UTILITIES SERVICE BOARD MEETING
July 6, 2009

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 6:09 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, Pedro Roman, John Whikehart and ex-officio member Tim Mayer. Staff members present: Patrick Murphy, John Langley, Jon Callahan, Jane Fleig, Missy Waldon, Mike Hicks, Julie Martindale, Tom Staley and Mike Bengtson. Others present: Rick Coppock representing Bynum Fanyo and Associates and Sue Mayer.

MINUTES

Board member Roman moved and Board member Frank seconded the motion to approve the minutes of the June 22nd meeting. Motion carried, 4 ayes, 3 members absent, (Banach, Ehman and Roberts).

CLAIMS

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

Claims 0990856 through 0990937 including $227,597.10 from the Water Operations & Maintenance fund and $650.00 for water hydrant meter rental for a total of $228,247.10 from the Water Utility; Claims 0930493 through 0930526 including $236,031.22 from the Wastewater Operations & Maintenance fund for a total of $236,031.22 from the Wastewater Utility; and claims 0970042 through 0970047 for a total of $19,219.39 from the Wastewater/Storm water Utility. Total claims approved – $483,497.71.

Board member Roman asked when the Cost of Services study will be available for the USB. Utilities Director Murphy said he hopes to have it by the end of July.

Board President Swafford asked about the status of the Illinois Central Spring Water Treatment Plant. Deputy Director Langley said the Court recently denied or extended a second administrative complaint in the case of the EPA and some local citizens. The local folks have another 18 days to re-file the motion in the way the Court would like it to be filed. In particular, the Court has asked them to only address the issues the Court says are still open issues. The objection to the first filing is the complainants reiterated the case in the filed amendment which included some issues the Court had said would not be resolved by them. The Environmental Field Services claim is one that CBU only administrates. Nothing is paid by Utilities. Mr. Swafford said Counselor Grodner had recently indicated that he was hoping things would be settled soon. He asked if this means it will still be another 18 days. Mr. Langley explained that Utilities had asked for a status conference around the beginning of June. The Court said they did not anticipate the need for a status conference at that time. They still have not anticipated that need nor have they granted the motion.

Board President Swafford also asked about a payment to the State for $174,000 that says 2009 second quarter contributions. He wanted to know what this was about. Assistant Director of Finance Horstman explained this payment was a PERF contribution. Similar payments will be in the claims from now on. He has asked his staff member to identify it more clearly in the future.

Motion carried, 4 ayes, 3 members absent, (Banach, Ehman and Roberts).

APPROVAL OF THE CONTRACT WITH BYNUM FANYO & ASSOCIATES FOR THE LINNEMEIER CULVERT RECONSTRUCTION:

Utilities Engineer Fleig said this project will take place at 422 E. Kirkwood where there is a small segment of constricted storm sewer under the building. The building is going to be demolished which will give Utilities a chance to go in and upgrade the storm sewer so it is compatible with the upstream and downstream segments which have already been improved. The contract is for consulting design services for this project with Bynum Fanyo Associates. They will develop mapping, a plan and will coordinate with Utilities requirements. They will also coordinate with the DNR for approval of the project and will help with the bidding and construction phases of the project. They propose to do this work for an amount not to exceed $10,840 and intend to get started on it immediately. The tenants will be out of the building on August 17th and demolition will begin the following Monday.

Board President Swafford said according to the Herald Times if Utilities is not ready for this project the developers will be able to go ahead and begin building. He said Utilities Director Murphy had said that was not true. Ms. Fleig said there had been discussions with the developers who are aware that Utilities needs to get in there to do this work. They indicated they would be willing to cooperate in whatever ways are possible. Their structural engineer has contacted her several times wanting to coordinate on the project but she has had to put them off since she didn't have a consultant on board. She said the schedule for Bynum Fanyo is very aggressive. The design is to be substantially complete in about 10 days. It will then have to go to DNR for their approval. After that there will be the bidding and construction phases. This is being pushed along as quickly as possible. Mr. Swafford said he just doesn't want to miss an opportunity to fix a bottle neck in the system. Ms. Fleig agreed.

Board member Roman asked if this is the famous place that is creating all the flooding in the area. Ms. Fleig said she could not say this is the cause of all the flooding in the area but it is a bottleneck and certainly contributes to the flooding. Mr. Roman then asked if other Engineering Companies had been contacted for quotes on this. Ms. Fleig said she had and the other quotes were higher.

Board member Frank moved and board member Whikehart seconded the motion to approve the contract with Bynum, Fanyo and Associates for the Linnemeier Culvert Reconstruction. Motion carried, 4 ayes, 3 members absent, (Banach, Ehman and Roberts).

REQUEST FOR APPROVAL OF THE 2009 UTILITIES BUDGET:

Board President Swafford said the Finance Subcommittee had met just before the current session and asked Committee Chair Frank to give a report.

Board member Frank said this was the second meeting of the Finance Subcommittee to discuss the budget. The first time there were several issues they had asked Utilities staff to take a second look at. They were asked to look at some expenses to make sure there was enough in the budget to cover them. The subcommittee is now satisfied with these items and has recommended approval of the budget. Mr. Frank went on to say he would characterize this budget as being essentially flat with the exception of a few key items. These are items that are causing difficulties for everyone. In particular they are transportation costs, purchased power and chemicals. If those things were taken out it would be a flat budget. The Finance Committee's concerns were the cash balances. There will be a lot of pressure on the staff to manage the cash for 2010. It will be tight but the Committee believes there is enough flexibility in the Extensions and Replacements budget to work around any difficulties which is why the Committee sent it forward with a recommendation for approval.

Utilities Director Murphy gave a Power Point presentation of the budget that is attached to these minutes.

Board member Whikehart seconded the recommendation of the Finance Subcommittee that the budget be approved. Motion carried, 4 ayes, 3 members absent, (Banach, Ehman and Roberts).

OLD BUSINESS:

Utilities Director Murphy said he had consulted with Board President Swafford about when Jack Wittman of WHPA should meet with the USB for a presentation of the Water Conservation Plan. They decided to have a work session on July 13th at 5:00 p.m.

Utilities Director Murphy said he needs to have an Administrative Subcommittee meeting. There are several issues to be resolved. There is a water policy issue and also one customer with a complaint. This is a customer who has City water but no sanitary sewer service. He had a pipe break that has resulted in a very large water bill that needs to be resolved. It may be that he will just have to make a payment arrangement to pay the bill but there is ability, if the USB chooses, to waive the bill.

Attorney Renfrow has also asked the Administrative Subcommittee to re-visit the Red Flag policy.

Board member Whikehart who Chairs the Administrative Subcommittee said he will email Director Murphy about a date for a committee meeting.

NEW BUSINESS:

There was no new business.

SUBCOMMITTEE REPORTS:

There was a Finance Subcommittee meeting that was reported on earlier in the meeting.

STAFF REPORTS:

There were no staff reports.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 6:06 p.m

_____

L. Thomas Swafford, President