

UTILITIES SERVICE BOARD MEETING

July 13, 2015

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 Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Jim Sims, Sam Frank, Jeff Ehman, Jason Banach, Amanda Burnham, and Tim Mayer, Ex-Officio. Staff members present: Patrick Murphy, Efrat Feferman, John Langley, Tom Axsom, Mike Bengtson, Nolan Hendon, Jon Callahan, Mike Hicks, Phil Peden, and Kim Alexander.

Other: Adam Westermann

MINUTES

Board Member Sims moved and Board Member Burnham seconded the motion to approve the minutes of the June 29th meeting. Motion carried, 6 ayes, 1 member absent, (Roberts).

CLAIMS

Board Member Sims moved and Board Member Burnham seconded the motion to approve the claims as follows:

Vendor invoices submitted to the Controller's Office on July 8 included \$75,982.09 from the Water Utility; \$68,898.28 from the Wastewater Utility; and \$17,533.07 from the Stormwater Utility. Total Claims approved, \$162,413.44.

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

Board Member Ehman asked why the claim for HD Supply Waterworks, LTD (Invoice No. E032910) for PVC pipe and fittings for rooftop of Unit #787- Dillman lab van was charged to Water as well as Wastewater. Assistant Director of Finance Efrat Feferman responded that the lab charges are split 40/60 between Water and Wastewater because the testing is done at Dillman for the Water plant.

Board Member Sims commented that he thought the price of \$1.17 each for the water bottles purchased for promotional events was a good price. He also had a question regarding whether or not a key inventory is kept. Assistant Director of Finance Feferman responded that an inventory is kept by CBU Purchasing office. The Controller's Office also has recently implemented a system where employees sign an agreement for any equipment/keys they are responsible for.

Board Member Sims moved and Board Member Burnham seconded the motion to approve the utility claims as follows:

Utility invoices submitted to the Controller's Office on July 6 included \$82,523.89 from the Water Utility; \$67,910.39 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$150,434.28.

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

Wire transfers and fees for the month of June:

Board Member Sims moved and Board Member Burnham seconded the motion to approve the wire transfers and fees for the month of June in the amount of \$432,829.65.

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

Board Member Banach asked Ms. Feferman for a more detailed explanation of the Account Analysis Fees of \$1,087.93. Ms. Feferman responded that they are a variety of miscellaneous fees, and stated that she would follow up by sending the Board a more detailed account of the fees and what they are for.

Board Member Sims moved and Board Member Burnham seconded the motion to approve the customer refunds as follows:

Customer refunds submitted to the Controller's Office on July 17 included \$83.18 from the Water Utility; \$1,041.80 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$1,124.98.

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

REQUEST TO AWARD REDBUD TANK AND DILLMAN WWTP CLARIFYING EQUIPMENT PAINTING PROJECT

Board Member Sims moved and Board Member Burnham seconded the motion to approve the request to award the contract as follows:

Motion carried, 6 ayes, 1 members absent, (Roberts).

Mike Hicks, Capital Projects Manager, requested approval to award the contract for the Dillman WWTP Clarifying Equipment and Redbud Tank Painting Project. He noted that staff had reviewed the recommendation of Black & Veatch, the consulting engineering firm on the project, and agrees with their recommendation. They also agreed with the product that was added – the zinc/epoxy/fluoropolymer coating system for the price of \$36,912. He noted that this would add more sheen and would look better for a longer time period. Mr. Hicks introduced Adam Westermann of Black & Veatch who reviewed the award process.

Mr. Westermann explained that after the opening of the bids on July 7, Black & Veatch reviewed each of the four bids that were received from Classic Protective Coatings, Hartman-Walsh Painting Company, R.P. Coatings, and G.C. Zarnas & Co., Inc., respectively. He elaborated on how the contracts were evaluated from a price standpoint, and also stated that references that were provided by the apparent low bidder were checked. G.C. Zarnas & Co. was chosen. The company provided eight project references; five references were contacted; two of those returned calls made. The references provided very positive feedback. Black & Veatch questioned the references regarding the scope of the project (cost), change orders, quality of work, and Zarnas' ability to remain on schedule. The references responded that the firm was cooperative and responsive, easy to work with, and they would recommend them. The references stated that they have done multiple projects with Zarnas. Mr. Westermann also noted that Zarnas had provided all of the information required with the bid.

President Swafford asked Mr. Westermann to walk through the bid numbers on the Bid Tabulation sheet. Mr. Westermann stated that the bid was for \$1,158, 646 (the sum of the eight lines on the bid sheet directly below the total). The alternative bid accepted was Alternative C (adding the zinc/epoxy/fluoro-polymercoating system) for the added cost of \$36,912. This should be the only added cost unless during testing any type of hazardous paint is found. The total price will be \$1,195,558. Board Member Burnham commented that she was happy that the contract will be awarded to a company from the State of Indiana.

OLD BUSINESS:

N/A

NEW BUSINESS:

N/A

SUBCOMMITTEE REPORTS:

N/A

STAFF REPORTS:

Director Patrick Murphy requested that a finance subcommittee meeting be scheduled for July 27 at 4:00 p.m. prior to the regular USB meeting that day. The agenda will be to review the 2016 budget. If there are no major issues at that time, he will present a brief update during staff reports at the regular meeting. Board Member Burnham asked about the timeframe for receiving the budget for review prior to that meeting. Assistant Director of Finance Efrat Feferman stated that it could be sent out early the week before the meeting. She also said she would be happy to meet individually with any of the Board members regarding the format, or things that members might want to see differently this year from previous years. Director Murphy stated that it is anticipated that the budget will not have any significant changes from prior years' budgets.

PETITIONS AND COMMUNICATIONS:

N/A

ADJOURNMENT:

The meeting was adjourned at 5:15 p.m.

L. Thomas Swafford, President