UTILITIES SERVICE BOARD MEETING
June 27, 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, Amanda Burnham, Julie Roberts, Jason Banach and Tim Mayer, Ex-Officio. Staff members present: Chris Wheeler, Tom Axsom, Missy Waldon, John Langley, Vic Kelson, Cindy Shaw, Jeff Underwood, Efrat Feferman, Phil Peden, Mike Bengtson, Rachel Atz, and Nolan Hendon.

Other: David Dilcher

MINUTES

Board Member Roberts moved and Board Member Burnham seconded the motion to approve the minutes of the June 13th meeting. Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

CLAIMS

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

Vendor invoices submitted to the Controller's Office on June 22 included $643,575.95 from the Water Utility; $708,571.54 from the Wastewater Utility; and $64,469.24 from the Stormwater Utility. Total Claims approved, $1,416,616.73.

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

Board Member Roberts moved and Board Member Burnham seconded the motion to approve the ACH payments as follows:

Vendor invoices that will be submitted to the Controller's Office on June 22 included $1,449,654.87 from the Water Utility; $604,890.31 from the Wastewater Utility; and $0.00 from the Stormwater Utility. Total Claims approved, $2,054,545.18.

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

Wire transfers and fees for the month of June:

Board Member Roberts moved and Board Member Burnham seconded the motion to approve the wire transfers and fees for the month of June in the amount of $309,925.44.

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

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

Customer refunds submitted to the Controller's Office on June 22 included $0.00 from the Water Utility; $2,119.57 from the Wastewater Utility; and $0.00 from the Stormwater Utility. Total Claims approved, $2,119.57.

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

REQUEST FOR APPROVAL OF 2016 INTERDEPARTMENTAL AGREEMENT

Board Member Roberts moved and Board Member Burnham seconded the motion to approve the 2016 Interdepartmental Agreement as follows:

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

Assistant Director of Finance Efrat Feferman introduced Jeff Underwood, city controller, who presented the 2016 Interdepartmental Agreement. The annual agreement between CBU and the city of Bloomington provides for payments in lieu of taxes (PILOT) which is allowed by the state legislature. Taxes are assessed inside the corporate limits. For 2015 payable in 2016, that amount is $292,796 for the water assessment and $368,681 for wastewater. The other major portion of the agreement is the payment for services the city provides to the Utilities department. The amount for 2016 is $984,948. These payments are made quarterly. Once the year is completed, percentages are compared with budgeted versus actual, and adjustments are made if necessary. The credit for 2015 is $65,163.64 with the net total being $1,581,261.77. In addition, there are payments for health insurance, fleet maintenance and software. There are no payments for PCBs this year.

President Frank stated that the finance subcommittee is recommending approval of the agreement.

PRESENTATION ON SEWER CLEANER VACUUM TRUCK PURCHASE

Tom Axsom, Assistant Director of Transportation and Distribution (T&D), gave a presentation on how CBU keeps the sewer system clean, and the need for a new sewer cleaner vacuum truck. The truck to be replaced is the oldest truck, which is now used for storm sewer. The plan is to take the 2009 model and move it to storm sewer and use the new truck for sanitary sewer. There are 321 miles of sanitary sewer pipes in the system that need cleaning. These trucks are on the road everyday.

Mr. Axsom stated that he and Cindy Shaw, CBU Purchasing Manager, attended the equipment show in Indianapolis this year. They viewed several trucks, and had three trucks delivered for demonstrations to CBU. They have narrowed the options to three trucks and the vendors will be bidding. The bids will be opened at the USB meeting on July 11.

President Frank asked when the last time a vacuum truck was purchased. Mr. Axsom replied 2009. Mr. Axsom mentioned that that truck is in fairly good condition, and that is the reason it will be kept. Board Member Roberts asked how many miles in a day the truck covers. Mr. Axsom replied a mile can be done in a day. It depends on the situation; root cuttings are slower. A discussion was held about how a sewer is cleaned.

Board Member Banach asked if this would be a lease or a buy. Assistant Director of Finance Feferman replied that this will be an outright purchase. She also added that this project had actually been earmarked in 2014. According to the point system that Fleet Maintenance maintains for CBU,

this truck has been in the lowest category and needing replacement for the past couple of years. Mr. Banach stated that he thinks it should be an outright purchase rather than a lease. Ms. Feferman stated that the cost has been budgeted at $300,000; she thinks that may be a bit low but the competitive process should move the cost near that amount.

REQUEST FOR APPROVAL OF MOU BETWEEN PLANNING AND TRANSPORTATION DEPARTMENT AND CBU FOR IMPROVEMENTS AT THE INTERESECTION OF TAPP ROAD AND ROCKPORT ROAD

Board Member Roberts moved and Board Member Burnham seconded the motion to approve the MOU between Planning and CBU as follows:

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

Chris Wheeler, city legal, presented this request. He noted that this is actually an amendment to a prior agreement that this board has already reviewed and approved. The amendment is to expand the services that are being provided for engineering and designing that will cost an additional $13,925. CBU has in principle agreed that they will pay $5,000 of that additional cost, and the rest will be covered by the consolidated TIFF which will go through the Redevelopment Commission for their approval. This MOU will be before the Board of Public Works tomorrow, June 28, for their review and approval.

Board Member Roberts asked how much this has to do with I-69. Assistant Director of Engineering Mike Bengtson said this was an intersection improvement and has nothing to do with I-69.

REQUEST FOR APROVAL OF HOSTETLER CONCRETE CONSTRUCTION, LLC CONTRACT FOR MIDDLE COURT STORM SEWER PROJECT

Board Member Roberts moved and Board Member Burnham seconded the motion to approve the Hostetler Concrete Construction contract as follows:

Motion carried, 4 ayes, 3 members absent, (Ehman, Sherman, Sims).

Phil Peden, CBU engineer, presented this request. This contract is for the replacement of 366 feet of roll curb on the south side of Middle Court and the east side of Parkway Drive in the Highland Village subdivision which was removed by the Utilities department during a storm sewer project. The total contract amount is not to exceed $8,092.

Mr. Peden noted that three proposals were solicited. Hostetler was the lowest proposal, and that is the reason they were selected.

OLD BUSINESS:

President Frank received a letter from Fred Cate, Vice President for Research at IU thanking the USB for the letter in support of the IU Grand Challenges proposal, "Shaping Our Future: Knowledge, Science, and Governance for Sustainable Water Resources." He asked that the letter be entered into the record and is attached to these minutes. Board Member Roberts noted that ultimately the proposal was not chosen by President McRobbie for this year on June 20th.

NEW BUSINESS:

N/A

SUBCOMMITTEE REPORTS:

The Finance Subcommittee met at 4:30 pm prior to today's regular meeting and discussed the 2016 Interdepartmental Agreement with the city. The committee members voted to recommend approval to the full board.

STAFF REPORTS:

Director Vic Kelson reported that the City Council will meet in a special session on July 12 at 7:30 pm to vote on the water rate increase. He also reported that he participated in a conference call today with IU Health regarding the new hospital. He reported that they will begin to meet with various city departments, but at this time there are not many details.

Assistant Director of Finance Efrat Feferman reported that the annual budget process will begin soon. She stated that the city council is anticipating looking at the budget August 22-25. She would like to call a finance subcommittee meeting for Monday, July 18, at 5:00 p.m. and will be sending out an email to check for a quorum. The USB will meet at their regular meeting on July 25 when a vote will be taken to recommend the budget to the city council. Board Member Banach noted that he will not be in attendance at the July 25th meeting.

PETITIONS AND COMMUNICATIONS:

N/A

ADJOURNMENT:

The meeting was adjourned at 5:24 p.m.

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Samuel K. Frank, President