

UTILITIES SERVICE BOARD MEETING

May 27, 2008

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 Swafford called the regular meeting of the Utilities Service Board to order at 5:06 p.m. The meeting was held in the Utilities Service Board room at the City of Bloomington Utilities Department Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Jeff Ehman, Pedro Roman, Jason Banach and ex-officio member Tim Mayer. Staff members present: Patrick Murphy, John Langley, Mike Bengtson, Rachel Atz, Mike Hicks, Jon Callahan, Sarah Wilson, Tom Staley, Phil Peden, Michael Horstman, Jane Fleig, Vickie Renfrow. Others present: Adam Westermann representing Black & Veatch and Sue Mayer.

Board President Swafford announced that item number 3, a request for approval of funding to purchase audio video equipment for USB meeting room, was being withdrawn from the agenda.

CLAIMS

Board member Roman moved and Board member Ehman seconded the motion to approve the claims as follows:

Claims 0890687 through 0890755 including \$165,235.22 from the Water Operations & Maintenance fund, \$35,980.00 from the Water Construction fund and \$850.00 for water hydrant meter rental for a total of \$202,065.22 from the Water Utility; Claims 0830426 through 0830475 including \$134,991.45 from the Wastewater Operations & Maintenance fund for a total of \$134,991.45 from the Wastewater Utility; and \$4,045.67 from Storm Water and \$14,736.22 from Storm Water Construction for a total of \$18,736.22 from the Wastewater/Storm water Utility. Total claims approved – \$355,792.89.

Board member Roman commented on the claim for the City of Bloomington for gas. He reminded the USB of the need to move forward with the Interlocal agreement so there will be a framework for these kinds of claims. He said he would be more comfortable with them after the agreement has been passed. He did not have any objection to paying the claim.

Board President Swafford asked about the claim for Henry P. Thompson Company. Utilities Deputy Director Langley said that a whole module's worth of new bulbs was bought for the Ultra Violet Disinfection unit. Old bulbs were consolidated into an old unit so there is now a back-up. The great news is that the UV system is working very efficiently and the permit limits are being met for e-coli.

Mr. Swafford then asked about the claim for Donohue and Associates. He was curious if this claim had to do with the work currently being done at 1st St. and Walnut St. Utilities Director Murphy explained that project is a County project. Utilities is aiding with it and paying for some of it but it is not a Utilities project. Utilities will be starting a project just north of there which is what the claim is for.

Mr. Swafford also asked for an update on the work Beam, Longest and Neff is doing on the 45/46 by-pass.

Motion carried, 4 ayes, 3 members absent, (Henke, Roberts and Whikehart).

Wire transfers and fees for the month of April 2008:

Board member Ehman moved and Board member Roman seconded the motion to approve the wire transfers and fees for the month of April 2008 in the amount of \$633,198.47.

Motion carried, 4 Ayes, 3 members absent, (Henke, Roberts and Whikehart).

REQUEST FOR APPROVAL OF CHANGE ORDER No. 2 WITH BOWEN ENGINEERING CORP. FOR THE BLUCHER POOLE WWTP IMPROVEMENTS PROJECT:

Capital Projects Manager Hicks said this change order has 9 items associated with it. It is the final change order for the project and will allow all the closing documents to be prepared and for finalizing payments to Bowen. The Engineering firm for this job was Black & Veatch. Mr. Hicks introduced Mr. Westermann of Black & Veatch to describe the 9 items in this change order.

Mr. Westermann said the first item is for additional costs for blower structure number 1 piping modifications. This is the original blower structure that was at the plant when it was constructed in 1967. Part of the project was for the contractor to replace valves and flow meters in this piping. Once it was inspected and insulation removed it was determined that it would be of benefit to replace the entire section of the piping.

The second item is for the additional cost for influent lift station piping replacement. This has to do with the blower structure at the influent lift station which provides air into the wet well to keep things in suspension. With the new grit removal facility it was determined that more permanent installation of the piping would be required.

Item number three has to do with the SCADA modifications at the chlorine building and the effluent chamber. The plant staff had said they would like to have the ability to monitor the chlorine and sulfur dioxide levels in the existing chlorine building. New sensors, conduits and wires were run from the building to the SCADA system. A new ultrasonic level sensor was mounted at the plant effluent chamber as well at the request of the plant staff.

Number 4 is for the additional cost of replacing additional air piping for the primary sludge pumps. Some valves and piping were being replaced but when they were inspected during construction it was determined that it would be best to replace the entire section of piping rather than just a portion of it.

Item number 5 is for the additional cost for a primary splitter box and a 34" reinforced concrete pipe repair. During the installation of the piping in item number 4 they had to connect to the splitter box which is downstream from the primary clarifiers. When excavating for that they found a very large crack in one of the primary clarifier effluents to the splitter box which flooded the excavation. This required some emergency repair.

The sixth item is the cost for additional circuitry for the administration building. The staff and City ITS had requested a larger UPS be provided for back up power for the plant telephone system, the office server, network equipment and spare capacity for future equipment. A larger circuit was required for the larger UPS.

Item 7 was an adjustment for project allowances. The contract had built into it 4 allowances that the contractor had to include in their bid. These were the stone veneer allowance for the

new grit removal facility, an allowance for office equipment and office supplies for the resident project representative, an owner's miscellaneous allowance for items, equipment or work determined by the owner during the course of the project and a plant automation and SCADA allowance for specific SCADA equipment. This item adjusts all the allowance amounts that were not used as a part of the project.

Number 8 is additional construction phase engineering services. This was required because of the crane accident on the site. The crane tipped over and damaged one of the primary clarifiers. This caused Black & Veatch to have some additional engineering costs for inspection services and additional shop drawing reviews which weren't anticipated as a part of the original contract. The contractor was ultimately responsible for these costs because they were responsible for the crane accident. This item reimburses Utilities for those costs.

The final item is for engineering overtime. The contractor was responsible for any engineering overtime that was requested by them.

There were no changes in time, only in price. The final change order amount is a \$12,892 increase in the current contract price to a total of \$6,321,082.00.

Board member Ehman asked about item number 5. He wanted to know if the crack in the pipe had already been there before they excavated. Mr. Westermann said that it had been. Mr. Ehman asked if it had started to leak when the dirt was removed. Mr. Westermann said there were signs that an attempt had been made to patch it which had worked for awhile but not permanently.

Board member Ehman moved and board member Roman seconded the motion to approve change order number 2 with Bowen Engineering Corp. for the Blucher Poole WWTP improvements project. Motion carried, 4 ayes, 3 members absent, (Henke, Roberts and Whikehart).

REQUEST FOR APPROVAL OF AMENDMENT C TO THE ENGINEERING SERVICES AGREEMENT WITH BLACK & VEATCH CORP. FOR THE BLUCHER POOLE WWTP IMPROVEMENTS PROJECT:

Capital Projects Manager Hicks said this relates directly to items 8 and 9 in the change order for Bowen. The expenses due to the crane accident and the overtime requested by the contractor during the construction period can be recovered from Bowen. That was done through the change order process. Now an amendment to the Black & Veatch services agreement is needed to increase their billing amount for this project. The money from items 8 & 9 in the Bowen change order will then be passed on to Black & Veatch. This will be the final amendment to the Black & Veatch engineering service contract. The exact amount for the construction phase engineering services is \$13,419 and for resident engineer overtime (for inspection services) is \$1,078.

Board member Roman moved and board member Ehman seconded the motion to approve Amendment C to the Engineering Services Agreement with Black & Veatch, Corp. for the Blucher Poole WWTP Improvements project. Motion carried, 4 ayes, 3 members absent, (Henke, Roberts and Whikehart).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

Board member Roman said that he had been thinking about the issue of service contracts. He thinks there should be some kind of comparison between different offers if the contract is over \$100,000 and is associated with a public works project. He was uneasy with the way the Black & Veatch contract was handled in the last meeting. He is concerned about the public perception of what the USB does. He says that citizens have been asking him why the USB decided to move forward on a project on a consultant's advice and then go ahead and grant the contract to the same consultant for professional services connected to that public works project. Board President Swafford said the issue can be discussed at the next Finance Subcommittee meeting.

Board member Banach said that he would support that also. It is something that has been discussed for awhile and a formal mechanism would make all of them feel better.

SUBCOMMITTEE REPORTS:

There were no subcommittee meetings.

STAFF REPORTS:

Utilities Director Murphy reported to the USB that on April 23rd Utilities had received a request for sanitary sewer service from Rick Coppock for 5240 S. Victor Pike. Mr. Murphy spoke to Mr. Coppock on behalf of his clients Jeremy and Jerry Shields. They listed 2 parcels they wanted service for. The Shields do not have any plans to develop the properties at this time. Mr. Murphy asked Mr. Coppock if there were any detailed plans that would allow for an informed decision to be made. He said they did not. Mr. Murphy told him he didn't think the intent of the USB was to allow any speculative type of approach for extensions. If they want to move this along they need to make a proposal. Mr. Murphy gave him the options of meeting with his clients to ask them to present a proposal that was not speculative in nature or he might want to wait until he had something more firm and established. He has not heard back from Mr. Coppock.

Board President Swafford asked if the property in question is in the exclusionary zone. Mr. Murphy said it is. The USB agreed this was inappropriate.

Water Quality Coordinator Atz gave a Power Point presentation on a water conservation project she has developed for and with local schools. The presentation is attached to these minutes.

Ex-officio board member Mayer asked Ms. Atz if she had given her presentation to any private schools or home schools. Ms. Atz said that the Lighthouse Christian Academy had been very interested. She presented to all of the 2nd and 3rd grade classes.

Board member Banach asked if other staff members had helped Ms. Atz with her presentations. She said that it was mostly her. Utilities Director Murphy had come to her in March and asked her to put together this presentation for Be Waterwise month which is in May. She hopes that next year the program can be expanded and offered to more teachers. Mr. Banach said he thought it was a great idea and is in line with all the conservation talks the USB has been having. Ms. Atz said she would like it to be expanded to include wastewater and storm water education.

Board President Swafford asked how many schools she had gone to. Ms. Atz said she went to Templeton, 8 different Bloomington High School South classes, University Elementary, and Unionville.

PETITIONS AND COMMUNICATIONS:

Board President said that he had a plaque for board member Henke who resigned from the USB effective May 31st. Mr. Swafford said he will get the plaque to Mr. Henke who was unable to attend the meeting. He said they will all miss Mr. Henke who was a good board member and contributed a great deal.

ADJOURNMENT:

The meeting was adjourned at 5:33 p.m.

L. Thomas Swafford, President