

UTILITIES SERVICE BOARD MEETING

September 6, 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: Jeff Ehman, Sam Frank, Jim Sherman, Jim Sims, Jason Banach, and Tim Mayer, ex-officio. Staff members present: Phil Peden, John Langley, Tom Axsom, Jon Callahan, Nolan Hendon, Vic Kelson, Efrat Feferman, Kim Alexander, Jane Fleig

Other: Mike Rouker, Steve Cotter

MINUTES

Board Member Sherman moved and Board Member Sims seconded the motion to approve the minutes of the August 22nd meeting. Motion carried, 5 ayes, 2 members absent, (Roberts, Burnham).

CLAIMS

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

Vendor invoices submitted to the Controller's Office on August 31 included \$124,764.75 from the Water Utility; \$96,082.67 from the Wastewater Utility; and \$1,242.19 from the Stormwater Utility. Total Claims approved, \$222,089.61.

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

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

Utility invoices submitted to the Controller's Office on August 25th included \$6,907.08 from the Water Utility; \$15,461.18 from the Wastewater Utility; and \$0.00 from the Stormwater Utility. Total Claims approved, \$22,368.26.

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

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

Customer refunds submitted to the Controller's Office on August 29th included \$4.61 from the Water Utility; \$1,604.61 from the Wastewater Utility; and \$6.60 from the Stormwater Utility. Total Claims approved, \$1,615.82.

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

REQUEST FOR APPROVAL OF KCI TECHNOLOGIES, INC. AGREEMENT FOR CONSULTING SERVICES

Board Member Sherman moved and Board Member Sims seconded the motion to approve the agreement for consulting services with KCI Technologies, Inc. as follows:

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

Phil Peden, CBU engineer, presented this request which was previously brought before the board August 8. Mr. Peden noted there has been a reduction in price of \$16,000, leaving the total cost at a not-to-exceed amount of \$124,616. The ownership and legal status were researched and are included in the Staff Report dated September 6, 2016 which is attached to these minutes. Mr. Peden summarized the report, noting that it supports the removal of the dam by CBU as it is claimed as an asset and reported to the State Board of Accounts and the IURC in that capacity.

Another concern previously expressed by Board members regarded liability. Mr. Peden stated that it is unlikely the City will be able to find an insurance company willing to insure losses at the dam for 2017 and beyond. That is another reason the dam should be removed. He noted that Mike Rouker from the legal department and Steve Cotter from the Parks department were in the audience and available for questions.

Board Member Banach asked Director Kelson if there had been further discussions regarding responsibility for the dam. Mr. Kelson replied that it was discussed at length with legal, and it was their opinion that it is CBU's responsibility. Mr. Banach asked if we have a separate insurance policy from the City. Mr. Rouker replied that Utilities does not have a separate insurance policy from the city. Mr. Banach asked about the indemnity clause. He wanted to know if that included CBU, and Mr. Rouker replied yes.

Board Member Sherman asked where the money comes from to pay the insurance. Mr. Rouker explained the process of how the city and CBU are insured. The insurance costs are allocated at the beginning of the year to the different entities: the civil city, Utilities, and Transit.

Board Member Ehman had questions regarding the sediment removal process. John Langley, Deputy Director, addressed those questions. He stated that any sediment that would be removed would be sampled first to determine the category. Mr. Langley also noted that any landfill that accepts the sediment would require sampling before they would accept it. He did not think it wise to assign that duty to a subcontractor.

OLD BUSINESS:

N/A

NEW BUSINESS:

N/A

SUBCOMMITTEE REPORTS:

N/A

STAFF REPORTS:

Director Vic Kelson reported that he and Assistant Director of Finance Efrat Feferman appeared at the Office Utility Consumer Council (OUCC) to give testimony related to the current rate case. The case will be filed this month.

Mr. Kelson also announced that Brad Schroeder has been appointed Assistant Director of Engineering, replacing Mike Bengtson who retired August 31. Mr. Schroeder will begin his new duties September 26.

PETITIONS AND COMMUNICATIONS:

Steve Cotter, Natural Resources Manager with the Parks Department, gave background information and commented on the removal of Weimar Dam. He spoke on behalf of the Parks Department and expressed his appreciation for the history of collaboration between CBU and Parks. He stated that Wapehani Park will remain a park with or without the lake. He had hoped to help fund a feasibility study to get ideas of what it would take to keep the dam. However, given the confines of resources and the current state of the dam, Parks understands that it will need to be removed. Parks had hoped to entertain public discussion. Mr. Cotter stated that with the removal of the dam, certain enhancements may be made to the park, and he hopes that lines of communication between Parks and CBU will remain open.

ADJOURNMENT:

The meeting was adjourned at 5:27 p.m.

Samuel K. Frank, President