

## UTILITIES SERVICE BOARD MEETING

November 26, 2007

***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 5:05 p.m. The meeting was held in the Utilities Service Board room at the City of Bloomington Utilities Department Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Tim Henke, Pedro Roman, Jeff Ehman, Julie Roberts, Jason Banach, John Whikehart and ex-officio member Tim Mayer. Staff members present: Patrick Murphy, John Langley, Mike Trexler, Jon Callahan, Phil Peden, Mike Bengtson, Tom Staley, Jane Fleig, Adrian Reid, Mike Hicks, Vickie Renfrow. Others present: Ben Beard representing Gentry Estates, Margaret Fette representing the Libertarian Party and Sue Mayer.

### CLAIMS

***Board member Roberts moved and Board member Ehman seconded the motion to approve the claims as follows:***

***Claims 0791748 through 0791825 including \$141,676.62 from the Water Operations & Maintenance fund and \$750.00 for water hydrant meter rental for a total of \$142,426.62 from the Water Utility; Claims 0731072 through 0731119 including \$189,638.93 from the Wastewater Operations & Maintenance fund for a total of 189,638.93 from the Wastewater Utility; and a total of \$3,504.78 from the Wastewater/Stormwater Utility. Total claims approved – \$335,570.33.***

Board President Swafford asked about the claim for Prarie Group. Assistant Director of Engineering Bengtson explained that it was for flowable fill that was used for the State Road 48 widening project. The state required that excavations be backfilled with flowable fill rather than soil or granular fill.

He also asked about a claim for Snedegar Construction. Mr. Bengtson said that T&D's rock hammer had been broken so Snedegar was hired to do the rock breaking.

***Motion carried. 6 ayes. 1 members absent, (Whikehart).***

### APPROVAL OF WRITE OFF OF WATER AND WASTEWATER ACCOUNTS OF LESS THAN \$40 AND MORE THAN 90 DAYS OVERDUE:

Assistant Director of Finance Horstman reminded the USB that they had approved a policy for writing off water and wastewater accounts of less than \$40 and more than 90 days overdue. This is in accordance with Indiana State Code 36:9:23:33 subsection L. The staff would like to write off 696 uncollectible wastewater accounts that are at least 90 days overdue with an outstanding balance of less than \$40. The total value of these accounts is \$14,629.42. There are also 880 uncollectible water accounts that are more than 90 days overdue with a value of \$19,343.80 that should be written off.

Board member Swafford asked if this action is due to the State Board of Accounts stating that Utilities is carrying too many old accounts. Mr. Horstman agreed that is the case. Mr. Swafford confirmed that even though these accounts are being written off, if any of the customers come back to ask for service they will have to pay off their old debt first

Board member Banach asked why the figure of \$40 was chosen. Mr. Horstman said it is according to State Statute.

***Board member Roberts moved and board member Banach seconded the motion to write off water and wastewater accounts of less than \$40 and more than 90 days overdue. Motion carried. 6 ayes, 1 member absent (Whikehart).***

#### **APPROVAL OF THE GENERAL ELECTRIC INDUSTRIAL PRETREATMENT PERMIT RENEWAL:**

Deputy Director of Utilities Langley asked for approval of the permit for General Electric Corporation for the next 5 years. This permit gives them duties and responsibilities for the quality of the effluent entering the wastewater system from their manufacturing process. It also requires the City to monitor the quality of the effluent. The Clean Water Act requires Utilities to operate a licensed and approved pre-treatment program. This law designates specific manufacturing processes that must be regulated by the pre-treatment authority. GE is designated as an existing metal finisher and under this permit will be regulated according to those federal requirements. They have had a pre-treatment permit for over 20 years and their compliance record has been very good.

Ex-officio board member Mayer asked if this permit has any changes from the previous one. Mr. Langley replied that it does not. Both the federal law and the parameters being maintained by GE's pre-treatment process have remained unchanged so they are still being monitored at the same level as before.

Board President Swafford asked if all the samples that have been taken at GE have been within the compliance range. Mr. Langley said that in his experience they have had no more than 3 or 4 excursions. Each time they were very responsive in determining both the cause and the remedy. They are currently well within compliance. They are regulated for Nickel, Chromium, pH and their flow rate. Typically they report being at about 10% of their permit limit. GE also sets an internal limit that is 1 part per million below the regulated permit level.

***Board member Roberts moved and board member Roman seconded the motion to approve the General Electric industrial pre-treatment permit. Motion carried. 6 ayes, 1 member absent, (Whikehart).***

#### **CONSIDERATION OF ORDINANCE 07-28 TO ADD CHAPTER 10:21 "CONSTRUCTION SITE AND POST CONSTRUCTION STORMWATER CONTROL" TO THE BLOOMINGTON MUNICIPAL CODE:**

Attorney Renfrow with the City of Bloomington Legal department read a memo that gave an explanation of this ordinance. That memo is attached to these minutes.

Board member Henke asked how these rules differ from the Indiana Code. Ms. Renfrow said that it is practically verbatim from the Indiana Code. Mr. Henke also asked how this would connect to grading permit issues. Ms. Renfrow said that when the Unified Development Ordinance (UDO) was adopted storm water issues were dealt with in two different parts of it. One was the process for obtaining a grading permit and a separate section dealt with the requirements and restrictions for environmental compliance such as developing near a sinkhole. The provisions in the UDO are more specific and in some cases are stricter. Both ordinances have language that indicates that all ordinances must be complied with.

***Board member Roberts moved and board member Henke seconded the motion to recommend to the City Council that they approve Ordinance 07-28. Motion carried. 7 ayes.***

## **OLD BUSINESS:**

Board member Henke asked Assistant Director of Finance Horstman about lien letters. He said he had been getting a number of calls about them. Board member Banach said he had also been getting calls about them. Mr. Horstman said that he had sent out about 925 letters. There were two different letters. One deals with previous owners and the other with current owners. Most of these were because a tenant left while still owning Utilities money. These have been turned over to a collection agency but no payments were received. By statute the former and current owner may be asked to make payments on these. Both letters ask the recipient to call if they have any questions or if the information is inaccurate. There have been a lot of calls and in some cases the information was wrong.

Mr. Henke said that one of the calls he got was from a landlord who had received a letter for a tenant from 5 years ago. Mr. Henke was under the impression that these situations had been dealt with before.

Utilities Director Murphy explained that this was in response to an audit finding by the State Board of Accounts. It had been assumed that turning the accounts over to a collection agency would be due diligence. The position of the State Board of accounts was that Utilities must collect on those accounts. This had to be done to avoid having an audit finding. Mr. Murphy said he has been directed by the USB and the Administration to reduce the number of audit findings as quickly and effectively as possible.

Mr. Henke said that his concern is how old some of these bills are. He asked about the system that has been implemented to notify owners if a tenant is in arrears. It isn't effective with old bills.

Budget Analyst Trexler explained that a new system has been set up through CUBS that is called Rental Services. Anyone who has an account with Utilities can sign up. It allows a landlord to indicate what properties they own or manage. If it can be verified that they do own the property they will be able to check the name on the account, the amount due and how much of that amount is overdue. This allows landlords to check the account before returning the tenant's deposit.

Utilities Director Murphy said that there have also been discussions about returning to the policy of requiring a deposit to get service. That policy was discontinued at some time in the past. Board President Swafford said it was more trouble than it was worth.

Board member Banach asked if in the cases where there are both a former and a current owner a letter was sent to both of them. Assistant Director of Finance Horstman said that it's usually one or the other although there were a few cases where both got a letter because the tenant's residency spanned both owners which would mean the former owner is responsible for the first part of the bill and the current owner is responsible for the last part. While a previous owner may be asked to pay a bill it can't be enforced. A lien may only be filed on the current owner.

Board member Henke asked if the resident moves out and the owner sells the property to a new owner does a letter get sent to the new owner as well. Mr. Horstman said the new owner would not be notified if the tenant had not overlapped with them.

Attorney Renfrow explained that the statute requires a letter be sent to the person who owned the building at the time of the tenant's residency. If the bill can't be collected the State Board of Accounts requires that it be written off. This only applies to wastewater accounts. If a water account is overdue a lien may be put on the property. She also said that deposits were very complicated

because there is a requirement to pay interest on them. It is possible to do an evaluation of credit worthiness. Mr. Murphy said that checking credit would probably require the addition of two more staff members.

Mr. Henke said that one of the people he had talked to had said that their 5 year old bill was for more than \$500. It seems that the tenants did not have their water turned off for a long time for them to have run up a \$500 bill.

Board President Swafford said that about 4 years ago the policy was changed to give a 60 day notice then shut the water off if the bill isn't paid.

Board member Ehman asked how things are progressing on the peer reviews for the long range plan. Mr. Murphy said that there were still some technical issues that need to be addressed. He thought they might be ready for the next USB meeting.

**NEW BUSINESS:**

Utilities Director Murphy said an Administrative Subcommittee needs to be scheduled in the near future.

**SUBCOMMITTEE REPORTS:**

The Rules and Regulations Subcommittee met just before the current Regular Session.

**STAFF REPORTS:**

There were no staff reports.

**PETITIONS AND COMMUNICATIONS:**

There were no petitions and communications.

**ADJOURNMENT:**

The meeting was adjourned at 5:36 p.m.

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**L. Thomas Swafford, President**