

UTILITIES SERVICE BOARD MEETING

October 29, 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 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, Tim Henke, Jason Banach, John Whitehart, Jeff Ehman, Pedro Roman and ex-officio members Tim Mayer and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Jon Callahan, Vickie Renfrow, Michael Horstman, Tim Mueller, Mike Bengtson, Tom Staley, Mike Trexler, Jane Fleig and Phil Peden. Others present: Sarah Morin representing the Herald Times, Ben Beard representing Gentry Estates, Kevin Enright representing the County Plan Commission, Margaret Fette representing the Libertarian Party and Sue Mayer.

Board President Swafford informed the USB that item number six had been taken off the agenda.

MINUTES

Board member Roberts moved and Board member Henke seconded the motion to approve the minutes of the October 15th meeting with minor changes. Motion carried. 5 Ayes, 2 members absent, (Ehman and Roman).

CLAIMS

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

Claims 0791608 through 0791671 including \$268,164.05 from the Water Operations & Maintenance fund for a total of \$268,164.05 from the Water Utility; Claims 0730979 through 0731008 including \$198,883.26 from the Wastewater Operations & Maintenance fund for a total of \$198,883.26 from the Wastewater Utility; and claims 0770117 through 0770119 for a total of \$47,345.45 from the Wastewater/Stormwater Utility. Total claims approved – \$514,392.76.

Board member Henke asked about the claim for Groomer Construction. Utilities Engineer Fleig explained that the money for this is coming out of the line item that was set aside for sidewalk construction for the City Council Sidewalk Subcommittee. This is for one of their projects for which Utilities is paying the storm water portion. The Civil City Public Works Department is paying for the rest of it.

Board President Swafford asked about the claim for Beam, Longest and Neff for the Third Street sanitary sewer and water main reconstruction. Assistant Director of Engineering Bengtson said that a contract had recently been signed with BLN and Butler, Fairman and Siefert to incorporate water line and sewer replacements into road widening projects. This one is for West Third Street from Landmark to West 37. Board member Henke asked if it was correct that these consultants had already been hired to do the road widening so they were also hired to replace the water and sewer lines. Mr. Bengtson agreed that was the arrangement. Ms. Fleig said that it is a Civil City project that is funded by INDOT.

Motion carried. 7 ayes.

APPROVAL OF REQUEST BY COVENANTER PROPERTIES LLC AND KROGERS TO VACATE AN EASEMENT:

Easement Project Coordinator Mueller explained that this is a request to vacate an easement behind the College Mall Krogers store so the store can expand to the back. He said that all of the easements for that shopping center are covered by one document which includes the easement to be vacated. It is a water line easement with nothing in it so there is no objection to the vacation of it. The LLC has been asked to update all of the easements on the site.

Board member Banach moved and board member Henke seconded the motion to approve the request by Covenanter Properties LLC and Krogers to vacate an easement. Motion carried 7 ayes.

APPROVAL OF AN EASEMENT FOR 349 S. COLLEGE LLC:

Easement Project Coordinator Mueller said that this property is located on South College across the street from the Convention Center parking lot. The buildings that were on the site have just been torn down. The LLC would like to build an apartment building with commercial space and parking on the first floor. There are easements on the site for an existing storm water culvert which is a 12 foot open limestone channel that runs on the east side of the site. The easement was acquired when drainage improvements were made that crossed College Avenue. Around 2001 the City asked for a larger easement to accommodate potential future expansions. At the corner of the property the easement flares from 22 to 60 feet. The petitioner has agreed to stay completely out of the 22 foot easement along the side of the property and will only encroach into the area where it flares out. The 22 foot easement will be sufficient for future expansions.

In this case the USB will be asked to adopt a resolution to authorize the Director to file an instrument that will put the vacation into effect. That instrument will be held until the petitioner has completed his work revising the storm drain facilities.

Board member Roberts asked how many units are being built and if the parking is on the lower level or underground. Planning Director Micuda said that the plan is for residential above and retail below. There will also be some structure parking.

Board member Roman asked if the petitioner had received all necessary approvals. Mr. Micuda replied that they had. This is the final issue that needs to be resolved before construction permits are issued.

Board President Swafford asked if there would be room for Utilities to get in to work on the storm structures if needed. Mr. Mueller said there would be.

Board member Banach moved and board member Roberts seconded the motion to approve an easement for 349 S. College LLC. Motion carried, 7 Ayes.

APPROVAL OF POLICY TO WRITE OFF WATERWORKS FEES OF LESS THAN \$40 AND 90 DAYS OVERDUE:

Assistant Director of Finance Horstman explained that currently the Indiana Code only addresses the Sewage Works Utility fees and penalties. The code authorizes the USB to write off accounts that are less the \$40 and more than 90 days overdue for the sewage works. Mr. Horstman said that he is asking the USB to adopt a resolution to handle water works accounts in the same way. That would mean that the USB could also write off water accounts that are more than 90 days overdue and are

less than \$40. During the last State Board of Accounts audit there was discussion about the number of delinquent accounts that are on the Utilities' books. In July there were about 2,500 delinquent accounts. Over 800 of these accounts fall into the category of being less than \$40 and more than 90 days overdue. These accounts total about \$18,000. The average bill in this category is \$21.59 and the smallest one is 22 cents with there being quite a few under \$1.00. All of these accounts are closed. They may be anywhere between 90 days and 5 years old. When an account is less than \$10 the collection agency is unwilling to deal with it.

Board member Banach asked Mr. Horstman how he came up with the \$40 amount. Mr. Horstman said that he just used the amount that was in the statute for sewage accounts.

Board member Henke said that the Finance Subcommittee had addressed this issue. The reason for this policy is because there is a lot of money that is owed as assets on the books but none of it is likely to be collected. The State Board of Accounts believes the books would be more accurate if these accounts with small debts were written off. If an opportunity presents itself an effort will still be made to collect on these accounts. The subcommittee did vote to approve this policy.

Board President Swafford pointed out that if someone who has an account that was written off were to come and ask for service their record would still show the amount they owe and they would be required to pay before they could receive any new service.

Board member Ehman asked if this policy would preclude a collection agency from trying to collect on the accounts that are between \$10 and \$40. Mr. Horstman said that the agency will still try to collect the amounts owed on these accounts.

Board member Banach asked what percentage the written off accounts would be of the total accounts. Mr. Horstman said there are approximately 23,000 active accounts so the written off ones would represent about 10% of the total.

Board member Ehman moved and board member Henke seconded the motion to approve a policy to write off waterworks fees of less than \$40 and 90 days overdue. Motion carried, 7 ayes.

OLD BUSINESS:

Board member Roberts reported that the Herald Times will publish either an editorial or an article responding to a recent letter to the editor criticizing of the USB's funding sources. She will talk to the person in charge of making that decision and report back to the USB.

NEW BUSINESS:

Board member Henke mentioned that the written rule that will back up the sewer extension map needs to be worked on. Planning Director Micuda has provided him with the City Administration's preferred version of the rule. He suggested that a Rules and Regulations Subcommittee meeting be scheduled prior to the next USB meeting.

SUBCOMMITTEE REPORTS:

Board President Swafford reported that the Engineering Subcommittee met with the Executive Committee of the County Plan Commission to review the sewer extension map. They recommended that it be adopted but due to a few issues with updating the map and the Chair of the Plan Commission being out of town it will not be brought to the entire USB until the next meeting.

Board member Whitehart reported on an Administrative Subcommittee meeting that was held before the current regular session. He said they considered a contract with Donohue and Associates for the Walnut and Spankers storm culvert reconstruction. This project has been budgeted for. There is \$228,900 for the engineering and design work. The subcommittee has recommended approval of this project.

The subcommittee also reviewed a contract with ms consultants for repairs to the Lake Griffy Dam. The design and bidding of this project, including an emergency action plan, will have a total cost of \$90,766. Design and bidding will be \$55,000 of that amount and the balance is for construction administration and construction inspections. In the 2005 extensions and replacements budget \$130,745 was set aside for this project. The Administrative subcommittee recommends that the USB approve this contract.

STAFF REPORTS:

Utilities Director Murphy informed the USB that the Risk Management Department just received a check for \$267,741 from the Utilities' insurance carrier. This is what is called a replacement cash value claim upon substantial completion of the building. This is money that can be used for finishing off the recording/communications system in the USB room.

Board member Ehman asked about the status of the Peer review of the Long Range Water Plan. Mr. Murphy said they had been waiting for one of the consultants to get back to them. That just happened so an internal review will be done and a recommendation will be made within a couple of weeks.

Mr. Murphy also reminded the USB that the next meeting is scheduled for Monday, November 12th which is Veterans Day and is a vacation day for the city. Because of that the next meeting will be held on Tuesday, November 13th at 5:00 p.m.

Board member Roberts asked if the HVAC problems in the new Administrative Building have been solved. Mr. Murphy said that the temperatures are now balanced. Some of the equipment on the roof needs more acoustical insulation which is being worked on.

Board member Henke asked Assistant Director of Engineering Bengtson how his water cost analysis is coming along. Mr. Bengtson said it is close to finished. It just needs to be reviewed then it will be emailed to the board.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:31 p.m.

L. Thomas Swafford, President