it could end up being less than this, but not more without further Council approval) which includes the cost of the projects listed below plus additional funds for contingencies, debt service reserve funding and costs of issuance. The total figure and the terms of the Bond Ordinance were determined by CBU’s financial advisor in consultation with its bond counsel. They have worked closely with CBU to ensure that all legal and fiscal requirements are met.

The planned wastewater capital improvements for 2023 and 2024 include:

1. Dillman Road Wastewater Treatment Plant Project:

The Dillman Road Wastewater Treatment Plant project is the first phase of the treatment plant expansion and modernization plan. The focus of this phase of the project is the replacement of select electrical and mechanical systems due to age and condition. The equipment replacement will include process modernization of the mixed liquor and aerobic digestion aeration systems. The project also includes the addition of a new disc filter and building to expand filtration capacity from 15 million gallon per day (mgd) to 20 mgd. Other improvements will include, but not be limited to, replacement and upgrade of the administrative building heating and cooling system, replacement of the main entry gate with an electronic operated gate, replacement of polymer blending units for the belt press, and design, site safety and miscellaneous improvements at all or any portion of the Dillman Road Wastewater Treatment Plant.

2. Blucher Pool Wastewater Treatment Plant Project:

The Blucher Pool Wastewater Treatment Plant Project includes replacement, upgrade and improvement projects at the existing wastewater treatment facility, including, but not limited to, repair of the damaged belt press, replacement of three (3) RAS pumps, completion of a hydraulic capacity study for the north sewer basin and the Blucher Poole Wastewater Treatment Plant, design of a plant hydraulic system to include an equalization basin and primary clarifier, replacement of plumbing in the solids handling building, switching current PCL (HMI) over to an ignition system with replacement units, replacement of intake pumps and flow meters, rehabilitation of influent flume, replacement of yard valves, replacement of the primary splitter gate to aeration basin No. 3, and miscellaneous design and equipment replacement projects related thereto.

3. Collection System Project:

The Collection System Project includes collection system replacement, upgrade and improvement projects, including, but not limited to, a sump pump disconnect program, rehabilitation of sewer pipes and manholes, replacement and upgrade of existing lift stations, coordination with INDOT and the City engineering on road improvement and relocation projects, design of capacity upgrades and all equipment related thereto.

4. Other Projects:

Other projects include construction and equipping projects at a proposed new Service Center, including, but not limited to, demolition of the existing buildings at the Winston Thomas property, design of a proposed new Service Center and maintenance facility and any other costs or equipment related thereto.

The planned stormwater capital improvements for 2023 and 2024 consist entirely of the final phase of reconstruction to the clear creek stormwater culvert which runs from Dunn Street across Indiana into Dunn Meadow on the IU campus. The total cost for that final phase is anticipated to be \$6,000,000.00.

The Bond Ordinance will go into effect upon Order of the Council. If you have any questions regarding this ordinance, please feel free to contact me by calling City Legal at 812.349.3549 or e-mailing me at wheelech@bloomington.in.gov.