

UTILITIES SERVICE BOARD MEETING

March 21, 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 President Frank 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: Sam Frank, Jeff Ehman, Jim Sherman, Jim Sims, and Jason Banach. Staff members present: Kim Alexander, Mike Bengtson, John Langley, Efrat Feferman, Tom Axsom, Jon Callahan, Nolan Hendon, Missy Waldon, and Rachel Atz.

Other: Chris Downs

MINUTES

Board Member Ehman moved and Board Member Sherman seconded the motion to approve the minutes of the March 7th meeting. Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

CLAIMS

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

Vendor invoices submitted to the Controller's Office on March 16 included \$90,429.26 from the Water Utility; \$98,878.78 from the Wastewater Utility; and \$881.70 from the Stormwater Utility. Total Claims approved, \$190,189.74.

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

Board Member Ehman moved and Board Member Sherman seconded the motion to approve the ACH payment as follows:

Vendor invoices that will be submitted to the Controller's Office on March 16 included \$200,720.81 from the Water Utility; \$0.00 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$200,720.81.

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

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

Utility invoices submitted to the Controller's Office on March 9 included \$87,804.71 from the Water Utility; \$84,984.69 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$172,789.40.

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

Wire transfers and fees for the month of March:

Board Member Ehman moved and Board Member Sherman seconded the motion to approve the wire transfers and fees for the month of March in the amount of \$300,314.63.

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

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

Customer refunds submitted to the Controller's Office on March 15 included \$91.13 from the Water Utility; \$362.53 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$453.66.

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

Board Member Sherman asked what the refunds are for in general. Assistant Director of Finance Feferman explained that they are generally for adjustments for service dates. They also may be for overpayments due to automatic recurring bank payments. Other reasons may be misread meters, payments applied to the wrong accounts, etc.

BID OPENING FOR TREE REMOVAL – A PART OF SOUTHEAST WATER SYSTEM IMPROVEMENTS SECTION II PROJECT

Assistant Director of Engineering, Mike Bengtson, gave some background information regarding this project. He informed that removing these trees is in accordance with a promise made concerning the acquisition of an easement from property owners in regard to a water line that serves the Monroe water plant.

CBU received two bids and Mr. Bengtson opened them. One bid was from Bluestone Tree, LLC for \$22,000 and the other bid was from JR Ellington Tree Experts for \$9,375.

Mr. Bengtson noted that nine bids had been solicited. He informed that trees cannot be taken down after March 31 because of the Indiana brown bat, and time is of the essence. Mr. Bengtson asked for the board's approval for the low bid, with the condition that upon his examination all of the necessary documents accompanying the bid are in order.

REQUEST FOR AUTHORIZATION TO AWARD TREE REMOVAL PROJECT PENDING BID REVIEW AND ADMINISTRATIVE APPROVAL

Board Member Sims moved and Board Member Sherman seconded the motion to award the bid to JR Ellington Tree Experts on the condition that all documents are in order as follows:

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

Board Member Sherman asked if there had been an expectation of what the cost would be. Mr. Bengtson replied that estimates by staff had been in the range of \$8,000 - \$10,000. Board Member Sims asked if there was any reason the bids were so far apart. Mr. Bengtson replied no. Board Member Ehman asked if there are policies regarding using local vendors. Mr. Bengtson replied that is

always the objective. He noted there were only two vendors out of nine that were not local, and one of those was from Ellettsville.

REQUEST FOR APPROVAL OF LOCHMUELLER SECOND OPINION AGREEMENT

Board Member Ehman moved and Board Member Sherman seconded the motion to approve the Lochmueller second opinion agreement as follows:

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

John Langley, Interim Director, requested approval for a \$5,000 contract to be awarded to Lochmueller for a second opinion of Black & Veatch's water quality assistance contract. He noted that this is coming forward because staff believes it is important to get as many opinions as possible. The contract is a not-to-exceed \$5,000 contract to provide water quality assistance in support of interim optimization of operations and long-term strategies to reduce disinfection byproduct (DBP) formation at the Monroe Water Treatment Plant (WTP). The company will conduct an independent review of work by others. Lochmueller will prepare a memo summarizing review comments. This is to be delivered within 30 days of receipt of work by others.

Board Member Ehman asked if Lochmueller would be reviewing Black & Veatch's report and commenting on its findings. Director Langley responded yes. Board Member Sherman asked what falls under water quality. Director Langley responded that it is restricted only by the work Black & Veatch has put forward with regard to DBPs at the Monroe plant. Mr. Sherman raised the issue of lead testing and asked if that is tested regularly. Mr. Langley stated that CBU is in full compliance with the lead and copper rule. The last data set was gathered under specific EPA and state protocol. CBU was at 42% of the maximum contaminant level. EPA and the state deemed CBU was at a safe level and allowed reduced monitoring frequency and the number of sites used to collect data. Mr. Langley is confident that there is no lead issue. He also stated that information is provided to an address when a problem is identified.

REQUEST FOR APPROVAL TO AWARD SLUICE GATE REPAIR PROJECT AT BLUCHER POOLE WASTEWATER PLANT

Board Member Ehman moved and Board Member Sherman seconded the motion to award the sluice gate repair project to Maddox Industrial Group as follows:

Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

Assistant Director of Engineering Bengtson requested that this proposal be awarded to the Maddox Industrial Group for the installation of two (2) aluminum weir gates in the existing splitter box for \$34,835. Mr. Bengtson explained the mechanics of the gates and the reason they need to be replaced. He noted that quotes were solicited from three different contractors: Maddox, Layne, and Mitchell & Stark. Mitchell & Stark quoted \$73,660; Layne bid \$64,091.56; and Maddox came in at \$34,835. He noted that since this is not the kind of work staff is used to, it was difficult to estimate what the true cost would be. Each of the vendors offered discounted amounts if CBU would provide the Weir gates, but Mr. Bengtson felt it would be smoother if the vendor provided them.

Board Member Banach asked if this is an apples-to-apples comparison if they are providing the gates. Mr. Bengtson suggested that there is probably a difference as to gates, since none was specified in the bid except that they be stainless steel. Mr. Banach asked a second question

regarding the protocol of soliciting this bid. The tree removal project that was just approved had bids solicited. In this gate project, we are voting to approve a project based upon quotes. He wanted to know why these two projects were handled in different ways. Assistant Director of Finance Feferman responded that the tree removal project was part of a larger project (the Southeast Water System Improvements), and staff wanted to maintain the competitiveness of the larger project. She distributed a handout displaying the levels of purchasing and how they are handled. If the cost to purchase is \$25,000 – \$75,000, the internal policy is to solicit written quotes; if above \$75,000 formal bidding is required. Any purchase over \$25,000 comes to the Board no matter what prior to approval. Mr. Banach noted that this rule does not seem to apply to hiring consultants and other professional services. He was not disputing the protocol, only making note of it. He suggested that at some point in the future, he believes this should be discussed in a subcommittee meeting. Ms. Feferman agreed.

Board Member Sims asked about the differences in the quotes for the gates and wanted to know how much the Weir gates would cost. Mr. Bengtson responded that some quotes include more pricing in their bid than others. There was a discussion about the material costs and the total cost of the project.

OLD BUSINESS:

N/A

NEW BUSINESS:

N/A

SUBCOMMITTEE REPORTS:

N/A

STAFF REPORTS:

John Langley, Interim Director, reported that Danny McConnell will be retiring after 33 years as the maintenance coordinator at the Dillman Treatment Plant. He commended him for his service. Mr. Langley informed that he will be replaced by Rick Schroeder who formerly worked at Dillman, and most recently, in the Transmission and Distribution unit for the past 29 years.

President Frank thanked Mr. McConnell for his service to CBU. He also noted that he has had the privilege of knowing Mr. McConnell personally, and he commended him for his community involvement. He welcomed Rick Schroeder.

PETITIONS AND COMMUNICATIONS:

N/A

ADJOURNMENT:

The meeting was adjourned at 5:36 p.m.

Samuel K. Frank, President