

UTILITIES SERVICE BOARD MEETING

January 11, 2016

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 Roberts 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: Julie Roberts, Jim Sims, Sam Frank, Jeff Ehman, Jason Banach, Amanda Burnham, Tim Mayer, Ex-Officio, and Tom Micuda, Ex-Officio. Staff members present: Tom Axsom, Kim Alexander, Tamara Roberts, Missy Waldon, Mike Bengtson, Jon Callahan, Rachel Atz, Nolan Hendon, John Langley, Efrat Feferman, Chris Wheeler, and Phil Peden.

AGENDA

Director John Langley requested that Item Number 6, Request for Approval of the Labor Management Committee Consulting Contract for Jean A. Joque, be removed from the Agenda. Vice President Roberts asked for the removal of the item and the amended agenda was approved.

MINUTES

Board Member Ehman moved and Board Member Sims seconded the motion to approve the minutes of the December 14th, and December 29th meetings. Motion carried, 6 ayes, 1 member absent, (Swafford).

CLAIMS

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

Vendor invoices submitted to the Controller's Office on January 6th included \$100,290.28 from the Water Utility; \$114,520.08 from the Wastewater Utility; and \$1,049.53 from the Stormwater Utility. Total Claims approved, \$215,859.89.

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

Board Member Burnham asked if the Black & Veatch invoice for the Redbud tank was the final one. Assistant Director of Finance Feferman replied that there is \$11,275 left on that contract.

Board Member Ehman moved and Board Member Sims seconded the motion to approve the ACH payments as follows:

Vendor invoices that will be submitted to the Controller's Office on December 29, 2015 included \$1,453,727.10 from the Water Utility; \$5,550,269.03 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$7,003,996.13.

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

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

Utility invoices submitted to the Controller's Office on December 28, 2015 included \$5,290.05 from the Water Utility; \$21,322.37 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$26,612.42.

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

Board Member Ehman moved and Board Member Sims seconded the motion to approve the utility bill payables as follows:

Utility bill payables submitted to the Controller's Office on January 7, 2016 included \$92,412.80 from the Water Utility; \$71,700.93 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$164,113.73.

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

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

Utility invoices submitted to the Controller's Office on January 6, 2016 included \$13,182.07 from the Water Utility; \$1,846.77 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$15,028.84.

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

Wire transfers and fees for the month of December 2015:

Board Member Ehman moved and Board Member Sims seconded the motion to approve the wire transfers and fees for the month of December in the amount of \$453,970.88.

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

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

Customer refunds submitted to the Controller's Office on January 7, 2016 included \$49.98 from the Water Utility; \$425.33 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$475.31.

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

Board Member Ehman asked for more detail on the Simon refund. After researching the name, Ms. Feferman reported that Simon is a commercial property on East Third Street. It was a case of over-payment.

REQUEST FOR APPROVAL OF INDUSTRIAL PRE-TREATMENT DISCHARGE PERMIT RENEWAL – BAXTER

Board Member Ehman moved and Board Member Sims seconded the motion to approve the industrial pre-treatment discharge permit as follows:

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

Tamara Roberts, Pretreatment Coordinator, requested approval for the renewal of the pre-treatment discharge permit for Baxter Pharmaceutical Solutions, LLC. The current permit is expiring, and this is a renewal. Ms. Roberts stated they are currently in compliance with all their limitations.

REQUEST FOR APPROVAL OF INDUSTRIAL PRE-TREATMENT DISCHARGE PERMIT RENEWAL – GEA

Board Member Banach moved and Board Member Ehman seconded the motion to approve the industrial pre-treatment discharge permit conditional upon counsel's ability to confirm Greg Small's research as follows:

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

Tamara Roberts, Pretreatment Coordinator, requested approval to renew the industrial pre-treatment discharge permit for GEA Bloomington Production Operations, LLC. There were no changes in the limitations, and the company is in compliance.

Board Member Banach raised the issue of the legality of the entity's name with regard to financial responsibility of GEA. Christopher Wheeler responded that he was unable to comment at this time. Director Langley noted that the legality issue was investigated by Greg Small, previously of the city's legal department at the time of the last renewal (June 2015). Mr. Langley stated that the issue Board Member Banach is raising is identical to the previous concern which was investigated by Mr. Small. Mr. Small's conclusion was that GEA Bloomington is a separate and distinct corporate entity and that any liability related to the permit at that facility would likely attach to GEA Bloomington Production Operations, LLC.

Director Langley stated that he is comfortable with the name on the renewal. Board Member Frank suggested that the renewal be tabled to await Mr. Wheeler's opinion. Since the permit expires January 21, it was then suggested that the approval vote be conditional upon confirmation from Mr. Wheeler that GEA is a legal entity responsible for any liability that it might incur. Board Member Banach stated that he is interested in Mr. Wheeler's opinion on the matter. Mr. Wheeler stated once again that he was not in a position to give that opinion at this time since he has not had the opportunity to examine Mr. Small's research. Mr. Wheeler suggested approving the permit conditional upon the legal approval of the corporate entity itself. Mr. Wheeler will review Mr. Small's research.

REQUEST TO APPROVE JOHN LANGLEY AS INTERIM CITY OF BLOOMINGTON UTILITIES DIRECTOR

Board Member Ehman moved and Board Member Sims seconded the motion to approve John Langley as the City of Bloomington Utilities interim director as follows:

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

Christopher Wheeler, City of Bloomington legal department, requested approval to appoint John Langley as CBU interim director. He stated the reason the matter is before the Board is that under Chapter 2.24 Utilities, specifically under Section 2.24.010 of the Bloomington Municipal Code, the mayor appoints the director with the approval of the Utilities Board.

OLD BUSINESS:

N/A

NEW BUSINESS:

Vice President Roberts stated that the board will keep the same slate of officers until Tom Swafford returns in February, at which time an election will be held.

SUBCOMMITTEE REPORTS:

N/A

STAFF REPORTS:

Assistant Director of Finance Efrat Feferman presented an update from the finance department. She informed that the State Board of Accounts will be here soon. Ms. Feferman reported on the live reverse auction for the chemical bid. She felt we had much better results doing it this way, rather than putting out static quotes. CBU spent approximately \$900,000 on chemicals in 2015. If we spend the same amount in 2016, CBU will enjoy a savings of 7.3% (\$66,000). She thanked Cindy Shaw and Chris Burleson in the purchasing department for their efforts with this project.

Ms. Feferman stated that she will be presenting an overview of upcoming projects, specifically the Extensions and Replacements budget, at the next board meeting.

PETITIONS AND COMMUNICATIONS:

N/A

ADJOURNMENT:

The meeting was adjourned at 5:23 p.m.

Julie Roberts, Vice President