

UTILITIES SERVICE BOARD MEETING

November 4th, 2013

Utilities Service Board meetings are recorded electronically or stenographically and are available during regular business hours in the office of the Director of Utilities.

Board President Swafford called the regular meeting of the Utilities Service Board to order at 5:00 p.m. The meeting was held in the Utilities Service Board room at the City of Bloomington Utilities Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Pedro Roman, Sam Frank, John Whitehart, Jason Banach, and Tim Mayer, Ex-Officio. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Tom Axsom, Tom Bengtson, Jon Callahan, Mike Hicks, Phil Peden, and Jane Fleig. Others present: Bill Riggert and Sue Mayer.

MINUTES

Board Member Roman moved and Board Member Frank seconded the motion to approve the minutes of the October 21st meeting. Motion carried, 5 ayes, 2 members absent (Roberts, Ehman).

CLAIMS

Board Member Roman moved and Board Member Frank seconded the motion to approve the claims as follows:

Vendor invoices submitted to the Controller's Office on November 8th included \$62,898.27 from the Water Utility; \$103,233.05 from the Wastewater Utility; and \$4,477.63 from the Stormwater Utility. Total Claims approved, \$170,608.95.

Motion carried, 5 ayes, 2 members absent (Roberts, Ehman).

REQUEST FOR APPROVAL OF MEDIUM PRIORITY AND SOUTH EAST BASIN DIVISION II SEWER REHABILITATION AGREEMENT WITH MILLER PIPELINE CORPORATION

Engineer Peden presented this request for a project with Miller Pipeline. It is a cured in-place pipe lining and manhole sealing sewer rehabilitation project for which CBU opened bids on October 17th. Four bidders came in with proposals. The engineers estimated the base part of the bid at \$1.7 million, with over \$2 million total including the alternates. The apparent low bidder was Miller Pipeline at \$1,258,018.60, well below the engineering estimate.

Mr. Peden directed the Board to the bid report in their packet, prepared by Greeley and Hansen. This report indicates Miller Pipeline submitted all the necessary documentation and are recommended for approval.

Board President Swafford inquired about a map which would highlight the scope of the project. Mr. Peden stated that there is one in the packet, but it does encompass a large area and is therefore difficult to view clearly. The Medium Priority Basin stretches from 11th Street to Hillside Dr, and from

Indiana University to the cemetery on West 3rd. The South East Basin extends from 446 to 10th St to Moore's Pike. Mr. Swafford requested a large map for the public to view at the next meeting.

Mr. Swafford also inquired about Miller Pipeline and whether there have been any issues with them. Mr. Peden replied that they were the contractors in the previous South East Basin project and did great work, and use CBU as a reference. CBU was very pleased with their work.

This project is part of the Sanitary Sewer Overflow Agreed Order compliance plan. CBU is on target to meeting the targets – for the Medium Priority Sewer, it is August 2014. The South East Basin target date is the end of 2014, and this project will meet that well ahead of schedule.

Board Member Banach reviewed the total bid of \$1,258,018.60, as compared to the engineering estimate. Mr. Peden explained that this was caused by the sewer manhole lining estimates. In the Highland Village project, the cost ended up being \$2,400/manhole, and here \$1,600/manhole being proposed. Mr. Banach suggested this is something that needs to be watched carefully.

Board Member Whikehart inquired as to why the wording "apparent low bidder" is used in the memo drafted to the board. Mr. Peden explained that it is standard language resulting from the day of bid opening, until the bids are tabulated and verified. Miller Pipeline is now the low bidder.

Board Member Roman moved and Board Member Frank seconded the motion to approve the agreement with Miller Pipeline Corporation for the Medium Priority and South East Basin Division II Sewer Rehabilitation Project.

Motion carried, 5 ayes, 2 members absent (Roberts, Ehman).

REQUEST FOR APPROVAL OF A RESOLUTION TO DECLARE AN EMERGENCY FOR INVITING BIDS FOR A PUBLIC WORKS PROJECT

Capital Projects Manager Mike Hicks presented this resolution, related to two of the capital water projects currently in final stages. One is the Monroe Water Treatment Plant Expansion, and the other is the Southeast Water System Section II Transmission Main project. In the execution of the work, damage was caused to a Monroe County road (South Shields Ridge Road). It is CBU's opinion that two contractors, FA Wilhelm Construction Co., Inc., and Howell Contractors, Inc., are responsible for the damage and repairs which are required. On eight occasions CBU has transmitted communications to both parties, who have failed to take action. The Monroe County Highway Department (MCHD) would like this work completed this year before asphalt plants close, and CBU must take action to find a paving contractor to make the repairs and then subsequently recover the costs from the two named contractors. MCHD is a partner in the repair project and have agreed to provide the equipment and labor of the full overlay once the base repairs are made.

Mr. Hicks has solicited, per Indiana statutes, two quotes for asphalt. Milestone provided the best price at \$64,200.00, with Dave O'Mara submitted a proposal of \$75,262.00. With the signing of this resolution before the board, CBU can move forward and have Milestone complete the base repairs. They are able to mobilize within 1-2 weeks.

Board President Swafford clarified that two things need to occur procedurally. The Board needs to approve the low bidder, as well as the resolution, in separate motions.

Board Member Banach inquired whether the Legal Department has reviewed everything and approved of this course of action. Mr. Hicks responded affirmatively.

Board Member Roman moved and Board Member Frank seconded the motion to approve a Resolution to Declare an Emergency for Inviting Bids for a Public Works Project.

Motion carried, 5 ayes, 2 members absent (Roberts, Ehman).

REQUEST FOR ACCEPTANCE OF BID FROM MILESTONE CONTRACTORS FOR COMPLETION OF AN EMERGENCY PUBLIC WORKS PROJECT

Capital Project Manager Hicks reviewed the two bids received for emergency repairs of South Shields Ridge Road. Milestone provided the best price at \$64,200.00, with Dave O'Mara submitted a proposal of \$75,262.00.

Board Member Banach moved and Board Member Roman seconded the motion to approve Milestone Contractors as the Contractor for Completion of an Emergency Public Works Project.

Motion carried, 5 ayes, 2 members absent (Roberts, Ehman).

OLD BUSINESS:

N/A

NEW BUSINESS:

N/A

SUBCOMMITTEE REPORTS:

N/A

STAFF REPORTS:

Director Murphy informed the Board of a recent opportunity presented to CBU by the Indiana Utility Regulatory Commission, to participate in a hearing on Cybersecurity on October 31st. CBU had first received a questionnaire pertaining to Cybersecurity within our water utility, with 36 specific questions. CBU provided fairly detailed answers on Cybersecurity, policies, and knowledge of certain tenets of AWWA as best practices. A team from CBU, Information & Technology Services, and the Legal Department, including Mr. Murphy, Efrat Feferman, Mike Hicks, Rick Routon, Rick Dietz, Spence Taylor, and Gregg Small, participated. Ms. Feferman, Mr. Routon, and Mr. Small accompanied Mr. Murphy to the IURC for a full day of informative presentations. CBU felt it was a fruitful opportunity and affirmed that we have a strong talent pool in the City of Bloomington, which lends to CBU's advanced position in Cybersecurity preparedness. Mr. Murphy commended Mr.

Routon on a great job in his presentation. IURC Commissioner Mays, as well as Chairman Atterholt, gave CBU high remarks. They were particularly interested in whether CBU would be willing to mentor or share information with other utilities, and CBU is happy to do so.

Engineer Jane Fleig gave a preview of an upcoming agenda item, a contract for design services for another section of the Jordan Culvert Stormwater project. CBU has been involved in reconstructing large culverts in the downtown area since becoming a stormwater utility in 1998. The Jordan tunnel has been the main focus of reconstruction, though there have been other projects (Wylie, Spankers). Ms. Fleig would like to bring forward the next phase of the Jordan Tunnel, which stretches from north of the intersection of 2nd & Washington, to the alley between Kirkwood & 4th at Grant. CBU has reconstructed the upper end, and the downstream end, and need the design work done for the remaining 1,900 feet. This would be the longest design work to date. It probably will not be constructed all in one piece, but CBU can proceed now with obtaining the design work and assuring elevations will work, etc.

Ms. Fleig relayed that Donohue & Associates have submitted a proposal. They have done the majority of the design work on the downtown tunnel projects, and CBU has been very comfortable with their work. This will be a long term design project, with 14-15 months anticipated to survey and design. Ms. Fleig will bring forward a memo and the contract for the Board's approval in the next meeting.

Board Member Banach inquired whether this project was put out to bid. Ms. Fleig replied that CBU had asked for a proposal from Donohue & Associates. Mr. Banach questioned why CBU would not invite others to submit proposals. Director Murphy explained that CBU has a longstanding relationship with Donohue & Associates on this project, as they completed the engineering work for the beginning of this project, the Jordan River Culvert project, the Walnut Street project, and many others. CBU feels it is a continuation of a larger project, which Donohue & Associates can pick up easily on and proceed with this portion. The relationship is a very satisfactory one and the price proposed for their work is very fair and reasonable, at about \$399,000 for 1,900 linear feet of culvert. Ms. Fleig also added that Donohue & Associates did some preliminary design work many years ago, so some initial work is already completed. Mr. Banach stated he understood all of this information, but does take discomfort in awarding large contracts in a situation which is not competitively bid. Mr. Murphy clarified that professional services, such as engineering and legal, are not traditionally bid, nor are required to be.

President Swafford added that this is a long-standing project, and there is something to be said for continuity in services. While he understand Mr. Banach's position, it is important that this bottle-neck section of a larger project be completed promptly and professionally.

PETITIONS AND COMMUNICATIONS:

N/A

ADJOURNMENT:

The meeting was adjourned at 5:26 p.m.

L. Thomas Swafford, President