

UTILITIES SERVICE BOARD MEETING

October 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 5:04 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, Sam Frank, Jeff Ehman, Pedro Roman, Jason Banach, John Whikehart, Julie Roberts and ex-officio member Tim Mayer. Staff members present: Patrick Murphy, John Langley, Missy Walden, Michael Horstman, Tom Staley, Phil Peden, Mike Hicks and Jon Callahan. Others present: Mark Menefee representing Indiana University and Sue Mayer.

Board President Swafford announced that agenda item number 5 is being removed from the agenda.

MINUTES

Board member Ehman moved and Board member Banach seconded the motion to approve the minutes of the October 13th meeting with corrections. Motion carried, 7 ayes.

CLAIMS

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

Claims 0891481 through 0891565 including \$361,198.24 from the Water Operations & Maintenance fund and \$21,200.00 from the Water Construction fund for a total of \$382,498.24 from the Water Utility; Claims 0830971 through 0831018 including \$163,830.40 from the Wastewater Operations & Maintenance fund for a total of \$163,830.40 from the Wastewater Utility; and claims 0870109 through 0870117 for a total of \$23,219.54 from the Wastewater/Storm water Utility and \$4,917.31 from Storm water construction for a total of \$28,137.31. Total claims approved – \$574,465.95.

Board member Ehman asked whether the Crider & Crider claims are the final claims for the N. Dunn St. Bridge Project. Utilities Director Murphy said he believed so but would have to check into it to be certain. He said he would email Mr. Ehman the information.

Mr. Ehman also asked about 2 claims for Black & Veatch concerning the design and bid phases of the Monroe Water Treatment Plant expansion. He wanted to know what the shelf life of the design will be. How long would it be useful once it is completed? Assistant Director of Engineering Bengtson said if the design is not used promptly it probably would not be valid for more than a year or two due to changes in regulations. Mr. Ehman asked if costs are considered in the design phase. Mr. Bengtson said when a plan is completed there is a good estimate of what the costs would be but if the project is not begun promptly it would be necessary to re-evaluate the costs.

Board President Swafford commented on the claim for Beam, Longest & Neff. He asked for an update on the S.R. 45/46 water line relocation at some point. Mr. Murphy said there haven't been many changes but the staff would be happy to give an update.

Motion carried, 7 ayes.

Wire transfers and fees for the month of September 2008:

Board member Roberts moved and Board member Roman seconded the motion to approve the wire transfers and fees for the month of September 2008 in the amount of \$655,104.28.

Motion carried, 7 Ayes.

Investments for the month of September 2008:

Assistant Director of Finance Horstman explained the State Board of Accounts, during the audit exit interview, asked that the USB approve Utilities' investments even if it is after the fact. The investments being presented today are for September.

Board member Roberts moved and board member Roman seconded the motion to approve the investments for the month of September.

Motion carried, 7 Ayes.

REQUEST FOR APPROVAL OF THE GREELEY AND HANSEN CONTRACT FOR PROFESSIONAL ENGINEERING SERVICES:

Deputy Director of Utilities Langley asked for approval for funding for two projects to be undertaken by Greeley and Hansen. The first project is to file and react to drafts issued by the State for the 2 wastewater treatment plants' NPDES permits due in December. The Monroe Water Treatment Plant's permit will also be looked at. That is due around April or May. All the plants have been able to meet the permit requirements. Mr. Langley said he feels the permits are important enough so there should be expert advice on the State's reaction to the application. There is a need for expertise on Utilities' side of the negotiations.

The second task Greeley and Hansen is being asked to complete is an analysis of the handling of the wastewater treatment plants' residuals. The landfill is not running out of space but is getting low on space. There is probably enough space left for another 4.5 or 5 years of use. By the end of this year 11,000 yards will have been removed from the landfill under an IDEM land application permit. That is approximately one years' volume. The current tipping price in Terre Haute for sludge is \$32 per ton which does not include transportation. Because of this expense anything that helps avoid having to haul the sludge to the Terre Haute Landfill is beneficial. Using the best possible operational standards for the Dillman Landfill will be important. Mr. Langley said Greeley and Hansen are well qualified for this. They are knowledgeable about the residuals management issue across the State of Indiana. They had also done a similar analysis for Utilities about 10 years ago.

The two projects are not to exceed \$20,000.

Board member Roberts moved and board member Banach seconded the motion to approve the contract with Greeley and Hansen for professional engineering services.

Ex-officio member Mayer asked Mr. Langley asked if in the past it had been possible to dispose of the sludge as a cover for the Anderson Landfill. Mr. Langley agreed that had been the case. The landfill is under closure now and the delivery to there costs about \$4 per yard. It provides nutrient to establish vegetative cover on the landfill. By the end of the year they are expected to use about 11,000 yards. The Solid Waste District believes they may need up to another 5,000 yards per year, but that is not a sure thing.

Board member Ehman said he had noticed there is no rate schedule. He asked if Mr. Langley knows the exact people who will be assigned to the task and what their rates are. He wondered if Mr. Langley is comfortable with the amount of hours he is buying to get the task done. Mr. Langley said he believes it can be done on this budget. If this amount of money is not adequate he will come back to the USB. He knows the people who will be involved in the project. They have substantial experience and have a strong relationship with IDEM and their regulators. They do a lot of NPDES work.

Motion carried, 7 ayes.

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

No new business was presented.

SUBCOMMITTEE REPORTS:

There had been no subcommittee meetings. Board President Swafford said a finance subcommittee meeting needs to be scheduled. The members of the Finance Subcommittee agreed to meet on Wednesday, November 5th at 5:30.

STAFF REPORTS:

Capital Project Manager Hicks said the Dunn St. Emergency Culvert Replacement is right on schedule. Crider & Crider started work 2 weeks ago. The 8 precast concrete bridge pieces were delivered earlier this day by 5 semi trucks. It was assembled on site and they were all set. As soon as the footing concrete reaches appropriate strength they will begin backfilling which may be as soon as late in the day tomorrow. Over the next 2 weeks it will be paved and a guard rail will be installed. There will be an additional two weeks beyond the 28 days of the contract time to do some seeding and other tasks.

Utilities Director Murphy reminded the USB that Utilities will be reimbursed for this project by the Federal Highway Administration. Mr. Hicks said the reimbursement will be for actual costs. The contract with Crider & Crider is for \$148,000. The pre-cast bridge structure cost about \$53,000. There were a few field changes with the contractor due to unforeseen conditions so there will be a change order for an additional \$2,000. Mr. Murphy informed the USB that Vectren had had to move their 10" high pressure gas line. If the Federal Highway Administration approves a reimbursement for them it will come through Utilities.

PETITIONS AND COMMUNICATIONS:

Board member Ehman told the USB that he and board member Roman had met with Jack Wittman and the staff at Wittman Hydrological Planning Association to get an update on the Conservation Plan. They were very encouraged by what they heard. WHPA had to go a little beyond what they expected to get the analysis of monthly usage. They are doing a very useful analysis that will help Utilities understand what generates the peak in usage and how that problem might be solved. Mr. Ehman said they had encouraged WHPA to make a presentation to the USB as soon as they are

ready. They have been working with Crowe Chizek on the cost of services study. Board member Roman said he is very satisfied with the work that WHPA is doing.

ADJOURNMENT:

The meeting was adjourned at 5:28 p.m.

L. Thomas Swafford, President