

UTILITIES SERVICE BOARD MEETING

October 13, 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 5:00 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, Julie Roberts, Jason Banach, Sam Frank, Jeff Ehman and ex-officio member Tim Mayer. Staff members present: Patrick Murphy, John Langley, Mike Bengtson, Michael Horstman, Phil Peden, Shawn Miya, Tom Staley and Jane Fleig. Others present: Sue Mayer.

MINUTES

Board member Roberts moved and Board member Roman seconded the motion to approve the minutes of the September 28th meeting. Motion carried, 6 ayes, 1 member absent, (Whikehart).

CLAIMS

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

Claims 0991310 through 0991373 including \$148,455.67 from the Water Operations & Maintenance fund and \$1,350.00 for water hydrant meter rental for a total of \$149,805.57 from the Water Utility; Claims 0930765 through 0930809 including \$101,425.82 from the Wastewater Operations & Maintenance fund for a total of 101,425.82 from the Wastewater Utility; and claims 0970082 through 09700.83 for a total of \$4080.72 from the Wastewater/Storm water Utility and \$1,245.00 from the Storm Water Construction fund for a total of \$5,325.72. Total claims approved – \$256,557.21.

Board member Ehman asked about the large number of customer refunds. Assistant Director of Finance Horstman explained there had been problems with some software that had held up the processing some of the refunds. Two batches were refunded this month to catch up. Mr. Ehman asked if there had been some pattern with these refunds. Mr. Horstman said there were many different reasons for them. He cited one for someone who had a credit balance which he started paying instead of the balance due. By the time someone realized what was happening, the amount was quite large.

Motion carried, 6 ayes, 1 member absent, (Whikehart).

APPROVAL OF TWO WATER MAIN INSTALLATION CREDITS FOR ADMIRAL GLEN ESTATES, PHASES 1 & 2:

Assistant Director of Engineering Bengtson pointed out the location of Admiral Glen. There are 2 two sections of Admiral Glen and there is a contract for each of them for water main installation credits. The water mains were built to CBU standards. The plans were approved prior to them being built. CBU inspectors inspected the water mains as they were being constructed. It was verified that they were built and tested in a manner consistent with Utilities' specifications. All the deficiencies that

were found such as crooked valve boxes have been corrected. Blackwell construction has provided information on the estimated value of the construction in each section. In the first case it was worth \$6,813.07, and for the other it was \$5,225.05. The equation specified in the Rules & Regulations for service was used to calculate the amount of credit due.

Ex-officio board member Tim Mayer asked if this development falls within Utilities' jurisdiction or is it in the service area. Mr. Bengtson said the service area is specific to sanitary sewers. This development is within Utilities' water jurisdiction. Mr. Mayor asked if the residences in Admiral Glen have septic. Mr. Bengtson said they do.

Board President Swafford asked if all the lots had been built on. Mr. Bengtson said they have not yet.

Board member Roberts said the contracts make it appear that a slightly different amount was used for the average revenue times 3 years. She asked if the average was based on something that had already happened in these neighborhoods. Mr. Bengtson said that the placement of the first meter starts the time period for averaging. The difference in the amounts is probably due to differences in the weather during the time the average was being calculated for each of the phases.

Board member Ehman asked if it would make more sense to have a longer term for the average. Mr. Bengtson said this is the way it is written. The rules could be changed to allow for a more even average. Every time one of these comes up the records are consulted to get the average usage for the year. Mr. Ehman asked if that was burdensome for the staff. Mr. Bengtson said the billing system does that pretty easily.

Board President Swafford asked if the pipe used meets Utilities' specifications. Mr. Bengtson said it does, one of Utilities inspectors was making inspections all during the time the water mains were being installed. Mr. Swafford asked whether the developers know Utilities requirements for credit before they start making their plans. Mr. Bengtson explained that they must submit a full set of plans to the Engineering Department. Utilities Engineers may adjust the plans to be sure maintaining the water infrastructure won't be a problem. The next step is construction and the developers are aware that if Utilities is to take over maintenance they must comply with the construction specifications required by Utilities. The inspectors make sure they do comply.

Someone asked if Utilities has easements for the water mains. Mr. Bengtson said they do.

Board member Banach moved and board member Ehman seconded the movement to approve the 2 water main installation credits for Admiral Glen Estates, Phase 1 & 2. Motion carried, 6 ayes, 1 member absent, (Whikehart).

As a follow up question board member Ehman asked about the easements. He said he serves on the Environmental Advisory Board for the Department of Parks and Recreation. One of their concerns is connectivity between the multi-use trails the City manages and those of the County. One of the concerns is connecting to the proposed Jackson Creek trail that will run along Utilities' sewer easement. There was a stipulation for the Admiral Glen development that an easement for the trail be provided. Mr. Ehman asked if there had been any discussion of an easement along Utilities' infrastructure for the trail. Assistant Director of Engineering Bengtson said that most of the infrastructure is along the street and in its right of way. There is a major interceptor for sewer along the creek that might have been considered for an easement for a trail. Utilities Engineers always keep in mind the possibility of trails when there is a major interceptor alongside a creek. That happened with the southwest interceptor which was planned in the same time period as Admiral Glen Estates so it seems likely the same rights were negotiated. Mr. Ehman said there had been some dissent by residents to that plan so he believes an easement was negotiated with Admiral Estates.

APPROVAL OF THE CONTRACT FOR DEVELOPMENT OF LOCAL PRETREATMENT LIMITS AS REQUIRED BY THE DILLMAN ROAD NPDES PERMIT:

Utilities Deputy Direct Langley said this process started 5 years ago when the draft copy of the last permit for the Dillman Road Plant was received from IDEM. This is just a repetition of a 5 year process. He is asking the USB to approve a contract for consulting services in developing local limits for the Dillman Plant. This is required by the new NPDES permit. A formal RFP process was used under the supervision of the Legal Department to choose a company for this work. Symbiont was chosen because they have previous experience with both EPA and IDEM and their professional references are excellent. The contract has been reviewed and approved by the Legal Department. The contract amount is \$16,700.00. Utilities will provide field data required by EPA's guidelines to Symbiont. The limits will be established then brought back to the USB for approval. Once the USB approves them they will go to the Common Council to adopt them into the sewer use ordinance.

Board member Roberts moved and board member Banach seconded the motion to approve the contract with Symbiont for the development of local pretreatment limits as required by the Dillman Road NPDES permit. Motion carried, 6 ayes, 1 member absent, (Whikehart).

APPROVAL OF A REVISED PRETREATMENT PERMIT FOR COOK PHARMICA:

Pretreatment Program Inspector Miya said the facility at Cook Pharmica is being expanded. Two additional manufacturing processes are being added which are regulated under federal pre-treatment standards. The first process will use genetically engineered plants to extract pharmaceutically active ingredients. The wastewater from this process will be sent to their current pretreatment system which they have been using for their fermentation process. The second process being added is a finishing process for manufacturing sterile injectable pharmaceuticals. This wastewater will be sent to a newly manufactured pre-treatment system. These processes are being regulated in a way similar to what Baxter has been doing for several years.

Board President Swafford asked if there had ever been any problems with Cook Pharmica. Ms. Miya said there had not.

Board member Roberts moved and board member Roman seconded the motion to approve the revised pretreatment contract for Cook Pharmica. Motion carried, 6 ayes, 1 member absent, (Whikehart).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

Board President said the night the USB meets on has been moved to Tuesdays effective this meeting.

SUBCOMMITTEE REPORTS:

Board President Swafford said there had been an Administrative Subcommittee meeting. A customer asked for relief for 46,000 gallons of water that had gone through the meter. It has been verified that the meter was working. Under the current Rules & Regulations there is no way to adjust water bills so the subcommittee recommended denial of this request.

Board member Roman asked if the leak had happened after the meter. Board President Swafford said the water had gone through the meter which has been verified to be working properly. Mr. Roman asked if there was a sewer. Mr. Swafford said there was not.

Utilities Director Murphy said there was a sewer but no water had been used in the past 2 years so there is no summer sewer average. There was no evidence of a leak.

Board member Ehman said that at one time there was discussion of a fee of perhaps a penny a month to provide insurance for people in situations like this. Board President Swafford said it had been determined that any such attempt would be a bookkeeping nightmare. A law was passed last year that would allow the USB to make rules concerning these instances.

Utilities Director Murphy said he had asked City Attorney Renfrow to consider some recommendations for changes. He plans to include this on a future agenda.

Board member Roman seconded the recommendation of the Administrative Subcommittee that the request be denied. Motion carried 6 ayes, 1 member absent (Whikehart).

STAFF REPORTS:

There were no staff reports.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 5:24 p.m

L. Thomas Swafford, President