

UTILITIES SERVICE BOARD MEETING

June 22, 2010

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 Vice President Roberts called the regular meeting of the Utilities Service Board to order at 5:07 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: Julie Roberts, Sam Frank, Pedro Roman, Jason Banach and ex-officio member Tim Mayer. Staff members present: Patrick Murphy, John Langley, Jane Fleig, Mike Bengtson, Michael Horstman, Tom Staley, Phil Peden, Mike Hicks, and Jon Callahan. Others present: Sue Mayer.

MINUTES

Board member Roman moved and Board member Banach seconded the motion to approve the minutes of the June 8th meeting. Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford and Whikehart).

CLAIMS

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

Claims 109629 through 109741 including \$57,555.51 from the Water Operations & Maintenance fund, 315.00 from the Water Sinking fund, and \$1,500 for water hydrant meter rental for a total of \$59,370.51 from the Water Utility; Claims 1030378 through 1030402 including \$123,585.71 from the Wastewater Operations & Maintenance fund for a total of \$123,585.71 from the Wastewater Utility; and claims 1070021 through 1070025 for a total of \$2,420.75 from the Wastewater/Storm water Utility. Total claims approved – \$185,376.97.

Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford and Whikehart).

Wire transfers and fees for the month of March 2010:

Board member Frank moved and Board member Roman seconded the motion to approve the wire transfers and fees for the month of March in the amount of \$653,926.10.

Motion carried, 4 Ayes, 3 members absent, (Ehman, Swafford and Whikehart).

APPROVAL OF CHANGE ORDER NO. 1 (DEDUCTION) WITH GREELEY AND HANSEN:

Utilities Engineer Peden said it was a year ago this contract was approved. The design firm was Greeley and Hansen and the contractor was Miller Pipeline. They started work last fall and were mostly finished by December, 2009 but there was one segment that was finished over spring break because it was in a high traffic area. The project area was bound on the north by Tenth St., on the west by High St., on the East by Smith Rd. and on the south by Curry Buick Blvd. This was a sewer rehabilitation project that consisted of pipe and manhole lining. Over 22,000 feet of cured-in-place pipe were installed and sealed and the company Specter Shield grouted 131 manholes.

The funding for this project was from the SRF for sewer rehabilitation projects. The fund had approximately \$1.3 million in it and the project came in well under the \$1.3 million engineer's estimate. It was around \$864,470.00 which was approximately two thirds of the estimated cost. After installation was completed it was determined that some of the quantities were higher and some were lower so this Change Order is to adjust these quantities which will result in a decrease in the total contract amount of \$8,822.80 so he is requesting approval to close this project down.

Board member Roman moved and board member Frank seconded the motion to approve Change Order No. 1 with Greeley and Hansen. Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford and Whikehart).

APPROVAL OF AMENDMENT NO. 1 TO THE ENGINEERING CONTRACT WITH DONOHUE AND ASSOCIATES FOR THE JORDAN RIVER AND SPANKERS BRANCH CULVERT DESIGN PROJECT:

Utilities Engineer Fleig reminded the USB that she had given an update on this project a couple of meetings ago. At that time she said she would be bringing an amendment to the design contract forward. It is a two page document that is called Amendment No. 1 to the Engineering Services Agreement. This project is for the Jordan River and lower Spanker's Branch culvert reconstruction. The consultant, Donohue & Associates, has expended additional efforts toward this design and will require some additional sub-consultants. The services included in this amendment are obtaining additional soil and rock borings in the Smith Ave. area and additional easements will be required. Initially it was thought about 15 easements would be required, but at this time 22 parcels have been identified where temporary and permanent easements will be required.

There will also be deed and title research for up to 25 parcels. Utilities Attorney Renfrow recommended that 75 year title searches be done because of the age of the area around Walnut St. This is to make sure there are no other easements that might be problematic.

It has been necessary to expend additional management and sub-consultant coordination efforts because of the increased scope of the work and the delay in the time line. The original contract was approved in 2007 and three years later the design hasn't been completed so there are additional fees. If necessary there will have to be field staking of easements. Sometimes property owners want to have a visual idea of where the easements are.

There are five items being added to this contract for a total amended price of \$19,891. There are some expenses that may not be used but it seemed best to bring this amount to the USB so it won't be necessary to come back over and over for smaller amounts. They will only bill for the services used which may be less then the amount stated in the amendment.

Board member Roman moved and board member Frank seconded the motion to approve Amendment No. 1 to the Engineering Contract with Donohue & Associates for the Jordan River and Spankers Branch Culvert Rehabilitation. Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford and Whikehart).

APPROVAL OF THE CONTRACT FOR WATER MAIN INSTALLATION CREDIT FOR THE HIGHLANDS, PH. 5, SECT. 1:

Assistant Director of Engineering Bengtson said all the USB members present are familiar with Section 18. It allows for contracts for water main installation credits. He showed the area where

the Highlands is located and where the relevant sections are. This contract is for \$ 9,150.41. According to the rule, the credit may only be offered once the improvements have been finished, inspected, tested and a final inspection that shows all deficiencies determined by the first inspection have been rectified. Mr. Bengtson said Utilities Engineering Department is satisfied that everything has been installed and is in proper order. The rule also requires that the developer submit a variety of things that the developer has submitted in this case. It has been verified that the value of the installation of that waterline is \$22,788.57. For an installation of that amount \$9,150.41 is the proper amount for credit.

Board Vice President Roberts asked if there was any reason why the two different requests weren't dealt with at once. Mr. Bengtson explained this is usually done section by section. The three sections in the following item were all finished at the same time which triggers a "start date". The value of the installation credit is based on three years worth of average water bills. Those average water bills are calculated according to the period of time starting after the first water meter is set. These two requests have different periods of time in which they were finished and the first water meter was set.

Board member Roman moved and board member Banach seconded the motion to approve the Contract for Water Main Installation Credit for The Highlands, Ph. 5, Sect 1. Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford and Whikehart).

APPROVAL OF THE CONTRACT FOR WATER MAIN INSTALLATION CREDIT FOR THE HIGHLANDS, PH.5, SECT. 3 & 4 AND PH.6, SECT 2-LOTS 152, 153,154,188,189, 190:

Assistant Director of Engineering Bengtson said the next item is for \$10,633.25 and the value of the asset is \$36,382.39. It has been inspected, tested, and all the proper submittals were received.

Board member Roman moved and board member Frank seconded the motion to approve the Contract for Water Main Installation Credit for The Highlands, Ph. 5, Sect. 3 &4 and Ph 6, Sect 2, lots 152,153, 154, 188, 189, 190. Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford and Whikehart).

CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT OF PUBLIC WORKS FOR SERVICES TO INCLUDE WATER LINE WORK WITH THE SARE RD./ROGERS RD. ROUNDABOUT PROJECT:

Utilities Capital Projects Manager Hicks said the City Department of Public Works is progressing with the design and construction of a roadway improvement project on S. Sare Rd. and E. Rogers Rd. They propose the construction of a roundabout at that location. Utilities has planned the South-East Water System Improvements project which proposes an alignment of a South-East 24" water main north and south of Sare Rd. at this intersection. The Public Works Roadway Improvement project is scheduled to be bid in April, 2011. Utilities' schedule will not allow for the construction of the pipeline first so Public Works has been asked to include the construction of a portion of the South-East water system transmission main with the roadway improvement project. They will amend their contract with their Engineering firm and include about 1,700 feet of 24 inch pipeline to be constructed with the roadway job. The firm they are working with is Eagle Ridge Civil Engineering Services. Brock Ridgeway is the principal and Utilities Engineers are familiar with him. The fee is \$8,300 for this work which Utilities Engineers feel is reasonable. INDOT has oversight of this project which causes some added steps to follow their procedures. Utilities' engineering consultant, Black & Veatch, has the design and specifications for the pipeline project

95% complete. They have agreed to hand that data over to Eagle Ridge Engineering Services which will be a benefit although there will still be some changes to that design to allow clearances with new features of the roadway, primarily a storm water system.

Mr. Hicks said this Memorandum of Understanding gives Utilities an agreement with Public Works that Utilities will reimburse them \$8,300 if they modify the contract with Eagle Ridge to include the waterline.

Board Vice President Roberts asked if Public Works will just build a little piece of the larger waterline that will be built from the lake to town. Mr. Hicks said that is correct. It is only within the limits of their roadway project which goes from 600 feet south of Rhorer Rd. on Sare Rd. to 1,100 feet north of Rhorer Rd. It turns out these are good terminus points for Utilities' project to connect to when it gets started.

Ms. Roberts asked if the Memorandum of Understanding is just for design costs. Mr. Hicks said that was right. She asked if later on Utilities would be paying for that piece of the pipeline. Mr. Hicks said he actually meant that it would be for design, bidding, and construction engineering services. Utilities will have to pay for the actual construction at which time this matter will be brought back to the USB. Sometimes payment is made after the project has been let and bid but before they award it, and sometimes it is much later in the project. He isn't sure yet how it will be handled this time.

Board member Roman moved and board member Frank seconded the motion to approve the Memorandum of Understanding with the Department of Public Works for services to include water line work with the Sare Rd./Rogers Rd. Roundabout project. Motion carried, 4 ayes, 3 members absent, (Ehman, Swafford, and Whikehart).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

Board Vice President said she had attended the Taste of Bloomington last weekend and had really enjoyed the 4 water fountains that were set up there with free water. It was a very hot day they were constantly busy. She thanked the Public Relations Department and Mike Bengtson and his son for setting it up. Utilities Director Murphy said it was a different look this year. In the past plastic bottles had been used. A couple of the water fountains were newly acquired. Mike Bengtson had got them from IU surplus.

SUBCOMMITTEE REPORTS:

There were no subcommittee meetings. Utilities Director Murphy said there would be a Finance Subcommittee meeting in the next couple of weeks to discuss the budget.

STAFF REPORTS:

Utilities Director Murphy said staff is beginning to prepare testimony for the rate increase. The IURC requires written testimony to be filed. There will be a meeting between the wholesale, customers and Legal Council David McGimpsey later this week to get their input.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:31 p.m

L. Thomas Swafford, President