

UTILITIES SERVICE BOARD MEETING

August 31, 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 President Swafford called the regular meeting of the Utilities Service Board to order at 5:04 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, Jeff Ehman, Sam Frank, John Whikehart and ex-officio members Tim Mayer and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Phil Peden, Vickie Renfrow, Dave Williams, Lisa Abbott, Jon Callahan, Jane Fleig, Mike Hicks and Mick Renneisen. Others present: Sean Arden representing ms consultants, Scott Morgan representing the Monroe County Solid Waste Management District, Frank Kittredge representing the Peppergrass Home Owner's Association and Sue Mayer.

MINUTES

Board member Ehman moved and Board member Frank seconded the motion to approve the minutes of the August 17th meeting. Motion carried, 4 ayes, 3 members absent, (Banach, Roberts and Roman).

CLAIMS

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

Claims 1090948 through 1090997 including \$86,048.13 from the Water Operations & Maintenance fund for a total of \$86,048.13 from the Water Utility; Claims 1030558 through 1030597 including \$89,646.33 from the Wastewater Operations & Maintenance fund for a total of \$89,646.33 from the Wastewater Utility; and claims 1070040 through 1070041 for a total of \$1,148.21 from the Wastewater/Storm water Utility and \$1,275.00 from the Wastewater/Storm water Construction fund for a total of \$2,423.21 from the Wastewater/Storm water Utility. Total claims approved – \$178,117.67.

Board member Ehman asked about the claim that was for testing for the local limits project. Utilities Deputy Director Langley said the first draft of the Local Limits ordinance is almost finished. All the data has been collected and the testing went very well. When the draft is done it will be brought to the USB then sent to the EPA. Once it has been approved by the EPA it will be brought back in ordinance form. Mr. Ehman asked if this is for discharge into waterways. Mr. Langley said the project is designed to see what loadings the plant can handle in terms of effective treatment. A 98% plus removal rate is desired. This will be achieved by settings limits on local industries and businesses. Mr. Ehman asked if this is for inputs into the WWTP as opposed to outputs from it. Mr. Langley confirmed that.

Motion carried, 4 ayes, 3 members absent, (Banach, Roberts and Roman).

Wire transfers and fees for the month of May 2010:

Board member Frank moved and Board member Ehman seconded the motion to approve the wire transfers and fees for the month of May in the amount of \$669,162.90.

Motion carried, 4 Ayes, 3 members absent, (Banach, Roberts and Roman).

APPROVAL OF THE MEMORANDUM OF UNDERSTANDING FOR CONSULTANT SERVICES FOR THE GRIFFY LAKE IMPROVEMENTS:

Utilities Director Murphy said the MOU was prepared by Inga Van Der Cruysee, who handles legal matters for Park & Rec, and Vickie Renfrow. He said there are two related matters for approval; the Memorandum of Understanding and the amendment for consulting services with ms consultants for the Griffy Lake Dam improvements. Mr. Murphy said both items will be discussed at the same time.

The first item is the MOU that was approved by the Parks Board on August 24th. Mr. Murphy mentioned that many people from a variety of City Departments had been involved in this collaborative effort.

Mr. Murphy said that CBU owns Griffy reservoir while Parks & Rec. manages it. It has been developed into a fine recreational center. Both departments have long term items that need to be addressed. These include the dam and issues with the shoreline of the lake.

Mr. Murphy introduced Lisa Abbott, the director of the HAND department, to explain the history of these projects with respect to the funds for it. Ms. Abbott explained that her involvement in this project came about because the funding is coming through the State Office of Community and Rural Affairs. These are Community Development Block Grant funds that were allocated to Indiana due to the flood of June, 2008. One of the programs the State created with this funding was to repair dams and levees that are on an eligibility list. The Griffy Dam is on this list. The State came to the City of Bloomington a couple of months ago to tell them they had created this program and the Griffy Dam is on the list. They suggested that a joint project between CBU and Parks & Rec. could be applied for. To make the application a CDBG certified administrator is required. Miss Abbott is certified so she will be acting as the administrator for the grant. She said this is very similar to a project from a few months ago. When road repairs from the dam, due to the flood, were made FEMA only paid a portion of it so the State provided the other 25% under this program. She came to the USB at that time to get approval of the funding. The application was successfully funded and all the money has been received by Utilities at this time. This new project will use the same process. An application will have to be made, the USB will have to have a public hearing and then the work will follow the State's process. This will be a much longer process than the previous application because the work will be ongoing, not completed in advance as the other project was.

Utilities Assistant Director of Engineering Bengtson pointed out that the MOU described several items that will appear again in the amendment to the contract for ms consultants. Mr. Bengtson said it is exciting to pair up with the Parks Department again and work with Ms. Abbott to try to secure this grant. The grant is directed at high hazard dams of which Griffy is one. ms consultants worked with Utilities in 2008 when a bridge on the road by Griffy Dam was re-done. They have also done some design work for remedying the problems discovered during the dam inspections. Along with the dam work, the hardened face, which has some growth on it, will be renewed, all of the fencing will be replaced and the sluice gate on the tower that fed the water to the old Griffy plant will be evaluated and repaired. There will also be evaluation and relocation of some shore line silt.

The MOU requires the Parks department to front \$50,250 of which Utilities will pay back \$25,000, 90 days after a new water rate increase is in place. There is the possibility of an additional \$10,000 being spent if more survey work is needed in the lake bed. Some information is available but ms consultants may feel they need more. If the \$10,000 is spent it would be split 50/50 with the Parks Department.

Parks and Recreation Director Mick Renneisen thanked the USB and the CBU staff for their long term partnership involving the stewardship of Griffy Lake. He said the Parks staff thinks this proposal to jointly solve problems that both entities have with managing a backup water source and recreation facility will benefit both rate payers and tax payers. The work will only have to be done one time while the lake is, possibly, partially drained for all the work to be accomplished. They are happy to be contributing their fair share of the funds, this time being half of them. At times Utilities has born the heavier share of the funds, this time the Parks Department is pleased to be an equal partner. Mr. Renneisen also informed the USB that the Parks Board had unanimously approved this MOU at their August 24th meeting. He then introduced Dave Williams, the Parks' Operations Director to give the Parks side of the project.

Mr. Williams said some utilities infrastructure for the lake's operation will need to be rehabilitated which is likely to require a draw down of the lake. There were also two issues identified in their 2008 Master Plan that called for rehabilitation of about 6,000 feet of eroded shoreline. This would be done during the draw down of the lake. The other serious problem, particularly during this extended dry period, is siltation on the east side of the causeway. Because of this the narrow channel that is used to run boats and kayaks from the boat rental operation under the causeway to the main body of the lake is unusable. Boats can't get through there. They would like to relocate the accumulation of silt from that location. It will not be removed. Two Parks projects and two infrastructure related projects for CBU can be consolidated into one unified project allowing for just one drawdown, and the associated funding, is what brings them to the USB.

Ex-officio board member Micuda asked what the potential grant allocation would be. Utilities Director Murphy said they will be applying for \$2 million.

Mr. Murphy said one of the things that hadn't been mentioned is they want to get the application in by the first of November but there are a few hurdles to be overcome. There must be an environmental assessment on the site which will go to the DNR. HAND will take care of that. This is time sensitive and ms consultants has agreed to do their work in 30 days.

Board member Ehman said this sounds like a very good opportunity for Utilities. He thanked Parks and HAND for taking the initiative to bring this forward. He asked Director Murphy to talk a bit about Utilities' interest in Lake Griffy.

Assistant Director of Engineering Bengtson said Utilities will want to continue with Lake Monroe as the water source for as long as possible but at some future date Lake Griffy could once again become a viable addition to the water system. One of the original problems with Griffy was the chemical interaction with Monroe water that interfaced at the IU campus. Every day the water condition could be different which caused difficulties for IU boilers. New technology could overcome this problem. At present the Monroe WTP's capacity is being increased in 6 mgd increments to a maximum of about 42 mgd which is all the Monroe tower is good for. At that point another source of water will have to be found or another plant would have to be built on Lake Monroe. Once again using Lake Griffy and Lake Lemon would be a viable alternative but the intake tower that served Lake Griffy would have to be re-built. The problem at this time is with the sluice gate which isn't working. That could be re-habilitated on the old, old structure from the early 1900's, or the possibility of re-building the structure could be explored. Some ideas of how to do that will be considered during the design period.

Mr. Ehman said that recent reports had sited Griffy as not being viable for a water source, however new technologies show the potential exists that it could be a viable source in the future so the property should be retained and maintained. Mr. Bengtson agreed. He said the property is a jewel in

the midst of the community. Any plans of this sort are far down the line. Lake Monroe is a very good source of water.

Ex-officio board member Micuda said normally when a grant of this sort is being applied for there is competition for it. He wondered if this is a competitive process or just an application process. HAND Director Lisa Abbott said all grants are competitive, but in this case the project had to be on the list to be eligible and the list is pretty finite. There have been a couple of applications but there is still quite a bit of funding available. Right now it appears that as long as the project is eligible and the funding is available the State will continue to fund projects until they run out of money. That is one of the reasons for the short time line since they don't want to be the application that is turned down because the funding is gone.

Board President Swafford asked if this is stimulus money from the State. Ms. Abbott said it was allocated by Congress to make repairs after the flooding in June, 2008. This is just one of the programs the State came up with to utilize the funds.

Board member Ehman moved and board member Frank seconded the motion to approve the Memorandum of Understanding for consultant services for the Griffy Lake improvements. Motion carried, 4 ayes, 3 members absent, (Banach, Roberts and Roman).

APPROVAL OF AMENDMENT A TO THE AGREEMENT FOR CONSULTING SERVICES FOR CBU GRIFFY LAKE DAM IMPROVEMENTS:

Board member Ehman moved and board member Whitehart seconded the motion to approve Amendment A to the Agreement for Consulting Services for CBU Griffy Lake Dam improvements. Motion carried, 4 ayes, 3 members absent, (Banach, Roberts and Roman).

REQUEST FOR APPROVAL OF THE DILLMAN ROAD GROUND LEASE:

Utilities Deputy Director Langley said this is a five year lease for a small piece of ground located just off Dillman Rd. at the bottom of the hill, on the Dillman Rd. WWTP property. It has existed for a number of years. The lease has expired and been renewed several times. The property is a drop-off point that the Solid Waste Management District uses for recycling. Over the years there has been a very good relationship with the staff of the District. The site is kept neat and orderly and does not encroach on any of the activities that are conducted at the Dillman Plant. They have been a great tenant. The lease document was prepared by City Attorney Renfrow and has been reviewed by Director of Utilities Murphy and Mr. Langley. It is very protective of the Utilities Departments' interest. The term for this lease is five years and it is rent-free. It will now automatically renew every five years unless either party terminates the lease 90 days before it expires.

Board President Swafford asked Mr. Langley to point out the exact location of the leased property. He then asked if the area is fenced and everything shown on the map provided is already in place. Mr. Langley said it is. Mr. Swafford pointed out that the lease says the District will be responsible for maintaining the site. He asked what the consequences would be if it were not maintained. Mr. Langley said if he got a complaint he would call Scott Morgan at the Solid Waste Management District who would take care of it almost immediately. That issue has never come up. There have never been any complaints.

Board member Frank moved and board member Ehman seconded the motion to approve the Dillman Road Ground Lease. Motion carried, 4 ayes, 3 members absent, (Banach, Roberts and Roman).

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:

Frank Kittredge, treasurer for the Peppergrass Home Owner's Association, said he is trying to find out why CBU is denying Peppergrass sewer maintenance services for the sewers in the area while simultaneously billing the residents for sewer maintenance. He thinks something has gone wrong some place. For several months he has been trying to find the documents that deal with this. During the annexations the financial planning resolution identified the sewers as operating, connected and ready to be a part of the annexation. He thought that meant at that time the City took jurisdiction over the sewers. The sewer arrangement at Peppergrass is that there was a City sewer that preceded the construction of the Peppergrass units, running roughly North East and South West to connect to Walnut St. Some of the units at Peppergrass are connected to that sewer main according the Utilities' Engineering staff. Approximately 40 out of 168 units are connected to the City's sewer main and do receive maintenance. The balance of the units are shown in the engineering documentation as connected to a private sewer, therefore they have been denied sewer maintenance. They aren't getting annual cleanings or any service if there is a blockage yet the residents in those units are still being billed for volume which is fair but the maintenance charge doesn't seem to make sense. Mr. Kittredge said he had been working with Troy Powell, who has been very helpful, and several other staff members. He hasn't been able to get two answers; he can't find out why they have been denied sewer maintenance and when and who denied them. He asked for some help in ferreting that out.

Assistant Director of Engineering Bengtson said his staff has had discussions with several phases of Peppergrass. They have dealt with different board members at different times when the evaluations of the sewers the residents wanted CBU to take over were done. CBU staff told them they couldn't do that until some things were remedied. The decision about whether or not a sewer will be taken over by CBU is made when the review of the subdivision is done. There are a lot of apartment complexes that do their own maintenance on their collection system before they deliver their sewage into the City's piping. Troy Powell is reviewing files to see if there is any indication of what happened. Mr. Bengtson asked Mr. Kittredge if he knew the dates of the annexation. Mr. Kittredge said the annexations took place in two parts, one in 1982 which was about 60 units. In that annexation 16 units got connected to the existing City mains. In 1992 the balance of about 120 units were annexed. Some of those were connected to the City main. It is his understanding that the City sewer ran through that area prior to construction of the current condo units. Because of this the sewer mains do not travel along the roadways, they swing on and off private property. There are some issues with access. Mr. Bengtson said sometimes CBU requests that sewers be moved to a different location so access is improved. If they don't want to do that it may be a reason for CBU to reject ownership. The sewers must be built to CBU's standards.

Board President Swafford asked Mr. Bengtson to research this and document the findings in such a way that the residents at Peppergrass understand the reasoning. Mr. Kittredge said the general contractor's drawings and plat make comments about the sewers being prepared to connect to...Mr. Bengtson said they would have to meet CBU's standards and annexation is unrelated to whether or not CBU takes ownership. Troy Powell is working on this. Records this old are in long term storage. He is working on getting those files. Mr. Kittredge said the question is jurisdiction or why are they being billed.

ADJOURNMENT:

The meeting was adjourned at 6:41 p.m

L. Thomas Swafford, President