

# UTILITIES SERVICE BOARD MEETING

August 15, 2011

***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 Department Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Julie Roberts, Sam Frank, Jeff Ehman, Pedro Roman, Jason Banach, John Whikehart and ex-officio members Tim Mayer, and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Tom Axsom, Phil Peden, Mike Bengtson, Mike Hicks, Jane Fleig, and Jon Callahan. Others present: Sue Mayer.

## MINUTES

***Board member Roman moved and Board member Ehman seconded the motion to approve the minutes of the March 1<sup>st</sup> meeting. Motion carried, 5 ayes, 2 members absent, ( Roberts and Whikehart).***

## CLAIMS

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

***Vendor invoices submitted to the controller's Office on August 10, 2011 included \$403,022.78 from the Water Utility; \$150,979.67 from the Wastewater Utility; and \$481,766.40 from the Wastewater/Storm water Utility. Total Claims approved, \$1,035,768.85.***

Board President Swafford asked about the claim for American Structurepoint. Utilities Director Murphy said this contract was for the round-about at 17<sup>th</sup> and Monroe Streets. Mr. Swafford said he thought that project had been cancelled. Mr. Murphy said that wasn't definite yet and the consultant would be providing estimates.

***Motion carried, 5 ayes, 2 members absent, (Roberts and Whikehart).***

***Wire transfers and fees for the month of March:***

***Board member Roman moved and Board member Ehman seconded the motion to approve the wire transfers and fees for the month of April in the amount of \$76,469.27.***

***Motion carried, 5 ayes, 2 members absent, (Roberts and Whikehart).***

## REQUEST FOR APPROVAL OF THE COLLECTION SERVICES AGREEMENT WITH VIRTUOSO SOURCING GROUP, LLC:

Assistant Director of Finance Horstman said in the past Utilities did business with a firm called IEI Financial Services. Virtuoso Sourcing acquired IEI Financial Services, taking over Utilities' contract with IEI. For the past six months Utilities has been working with Virtuoso. Virtuoso agreed to honor the same percentage costs the original IEI contract included. During the calendar year 2010 approximately \$14,000 was collected and it cost \$4,213 which is 30% of what they collect.

The contract is a one year contract with a one year renewable option for either party.

Board member Roman asked if Virtuoso is based in Indiana. Mr. Horstman said they are based in Colorado. He said they had acquired all the assets of IEI when they took them over. Mr. Roman asked if they had kept any of their operations in Indiana. Mr. Horstman said they had not. Since they offered the same terms as IEI he had felt it was worth it to keep the same rates as in the past. The rates haven't changed since 2006.

***Board member Roberts moved and board member Ehman seconded the motion to approve the Collection Services Agreement with Virtuoso Sourcing Group, LLC. Motion carried, 7 ayes, 0 members absent.***

**REQUEST FOR APPROVAL OF THE INDUSTRIAL PRETREATMENT PERMIT FOR ALL SOURCE PACKAGING GROUP:**

Utilities Deputy Director Langley said this is an existing permit. He is asking the USB to approve an increase in the sampling frequency. They have been sampling twice a year. Some oil was found in one of the samples, which required immediate re-sampling. Both the company and CBU re-sampled and some oil was found in one of those samples. He is asking the frequency be changed from semi-annually to monthly to see what additional data will do for understanding what is creating the problem. All Source is a soap manufacturing concern. They blend, formulate, bottle, and ship soap. Federal law requires the operation of an approved pre-treatment program. The state of Indiana monitors the program on a quarterly basis to make sure all the rules are being obeyed.

Board member Roman asked if at some point the monthly testing would change back to bi-annual. Mr. Langley said the source has not been identified. He is hoping that more data will reveal a pattern. It is possible that at some time in the future he will come back to the USB to request changing the permit back to semi-annual sampling.

***Board member Roman moved and board member Ehman seconded the motion to approve the Industrial Waste Pretreatment Permit for All Source Packaging Group. Motion carried 7 ayes, 0 members absent.***

**OLD BUSINESS:**

No old business was presented.

**NEW BUSINESS:**

No new business was presented.

**SUBCOMMITTEE REPORTS:**

There were no subcommittee meetings.

**STAFF REPORTS:**

Utilities director Murphy said there had been an exit conference with the State Board of Accounts on Monday, August 8<sup>th</sup>. There were no written findings or oral discussion points. There is nothing to report other than that no report is a good report. Mr. Murphy said the credit goes to Michael Horstman and his staff for their excellent job.

Mr. Murphy said there had been bid openings for the MWTP, and Southeast Water System Improvement projects. They are still being reviewed. There will be an Administrative Subcommittee meeting to receive the recommendation of the Engineering staff and make a suggestion. Action will be taken on the contract at the next meeting, or a special meeting.

Mr. Murphy said he also has a couple of customer issues that should be brought to the Administrative Subcommittee.

Board President Swafford thanked Assistant Director of Finance Horstman for his excellent work with the audit.

**PETITIONS AND COMMUNICATIONS:**

There were no petitions or communications.

**ADJOURNMENT:**

The meeting was adjourned at 5:14 p.m.

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**L. Thomas Swafford, President**