

UTILITIES SERVICE BOARD MEETING

June 13, 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, Julie Roberts, Jeff Ehman, Jason Banach, Jim Sims, Amanda Burnham, and Tim Mayer, ex-officio. Staff members present: Kim Alexander, Efrat Feferman, Vic Kelson, John Langley, Mike Bengtson, Chris Wheeler, Phil Peden, Tom Axsom, Nolan Hendon, Rachel Atz, Nancy Axsom, and Jon Callahan.

MINUTES

Board Member Roberts moved and Board Member Sims seconded the motion to approve the minutes of the May 31 meeting. Motion carried, 6 ayes, 1 member absent, (Sherman).

CLAIMS

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

Vendor invoices submitted to the Controller's Office on June 8 included \$227,015.85 from the Water Utility; \$291,712.34 from the Wastewater Utility; and \$16,575.93 from the Stormwater Utility. Total Claims approved, \$535,304.12.

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

Board Member Ehman asked a question regarding Invoice No. 1593001 for SunTrust Equipment Finance and Leasing Corp (\$108,965.31). Assistant Director of Finance Efrat Feferman replied that it is one of the two lease purchase plans for equipment and service vehicles. They are both on five year plans.

Board Member Roberts 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 June 7 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, 6 ayes, 1 member absent, (Sherman).

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

Utility invoices submitted to the Controller's Office on May 27 included \$6,948.24 from the Water Utility; \$17,372.96 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$24,321.20.

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

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

Utility invoices submitted to the Controller's Office on June 8 included \$79,389.55 from the Water Utility; \$67,756.12 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$147,145.67.

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

Wire transfers and fees for the month of May:

Board Member Roberts moved and Board Member Sims seconded the motion to approve the wire transfers and fees for the month of May in the amount of \$386,274.50.

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

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

Customer refunds submitted to the Controller's Office on June 7 included \$20.21 from the Water Utility; \$1,595.96 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$1,616.17.

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

REQUEST FOR APPROVAL OF WATER MAIN INSTALLATION CREDITS AND OVERSIZING REIMBURSEMENTS – THE HIGHLANDS

Board Member Roberts moved and Board Member Sims seconded the motion to approve the reimbursements for the water main installation credits and oversizing for The Highlands as follows:

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

Assistant Director of Engineering Mike Bengtson presented this request. Jim Wray, President of Richland Construction Co., Inc. requested reimbursement for oversizing based on the Utility's Rules and Regulations, section 25.3. At the request of CBU, Mr. Wray increased the water line from 12" to 16". This is at the intersection of Rockport and Tapp Road. The reimbursement cost has been determined in the amount of \$108,337.43. Due to the substantial size of this reimbursement, the Utility will divide it into two consecutive monthly payments.

Board Member Sims asked if lining new pipes with rubberized materials increases their effectiveness. Mr. Bengtson replied that that has never been done. He noted that that system is available. It is more complicated as the pipe has to be emptied and temporary service must be provided to customers in

that block. Mr. Bengtson commented that in the mid-60s manufacturers began lining the pipes which puts the iron in a condition where corrosion is not an issue.

The Board also approved the water main installation credit of \$10,611.22.

REVIEW OF GREEN BUILDING ORDINANCE AND THE CBU SERVICE CENTER'S LEED FEASIBILITY STUDY

Nolan Hendon, Conservation and Energy Resource Manager, presented the results of the LEED Feasibility Analysis. He gave background information, the findings of the study, and concluded by explaining that it is highly unlikely that the Service Center would be able to achieve LEED Silver certification without exceeding a 10-year payback. It is recommended that even if LEED is not pursued, many of the energy conservation measures outlined in the Energy and Atmosphere category can be pursued in order to achieve a more energy efficient facility. He noted that the Service Building has already achieved a reduction in energy use of approximately 18% since 2014 as a result of HVAC controls optimization and of lighting fixtures and controls upgrades.

Board Member Banach asked what the cost of the study was. Mr. Hendon replied that the retro-commission was the bulk of the study at a cost of \$22,000, and the feasibility was around \$13-14,000. Mr. Banach noted that \$35,000 was spent to learn that LEED certification is not possible. He commented that pursuing the LEED certification is a worthy cause, and that this is one of the newer buildings that the city owns. He questioned whether it is worth pursuing LEED certification for other older city owned buildings. He thanked Mr. Hendon for his efforts.

Board Member Burnham asked what the 10-year payback was. Mr. Hendon explained that it is the total of the estimated costs divided by the total annual savings.

Board Member Ehman asked if Mr. Hendon could tell the group what the full year's energy cost is. Mr. Hendon estimated the cost to be approximately \$4,000 per month.

OLD BUSINESS:

Board Member Ehman read a letter that he had written which he plans to submit to the City Council regarding a cost of service study and his support for the current rate increase. He offered other board members the chance to sign the letter if they desired. The letter is attached to these minutes.

NEW BUSINESS:

N/A

SUBCOMMITTEE REPORTS:

N/A

STAFF REPORTS:

Director Vic Kelson reported on DBPs. The numbers were received this week from May samples. The haloacetic acids (HAAs) ranged from 35-40 ppb and the trihalomethanes were between 42.3 and 46.6 ppb. He noted the numbers were a bit larger than April's, but still well below April and July 2015. He

stated that at this point CBU is embarking on the process of improving the control of all processes. Staff is concerned about algae. He mentioned the roundtable discussion that was held a month ago with various attendees including USB members, IU faculty, CBU staff, and consultants from Black & Veatch and Lochmueller. He felt it was a good discussion of the factors that will be affecting the utility going forward with the change in the disinfection point. President Frank thanked Mr. Kelson, and commended him for holding the roundtable discussion.

PETITIONS AND COMMUNICATIONS:

N/A

ADJOURNMENT:

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

Samuel K. Frank, President