

UTILITIES SERVICE BOARD MEETING

September 24, 2012

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 5:01 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, John Whitehart, Jason Banach, Pedro Roman, and ex-officio members Tim Mayer, and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Phil Peden, Tom Axsom, Jon Callahan, Jane Fleig, and Mike Carter. Others present: Sue Mayer.

MINUTES

Board member Roberts moved and Board member Frank seconded the motion to approve the minutes of the August 27th meeting. Motion carried, 6 ayes, 1 member absent, (Ehman).

CLAIMS

Board member Roberts moved and Board member Roman seconded the motion to approve the ACH payments as follows:

Vendor invoices that will be submitted to the controller's Office on September 24th included \$220,882.00 from the Water Utility; \$19,669.00 from the Wastewater Utility; and 0.00 from the Wastewater/Storm water Utility. Total Claims approved, \$240,551.00.

Motion carried, 6 ayes, 1 member absent, (Ehman).

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

Vendor invoices submitted to the controller's Office on September 19th included \$3,224,621.29 from the Water Utility; \$279,919.60 from the Wastewater Utility; and \$361,111.70 from the Wastewater/Storm water Utility. Total Claims approved, \$3,865,652.59.

Board President Swafford asked about the claims for Al's Two-way Radio. He wanted to know why it is so many separate claims, all with the same purchase order number. Assistant Director of Finance Horstman said the new software system will only pay one invoice at a time. Each of the purchase orders has a different invoice number. The invoices can't be combined. It is a good internal control.

Mr. Swafford then asked about the claim for Environmental Services Group for testing of digesters, grit samples, etc. Utilities Deputy Director Langley said he doesn't know the specifics of these tests. He said the \$85.00 one is a PCB sample from the grit because it hadn't been checked for awhile. The frequency of this test had been reduced because the numbers had been pretty small. Now it is done bi-annually. He thinks the raw and effluent samples are also for PCB's. He said he would look at the claim tomorrow and send more information to Mr. Swafford. Mr. Langley said testing is also done on influent and effluent samples for a number of heavy metals.

Motion carried, 6 ayes, 1 member absent, (Ehman).

APPROVAL OF A GRANT FOR PERMISSION TO ENCROACH BETWEEN MAE CASSADY, CASSADY VENTURES LLC, WOOLERY VENTURES LLC, AND WESTWARD HO LLC:

Project coordinator Mike Carter said his job is seeing that easements are in place for new infrastructure, and maintaining existing easements to protect infrastructure in the ground.

He showed some exhibits of the relevant sewer and water locations, which were installed in 2004. In 2005 a retaining wall was built on top of them. He had worked with the Plan department looking at preliminary plats which showed the retaining wall had been built on part of the infrastructure. There were three different options to address this. The utilities could be moved, the wall could be moved, or get a grant of permission to encroach. The Planning department, Legal, and CBU all agreed the grant of encroachment would be the best approach.

Board member Banach asked if the wall is owned by Woolery. Mr. Carter said it is. He said he was specific in the grant of encroachment that any costs incurred would be paid by Woolery.

Board member Roman asked if the easement had been recorded before the wall was built. Mr. Carter said there was a right-of-way for the entrance road that included the sewer and water lines. Mr. Roman said they had built incorrectly. Mr. Carter agreed, saying they built it after the lines were in. They should not have put it over the infrastructure. Mr. Roman said the options were to move the wall... Mr. Carter said the options were moving the wall, having them pay to move the utilities or giving them the grant of permission to encroach which puts the burden of the cost of any repair or replacement on Woolery Development. Mr. Roman asked if this was doing them a favor. Mr. Carter said yes, it lets them proceed with their development. Mr. Roman asked if they would pay any expenses including any in the future if Utilities were to need to access the infrastructure.

Ex-officio board member Micuda said he was involved in the plat recording, so he knows a bit about the history. The developer, Mr. Cassady and his group put in the infrastructure for the road and the utilities many years ago, which normally happens in association with subdividing the land and creating a plat for development. But they put in all the infrastructure, then subdivided many years later. One of the challenges was to come up with a workable plat or subdivision around pre-installed utilities and roadway infrastructure, which is not the usual situation. This was the best solution without creating a major expense in moving the wall or the utilities. The understanding is, if that should have to occur it would be their burden to deal with it.

Ex-officio board member Mayer asked if they had bonded for that. Mr. Carter said he didn't think it was in the agreement. Mr. Micuda said they don't typically do that.

Board member Roberts asked, considering the size of the blocks of stone, would it be possible to get under them if it were necessary. Mr. Carter said, judging by the cubic feet, they would be around 15,000 pounds. He said Woolery Development would be capable of moving the rocks. The area of infrastructure under the wall is pretty small.

Board member Roberts moved, and board member Frank seconded the motion to grant the Permission to Encroach between Mae Cassady, Cassady Ventures LLC, Woolery Ventures LLC and Westward Ho LLC. Motion carried 5 ayes, 1 abstention, (Roman), and 1 member absent, (Ehman).

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 informed the USB that he had received the audit from the State Board of Accounts. He would be happy to share it with them. There was a clean financial bill, but there was a note that was included.

Board President Swafford asked if all the projects are moving along. Mr. Murphy said there has been quick progress on the water line and the water tower. Insituform has started the Highland Village sewer lining project that is a part of the agreed order. This project was included in the bond. The project must be completed by the end of the year, but will probably be done in November.

Utilities Engineer Fleig said the Walnut Street Project had switched to the other side of the road and is moving much faster. She said they have until the spring of 2013 to finish, but they have said all along that they want to finish this year. They still feel they will be able to do that. The rock had slowed them down a little, but work on the other side of the road will go much faster. They already have the water line installed up to Second St., so they only have to complete that up to Smith. They have started excavating in Smith to complete the tunnel.

Utilities Director Murphy said there is a neighborhood project being done on Davis. A wall is being built for a creek that feeds into the Jordan River. There are some more neighborhood projects putting in water and sewer lines. There is a storm project on Wexley Drive. It is a full fall construction schedule.

Superintendent of Operations Axsom said they had finished the 18 in. water main on N. Dunn where there had been a break a few months ago in a place they couldn't get to, so they had cut out a section and just put a new one in.

Mr. Murphy said Utilities Deputy Director Langley is working on a sewer use ordinance that must be revised and passed within 90 days. Mr. Murphy expects to have a subcommittee meeting for this. Mr. Langley said this is a continuation of the streamlining process he had brought to the USB in 2010. A set of reviews have been done. EPA took about a year to comment on the changes that had been made. They asked for some more changes that didn't seem to make any sense, so the staff has been back to the Region 5 EPA several times to get the ordinance the way they would approve it. They are now satisfied with the changes and want it to be passed within 90 days. Mr. Langley said he doesn't think they will be able to meet that time deadline, but he doesn't think EPA will pursue that. The delay is related mostly to grease waste best management practices and the enforcement response plan changes that have been made. The staff wants to be sure to talk to the public to get comment on the changes and how they will be regulated in the future. EPA stresses public involvement. He hopes to bring it to the USB in mid-December and get the approved ordinance back to the EPA by the first week in January.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:19 p.m.

L. Thomas Swafford, President