

UTILITIES SERVICE BOARD MEETING

June 25, 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 Vice President Henke called the regular meeting of the Utilities Service Board to order at 5:02 p.m. The meeting was held in Conference Room 100B at the Indiana University Research Park at 501 North Morton Street in Bloomington, Indiana.

Board members present: Tim Henke, John Whikehart, Pedro Roman, Jason Banach and ex-officio member Tom Micuda. Staff members present: Patrick Murphy, John Langley, Tom Staley, Mike Hicks, Michael Horstman, Julie Martindale, Phil Peden, Jane Fleig, Mike Bengtson and Adrian Ried. Others present: Mark Menefee representing Indiana University, Scott Dompke representing GRW, Paul Soderquist and Adam Westerman representing Black & Veatch, Ben Beard representing Gentry Estates and Margaret Fette representing the Libertarian Party.

MINUTES

Board member Roman moved and Board member Banach seconded the motion to approve the minutes of the June 11, 2007 meeting, with corrections to the members present. Motion carried, 4 ayes, 3 members absent, (Ehman, Roberts, Swafford).

CLAIMS

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

Claims 3790529 through 0790942 including \$208,189.38 from the Water Operations & Maintenance fund for a total of \$208,189.38 from the Water Utility; Claims 0730519 through 0730570 including \$154,441.48 from the Wastewater Operations & Maintenance fund and \$154.75 from the Wastewater Construction fund for a total of \$154,596.23 from the Wastewater Utility; and claims 0770062 through 0770068 for a total of \$14,547.39 from the Wastewater/Storm water Utility. Total claims approved – \$377,733.00.

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

Wire transfers and fees for the month of May 2007:

Board member Whikehart moved and Board member Banach seconded the motion to approve the wire transfers and fees for the month of May 2007 in the amount of \$576,651.97.

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

DECLARATION OF SURPLUS EQUIPMENT AND FURNISHINGS

Purchasing Manager Julie Martindale reminded the USB that their packets included a listing of all the items that need to be declared surplus. This includes furniture that will be made available to non-profits. Once a year the USB is presented with a list of equipment that is

obsolete, no longer feasible to repair or there is no longer any use for it. The USB needs to approve the disposal of these items. It has often been the case that they are auctioned in a City auction but recently there haven't been enough surplus City vehicles to justify an auction so it has been held in conjunction with MCCSC. In the case of the furniture a number of non-profit agencies have been offered the opportunity to choose what they can use. There has been a great deal of interest in this. Anything that is left over may be taken to the Monroe County Solid Waste District. They allow non-profits to come in and take those items.

Board member Henke asked if there are some things that will be sold and others that will be donated. Ms. Martindale said that the only thing that will be sold is the 1992 International dump truck. There is a Chlorine repair kit which will be donated to the Bloomington Township Fire Department to be used for training purposes. Everything else will either be donated to non-profits or be turned in as scrap.

Board member Banach asked if there is a statute that governs how surplus material is disposed of. Ms. Martindale replied that is the case. The statute allows for a transfer to non-profits of items that have been declared surplus by the board. Things can also be transferred to government entities. If there is an auction the items must be listed in the paper for a two week period of time. Mr. Banach asked if the transfer to a non-profit or government agency can be a donation. Ms. Martindale said it can be. Mr. Banach said that he doesn't think it would be a bad idea to donate to non-profits. He wanted to know how the non-profits are selected who these items will be offered to. Ms. Martindale explained that she had worked with Bet Savich in Community and Family Resources. Ms. Savich maintains a volunteer network that the surplus furniture was offered to. The Solid Waste District and the Behavioral Health Center also sent emails offering the items to the agencies on their lists. All the non-profits looked at what was available and the items they were interested in were labeled. Mr. Banach asked if every local non-profit had an equal opportunity to benefit from this. Ms. Martindale said that was the case.

Purchasing Manager Martindale said that everything had been offered to other departments in Utilities and to other City departments first. Mr. Banach asked how the decision is made about what is given to a non-profit and what is sold. Ms. Martindale said that they look at the value of the things that are surplus and factor in the cost for advertising, auction services and the cost of moving the items.

Utilities Director Murphy pointed out that handling the surplus in this manner allows for the move to take place more quickly.

Ms. Martindale thanked Bet Savich and Lucy Schaich from Community and Family Resources, Jim Lang from Public Works, Laurel Pierrard and Sheila McGlothlin from Utilities, Scott Morgan at Solid Waste Management and Robert Young, the Monroe County Wrap Around Director for all their help with coordinating this project. Utilities Director Murphy also thanked all those people along with Julie Martindale.

Board member Banach moved and board member Roman seconded the motion to approve the declaration of surplus equipment and furnishings. Motion carried, 4 ayes, 3 members absent (Swafford, Ehman and Roberts).

APPROVAL OF THE CONTRACT WITH ATC ASSOCIATES, INC. FOR ENVIRONMENTAL MONITORING AT DILLMAN ROAD

Deputy Director Langley explained that he is asking for approval of funding in the amount of \$15,080 for contract services with ATC Associates who will be doing consulting and analytical

services with regard to the permit for the sludge landfill at Dillman Road. They will create a quality assurance plan which is a comprehensive description of the way samples are collected, handled, analyzed and reported. IDEM requires a plan that is specific to the Dillman Road landfill. They will also provide a statistical evaluation package which evaluates historical and future ground water data and analyzes it for anomalies in the data. This is a compliment to the quality assurance plan that lets IDEM know if the data agrees with what would reasonably be expected and also to note if any statistically significant changes take place in the quality of the ground water. Utilities will acquire a license for the software called "Dump Stat" which will be used to find any anomalies in the data. ATC will run two reports of the data, one in June and one in December. After that a decision will be made as to whether the software can be operated in house in the way that IDEM requires.

Board member Henke noted that Mr. Langley's report mentions Evelyn Brophy and Craig Abbott. He asked if they are Utilities' employees. Mr. Langley replied that Mr. Abbott is the Chief Chemist at Dillman Road and Ms. Brophy is Mr. Langley's staff assistant.

Board member Banach moved and board member Whikehart seconded the motion to approve the contract with ATC Associates, Inc. for environmental monitoring at the Dillman Road landfill.

RESOLUTION TO AWARD MONROE WTP FILTER REHABILITATION PROJECT TO MADDOX INDUSTRIAL CONTRACTORS

Deputy Director of Engineering Bengtson said that bids were taken on May 1st for this project. Since then Black & Veatch has been working to get all the proper submittals and also to check out the references. Maddox has done some smaller projects for Utilities in the past. This project should be started by October 1st and must be completed by May 1st because that's the period of time with the smallest amount of flow so the filters can be taken out of commission one at a time.

Board member Henke asked Mr. Bengtson how many filters there are and if he would describe the process that will be used. Mr. Bengtson said that there are four filters. They will be shut down one at a time to remove the filter media, which is made up of graduated layers of aggregate with anthracite coal and sand on the top layer. At the bottom is a gravel base. All the water goes through these filters. The last time any rehabilitation was done was in 1989 and 1979. Once the media is removed a protective coating will be put on the concrete walls. The media will then be replaced without any changes. Some SCADA configuration will also be a part of this project.

Board member Roman pointed out that on the second page of the resolution the USB is referred to as the Utilities Board. He asked that the word Service be inserted between Utilities and Board.

Board member Henke asked if Maddox is a local company. Mr. Bengtson said that they are from Indianapolis.

Board member Whikehart moved and board member Banach seconded the motion to approve the resolution to award the Monroe WTP filter rehabilitation project to Maddox Industrial Contractors. Motion carried, 4 ayes, 3 members absent (Swafford, Ehman and Roberts).

REQUEST FOR APPROVAL OF AMENDMENT A TO BLACK & VEATCH CONTRACT FOR MONROE WTP FILTER REHABILITATION PROJECT

Deputy Director Bengtson said that to call this an amendment is not completely accurate because the contract itself is not being amended. The USB's approval needs to be amended since they have only approved the first and the fifth phases of this project. These phases were the design and bidding and the Standard Operating Procedures Manual. Approval is now needed for phase two which is the construction and phase engineering services and phase three which is the residential engineering services for the inspector on site and the SCADA configuration for the filters. At this time the filters are the only process on site that isn't included in the overall SCADA configuration.

Board member Banach asked if the Cities' Legal Department had looked at this contract. Mr. Bengtson said that the contract as a whole has been reviewed by the Legal Department and that the USB has approved the contract as a whole. But only the first and fifth phases have received approval to proceed.

Board member Whitehart pointed out that Amendment A increases the ceiling for authorized expenditures from \$192,400 to \$538,500. Mr. Bengtson said that the amounts that were listed in the original contract aren't being changed. Board member Micuda asked if it is just a notice to proceed so the amounts listed in the original contract can be dispersed. Mr. Bengtson said that is correct.

Board member Roman asked which amount was approved for the contract. Mr. Bengtson said phase 1 was \$158,000 and phase 5 was \$34,000 which had already been approved. He is asking that phase 2 be approved for \$88,000, phase 3 for \$117,000 and phase 4 for \$114,000. Mr. Bengtson affirmed for Mr. Roman that the contract as a whole had been approved before but the listed amounts had not been approved although they were a part of the contract. Utilities Director Murphy said the amount being approved is currently in Extensions & Replacements. The USB is being asked to appropriate the amount that was earmarked for this project.

Board member Roman moved and board member Banach seconded the motion to approve Amendment A to the Black & Veatch contract for the Monroe WTP filter rehabilitation project. Motion carried, 4 ayes, 3 members absent (Swafford, Ehman and Roberts).

REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 FOR REYNOLDS, INC. FOR THE CE MINI-BASIN 6 & 7 REHABILITATION PROJECT

Assistant Director of Engineering Bengtson said that there are two lining projects being worked on at this time. This request is for the Reynolds' contract. As they were working they discovered that some of the sewers that were scheduled to be lined had been replaced so they didn't need to be lined. Because of that there was some money left over. SRF has agreed that money plus some extra can be used for lining some sewers in the South Downs area. This will bring the contract about 15% over the original bid amount but the original project had bid for about half of the original estimate. The only limit is to not go over 20% of the original amount of the contract. This change order would fall within that limit. The net amount is \$101,310 which is well within the budget.

Utilities Director Murphy pointed out that these areas being suggested for re-lining are part of the Agreed Order. When the bids came in low it allowed Utilities to go back to the SRF to ask to include more of the areas that were in the Agreed Order. SRF approved this Change Order.

Board member Henke asked if the in house work that was done included lining sewers. Mr. Bengtson said that it had been a matter of replacing the sewers at the same time that a water project was being done. Mr. Henke suggested that Greeley and Hansen give the USB another update on the Wet Weather Plan. Utilities Director Murphy said that would be arranged soon after the move to the new building had been completed.

Board member Banach moved and board member Roman seconded the motion to approve the request for Change Order No. 1 for Reynolds, Inc. for the CE mini-basin 6 & 7 rehabilitation project. Motion carried, 4 ayes, 3 members absent, (Swafford, Ehman and Roberts).

REQUEST FOR APPROVAL OF CHANGE ORDER NO. 1 FOR BOWEN ENGINEERING CORPORATION FOR THE BLUCHER POOLE WWTP IMPROVEMENTS PROJECT

Capital Projects Manager Hicks said that Bowen Engineering Corporation is engaged in a major plant wide improvement project at Blucher Poole. A few months ago the plant maintenance staff was considering the replacement of the adjustable frequency drives (AFD's) for the return activated sludge (RAS) pumps. They had been having difficulties with the AFD's that operate RAS pumps 1 & 2. RAS pump motor 3 did not have an AFD. AFD's are electronic components that allow motors to start and stop slowly. They also allow the user to set the rotation speed. This controls the pumps output. The Black & Veatch engineers at Blucher Poole recommended that new AFD's be bought for these pumps at the same time that they are being bought for the influent pump lift stations as a part of the Improvement Project. That will mean that all the AFD's will be the same. Then the staff would not need redundant O & M manuals, redundant engineering services and submittal processes. The total cost for this is \$55,190 for the three AFD's.

Board member Whitehart moved and board member Banach seconded the motion to approve the request for Change Order No. 1 for Bowen Engineering for the Blucher Poole WWTP Improvements Project. Motion carried, 4 ayes, 3 members absent, (Swafford, Ehman and Roberts).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

No new business was presented.

SUBCOMMITTEE REPORTS:

Board member Henke asked that a Property & Planning Subcommittee meeting be scheduled for 4:00 p.m. on July 23rd, just prior to the USB meeting.

STAFF REPORTS:

Capital Projects Manager Hicks told the USB that the new building is in the final stages of construction. The first of the staff will begin moving into the building tomorrow. These will be the people who have been in the temporary trailers on the site. After the staff has moved the trailers will be removed and the contractor will then have 2 weeks to complete the parking lot. The first day of business for customers in the new building will be July 9th. The next USB meeting is scheduled for July 9th and will take place in the board room at the new building.

Budget Analyst Trexler pointed out that the USB had received financial statements in their packets. The net income for May was 1.1 million dollars. The income for the year to date is 2.6 million. Bonds were paid during the past week so there will be a drop off in the June statement but there is a high demand for water at this time so the net income should recover quickly. Mr. Trexler also mentioned that copies of the 2008 budget are available and there will be a Finance Subcommittee meeting on Thursday, June 28th to discuss it.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:46 p.m.

L. Thomas Swafford, President