

UTILITIES SERVICE BOARD MEETING

September 29, 2008

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 picnic shelter at the City of Bloomington Utilities Department Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Pedro Roman, Jeff Ehman, Jason Banach and Julie Roberts. Staff members present: Patrick Murphy, John Langley, Julie Martindale, Jon Callahan, Tom Staley, Jane Fleig and Missy Walden. Others present: Mark Menefee representing Indiana University.

Board President Swafford amended the agenda to include awarding the bid for the North Dunn Street Emergency Bridge Project.

MINUTES

Board member Banach moved and Board member Roman seconded the motion to approve the minutes of the September 2nd and 19th meetings. Motion carried, 5 ayes, 1 member absent, (Whikehart).

CLAIMS

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

Claims 0891328 through 0891393 including \$440,534.28 from the Water Operations & Maintenance fund, \$55,930.00 from the Water Construction fund and \$2,250.00 for water hydrant meter rental for a total of \$498,714.28 from the Water Utility; Claims 0830856 through 0831897 including \$244,069.92 from the Wastewater Operations & Maintenance fund for a total of \$244,069.92 from the Wastewater Utility; and claims 0870096 through 0870101 for a total of \$119,704.66 from the Wastewater/Storm water Utility and \$8,504.75 from the Storm water Construction fund for a total of \$128,209.41 from the Wastewater/Storm water Utility. Total claims approved – \$870,993.61.

Board member Roman asked about 2 sizable claims for Black & Veatch. He wanted to know if the first of them was for the pipe line and the second for the plant expansion. It was confirmed that was the situation. Both are still in the design phase. Mr. Roman then asked if these claims are being paid out of the budget and would later be reimbursed if a bond is passed. Utilities Director Murphy affirmed that. Mr. Roman wanted to know how much the preparation for the bond would cost. Mr. Murphy said it would be hard to predict until somewhere around April of 2009 when the designs would be closer to completion. Assistant Director of Engineering Bengtson said that more of the design work would have to be completed before it would be possible to make an accurate estimate of the costs of this project.

Board member Roman asked if the design would have to be completed before it would be taken to the City Council for a vote on the bond. Utilities Director Murphy said that both could be worked on at once. Mr. Roman asked how much would be paid for out of Extensions & Replacements before being reimbursed by a bond. He was concerned the fund could be depleted. Mr. Murphy explained

that the contract with Black & Veatch includes a not-to-exceed amount. He went on to say the rate case may be sent to the IURC as soon as December of 2008 or January of 2009.

Mr. Roman then asked if the design product received from Black & Veatch would be something that could be used immediately or held for use at some later time. Assistant Director of Engineering Bengtson said that was true up to a point. Over time regulations can change that would affect the design.

Board member Ehman mentioned that similar questions had come up at the last meeting. At that time it was explained that the initial design work is necessary to have the information necessary for building a water rate case. He asked if \$2.5 million is being spent just for the initial design. Mr. Bengtson said it represents phase 1 charges for phases 1, 2 and 3 of the project.

Mr. Ehman then asked about the claim for Beam, Longest and Neff for the relocation of the water main from N. Walnut St. to 2nd St. Utilities Director Murphy explained that this is the first phase of the S.R. 45/46 widening project.

Mr. Ehman asked how WHPA is coming along with the water conservation plan. He said the USB had asked to have input for the plan but WHPA has used 2/3 of their funding and has yet to contact the board. Utilities Director Murphy said WHPA has a year in which to complete their project. He has asked them for information on their progress. He will arrange for them to give the USB an update.

Board member Banach asked about a claim for Bloomington Ford. He said he had thought that Utility's vehicles were repaired by the City of Bloomington Fleet Department. Superintendent of Operations Staley fleet does not do body repairs. In this case it was a very rusted truck.

Board President Swafford asked if the claim for BBC Pump had to do with the Smith Rd. Lift Station. Mr. Staley said yes, that station has always had lots of electrical problems. Assistant Director of Engineering Bengtson mentioned that lots of rags hit the pumps at that lift station. It is suspected that they might come from Indiana University.

Board member Roberts mentioned that there should be interaction between WHPA and the public as the Water Conservation Plan is developed.

Motion carried, 5 ayes, 1 member absent, (Whikehart).

REQUEST FOR APPROVAL OF THE CONTRACT WITH INDIANA PAGING NETWORK FOR PAGERS:

Purchasing Manager Martindale said this contract for pagers is for \$2,000 for 48 pagers. She talked to 2 major vendors before settling on Indiana Paging Network.

Board member Banach said this sounds like a very economical contract.

Board member Banach moved and board member Ehman seconded the motion to approve the contract with Indiana Paging Network for pagers. Motion carried, 5 ayes, 1 member absent (Whikhart).

AWARD BID FOR N. DUNN ST. EMERGENCY BRIDGE PROJECT:

Assistant Director of Engineering Bengtson explained the USB needed to act on this right away because there is a very tight timetable for this project. The entire sum for the project will be

reimbursed by the Federal Government, however, the deadline for getting the reimbursement funds is November 20th.

Three companies bid on this project. They were Weddle Bros. who bid \$184,900, Dave O'Meara who bid \$148,850 and Crider & Crider who came in at \$145,400. Mr. Bengtson recommended the bid from Crider & Crider be accepted.

Utilities Director Murphy explained that Utilities would be entirely reimbursed for this project. There is a 10" gas line in the middle of where the work will take place. It will have to be moved which will cost about \$300,000. This amount is included in the reimbursement. Utilities will pay Vectren to move the gas line out of the reimbursement funds.

Board member Ehman asked if the contract addresses the possibility that Crider & Crider might not finish the project in time to meet the November 20th deadline for reimbursement. Assistant Director of Engineering Bengtson said the contract includes a performance bond for the entire cost of the project. If Crider & Crider should fail to complete the project in time the bond will cover the costs.

Mr. Bengtson went on to say the Crider and Crider had just completed a similar project with the Rogers St. Bridge. He said they did a very good job on that project.

Board member Roberts moved and board member Board member Banach seconded the motion to award the bid for the N. Dunn St. Bridge Project to Crider & Crider. Motion carried, 5 ayes, 1 member absent, (Whikehart).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

No new business was presented.

SUBCOMMITTEE REPORTS:

There were no subcommittee meetings.

STAFF REPORTS:

There were no staff reports.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:29 p.m.

L. Thomas Swafford, President