

# UTILITIES SERVICE BOARD MEETING

October 22, 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 5:02 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, Pedro Roman, Sam Frank, Jason Banach, John Whitehart, and ex-officio members Tim Mayer, and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Mike Bengtson, Michael Horstman, Tom Axsom, Phil Peden, Jane Fleig, Rachel Atz, and Jon Callahan. Others present: Sue Mayer.

## MINUTES

***Board member Roman moved and Board member Frank seconded the motion to approve the minutes of the October 8<sup>th</sup> meeting. Motion carried, 5 ayes, 2 members absent, (Ehman and Roberts).***

## CLAIMS

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

***Vendor invoices that will be submitted to the controller's Office on October 22 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, 5 ayes, 2 members absent, (Ehman and Roberts).***

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

***Vendor invoices submitted to the controller's Office on October 17 included \$2,882,176.15 from the Water Utility; \$657,095.52 from the Wastewater Utility; and 386,509.58 from the Wastewater/Storm water Utility. Total Claims approved, \$3,925,781.25.***

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

## APPROVAL OF CONTRACT FOR WATER MAIN INSTALLATION CREDITS FOR THE HIGHLANDS, PHASE 6, SECTION 3, UNITS 394-401, 418-424:

Assistant Director of Engineering Bengtson pointed out the location of The Highlands on a map. There are three water main installation credits for approval. The Rules & Regulations provide for payment to a developer of single family residential neighborhoods for the installations. After all the improvements have been installed, tested, and accepted there is a one year waiting period before they can apply for credit for 60% of the lots that are potential customers for CBU. Sixty percent is the average revenue Utilities could realize in three years. In the last year of a five year period the developer can apply for the other 40% to be paid at the same rate. Mr. Bengtson said two of the contracts before the USB are applying for the additional 40%. He pointed them out on a map. The

other contract is for the initial water main installation credit. He then pointed out the final remaining area the developer can apply for, which will be available when he completes a 16 inch water main that will go north on Rockport Rd. to tie into a 24 inch main that exists at Country Club Rd.

Board President Swafford asked if all the contracts meet the approved criteria. Mr. Bengtson said they did.

***Board member Roman moved and board member Frank seconded the motion to approve the contract for Water Main Installation Credits for the Highlands, Phase 6, Section 3, Units 394-401, 418-424. Motion carried, 5 ayes, 2 members absent, (Ehman and Roberts).***

**APPROVAL OF CONTRACT FOR WATER MAIN INSTALLATION CREDITS FOR THE HIGHLANDS, PHASE 6, SECTION 3, UNITS 380-384, 402-406, AND 413-417:**

***Board member Roman moved and board member Frank seconded the motion to approve the contract for Water Main Installation Credits for the Highlands, Phase 6, Section 3, Units 380-384, 402-406 and 413-417. Motion carried, 5 ayes, 2 members absent, (Ehman and Roberts).***

**APPROVAL OF CONTRACT FOR WATER MAIN INSTALLATION CREDITS FOR THE HIGHLANDS, PHASE 5, SECTION 2:**

***Board member Roman moved and board member Frank seconded the motion to approve the contract for Water Main Installation Credits for the Highlands, Phase 5, Section 2. Motion carried, 5 ayes, 2 members absent, (Ehman and Roberts).***

**OLD BUSINESS:**

No old business was presented.

**NEW BUSINESS:**

No new business was presented.

**SUBCOMMITTEE REPORTS:**

There were no subcommittee meetings.

**STAFF REPORTS:**

Utilities Engineer Fleig gave an update on the plans for a round-about at 17<sup>th</sup>, Arlington and Monroe Streets. In January of 2011 CBU entered into a contract with American Structure Point to review the infrastructure in the intersection, and determine the impacts of construction, which were known to be significant. American Structure Point submitted a draft of their findings in October of 2011. They were looking at relocation costs of over \$1.1 million for the water infrastructure, and over \$350,000 for the sanitary sewer infrastructure. That would be leaving the booster station in place because of the severe costs of relocating it. Huge retaining walls would have to be put around it which would cause the relocation of the piping, and probably the sanitary sewer lift station.

American Structure Point is also doing the road design for Public Works. Once the utility relocation numbers were given to City Engineer Reid they began discussions about whether some revisions could be made to their proposed design, to lessen the impacts. They have reduced the size of the round about, the number of turning lanes and the amount of fill. This reduced the amount of walls

required. American Structure Point examined these changes and presented a report to CBU staff on March, 2012. There are still conflicts, but it won't be necessary to relocate the booster station, or the sanitary sewer lift station. However, because there is a booster station there, there are very large 24 inch water pipes, and a smaller 8 inch one on Arlington Rd. that will still be impacted by the fill and the walls. There is a huge storm sewer that has to go through the middle of the intersection. Because of this there is still a need to do some relocations, this time on the water side. The cost on the water side will be between \$800,000 to \$830,000, and on the sewer side it has gone down to about \$33,000. This would still have a major impact, so INDOT was approached to see if any of Utilities' costs would be reimbursable. The majority of the lines are located in the right-of-way, but a few of them are in easements. It is the ones in the right-of-way that are relevant. Last August INDOT sent a letter stating that municipally owned facilities located in the right-of-way, owned by the municipality, are reimbursable provided no betterments have been included in the relocation, and that the relocation work is reasonable and necessary. This means the relocation work will be eligible for federal funding on this project. CBU will be responsible for 20% of the cost, as has been the case with some other local INDOT projects. The other 80% will be provided for by federal funds received and allocated by the City. Utilities will have to pay for the design of the relocation. That will be included with Public Work's road reconstruction plans. It needs to be done that way since all the relocations can not be done in advance. Some of the road needs to be reconstructed before the water infrastructure is relocated, and one of the gravity sewer lines that will go under a retaining wall will have to be done during construction. Because of this plans must be developed that can be incorporated into the reconstruction project so it can all be done at one time.

Ms. Fleig said she is hoping to bring forward a design contract for Utilities' portion of the relocation project at the next USB meeting. Public Works is continuing with the road design and they intend to begin construction some time next year.

Utilities Director Murphy said the price for the water utility work has come down to where it is compatible with what was earmarked in the contingency funds. The original amount would have been catastrophic for the water extensions and replacements budget.

Board President Swafford asked if the USB will see a complete set of designs at some point. He would like the board to have a chance to look and see what the impact on Utilities will be. Ms. Fleig said she has the technical memorandum that American Structure Point submitted where they were looking at the utilities and where they would be impacted and developing cost estimates for those relocations. She said she would get copies of that to the USB, and then as the design phase progresses she will keep them informed. Mr. Swafford said the Board should see the final product before any construction begins.

Utilities Engineer Peden said he was going to give an update on the Griffy dam project. The bid opening was on October 2<sup>nd</sup>, and Dave O'Mara was the low bidder. Utilities' consultant, ms consultants, has completed a bid tabulation and a recommendation to award to Dave O'Mara. This had to be completed before OCRA would release the funds. Once the release of funds takes place the recommendation to award will be brought to the USB for approval along with the contract, and an MOU, that is similar to the one for the consultant contract. Mr. Peden said the bid came in under the grant funding for construction. The base bid and three of the four alternates were below the construction amount, and the fourth alternative will be excluded from the contract.

Board President Swafford said he had been by the lake recently and there is no water in it, so that part is taken care of. He said he had seen an article about cleaning the debris out of the lake. He was curious about who would be doing that work. Mr. Peden said he didn't know about any organized effort.

Water Quality Coordinator Atz said she would give a presentation that will be shown to the City Council in a few weeks, after some changes have been made. She explained that Utilities had been involved in a pilot project with EPA and IDEM to (she moved away from the microphone at this point). The EPA and IDEM hope Utilities can be presented as an example of a success story for this project. Utilities was chosen partly because of struggling at first to get momentum going for the program, and also that was when the rate changes were taking place, and there wasn't much capital available to invest in new infrastructure, which made City of Bloomington a challenge case.

Ms. Atz said she would give a Power Point presentation that she has given to other communities in Indiana. She said she would be discussing the Strategic Energy Management Program that is provided by IDEM. The Power Point presentation is attached to these minutes.

Board President Swafford commended Ms. Atz and her committee for the outstanding job they have done.

**PETITIONS AND COMMUNICATIONS:**

There were no petitions or communications.

**ADJOURNMENT:**

The meeting was adjourned at 5:37 p.m.

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**L. Thomas Swafford, President**