

UTILITIES SERVICE BOARD MEETING

August 1, 2011

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 5:01 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, Sam Frank, John Whitehart, Pedro Roman, and ex-officio members Tim Mayer and Tom Micuda. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Jane Fleig, Jon Callahan, Tom Axsom, Mike Bengtson, Mike Rouker and Mike Hicks. Others present: Roscoe Sexton, Sue Mayer.

MINUTES

Board member Roberts moved and Board member Roman seconded the motion to approve the minutes of the July 18th meeting. Motion carried, 5 ayes, 2 members absent, (Banach and Ehman).

CLAIMS

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

Vendor invoices submitted to the controller's Office on July 27th included \$250,979.58 from the Water Utility; \$224,933.02 from the Wastewater Utility; and \$2,516.59 from the Wastewater/Storm water Utility. Total Claims approved, \$478,429.19.

Motion carried, 5 ayes, 2 members absent, (Banach and Ehman).

APPROVAL OF THE ADDENDUM TO THE TSC AGREEMENT FOR CONSULTING SERVICES:

Assistant Director of Finance Horstman said this addendum to the current contract would extend the time of the contract from December 31, 2011 to April 28, 2012. The current balance on the contract is \$11,320. Another \$16,000 was added in the 2011 budget. TSC developed the custom made billing system for Utilities quite some time ago, and they have maintained it ever since. They are the only company that can work on it. Utilities is moving to new finance software, New World, which has its own billing capability. The data from the current system must be moved to the new system. There is a great deal of data involved. At this time there are about 23,000 customers and an additional 25,000 "donut" customers. The information being collected goes back nine or ten years. TSC are the only ones who can do this. They have already begun based on the balance left in the contract. Some additional time and money will be needed to cover this expense.

Board member Frank asked if their services will continue to be needed when they have finished the conversion. Mr. Horstman said they are planning on going live on January 1, 2012, if everything goes the way it should. TSC will probably be needed to help with any glitches which is why the time was extended. After that they will no longer be needed.

Board member Roberts moved and board member Roman seconded the motion to approve the addendum to the TSC Agreement for Consulting Services. Motion carried, 5 ayes, 2 members absent, (Banach and Ehman).

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

Board member Roberts said the newspaper had mentioned that CBU is the only utility that doesn't allow online applications. She wanted to know if that is true, and if so, how is it being addressed. Utilities Director Murphy said it is true that customers are still required to come in to sign up for new services. It is hoped that once the new software is online some of these kinds of features such as email or internet might be developed. It is possible to disconnect by faxing the information. Part of this is because in a community of this size, with a very transient population, there were some issues over equating service applications with any particular customer. A photo ID is required to sign up for service. There were some historic issues with having to write off losses because of a failure to collect and disconnect. Utilities is working towards that.

Ms. Roberts asked what the disconnect has to do with signing up for new service. She asked if the photo ID is required because there may be so many different people living at one address. Mr. Murphy said that is the case. A disconnect can be done by fax. There is no need for the customer to come to the Service Center. Things aren't set up yet to email the disconnect information. For a change of service the customer is required to come in to sign up.

SUBCOMMITTEE REPORTS:

There were no subcommittee meetings.

STAFF REPORTS:

Utilities Director Murphy said he presented the 2012 budget to the City Council on July 19th. It was a good discussion. The vote was 7-0-2.

Mr. Murphy said the bids for the MWTP improvements and the Southeast Water System improvements will be opened tomorrow. The MWTP bids will be opened at 10:00 a.m., and at 3:00 pm for the Southeast water system. Both will take place in the Utilities Board Room.

The weather has had an impact on the pumping capacity of MWTP. There have been peaks of 25.2 mgd for a couple of hours.

Mr. Murphy said all of Utilities' work on the 45/46 by-pass is done.

Board President Swafford asked if Utilities has any projects that are closing roads. There are a lot of roads closed. Mr. Murphy said there is a project at Park Ave. Utilities is not involved in the Atwater road closing. There has been some work at Eastside and Hunter separating some sewer lines which is a part of the Agreed Order. Utilities is not engaged in any major projects.

PETITIONS AND COMMUNICATIONS:

Mr. Roscoe Sexton of 561 Fairway Lane said his community is having problems with their sewer where it goes into the main. It has been an ongoing problem. Last year, in June, Assistant Superintendent for lift and booster stations Schroeder came, as did Roto Rooter. They televised the line and said the problem is in the main. It is full of roots. In the last year they have spent \$330 with Roto Rooter to get their line cleaned. Mr. Sexton said Mr. Schroeder had told him Utilities would dig the line up and fix it. Mr. Sexton

said he left town and when he got back the sewer was backed up and he had sewage all over his basement. He called the after hours switch board operator who sent someone out who said he could bring a crew in that night to fix it, but they probably wouldn't be able to do it. They came back the next day and went against what they had told him, according to Mr. Sexton. They tried to run down his lateral. He said the staff sent out had no experience running the sewer machine they had. He ended up getting Roto Rooter again. Mr. Sexton said he just wants some relief. He wants it fixed.

City Risk Attorney Rouker said the City's Legal Department, in conjunction with the City's insurance carrier investigates all claims of liability against the City. They are aware of Mr. Sexton's claim and are investigating it. He asked that the USB take no action at this time until the investigation is complete. Board President Swafford asked if it is being looked into from Utilities' stand point. Utilities Director Murphy said several staff members have talked to Mr. Sexton. There was some concern so they asked Risk to look into it because there was a possibility of some insurance litigation.

Board member Roman said he is very aware of Risk issues. He asked if anyone had been sent to fix the problem or are the lawyers in Risk the only ones being listened to. He suggested someone be sent to look at it and if it needs cleaning that is what must be done. He said he understands the litigation issues, but that's where you actually have a situation where it can happen. When a customer comes to him with a problem he says Utilities has to identify the problem and if it exists it must be fixed. It is not acceptable to not take care of customers because of a desire to look at the risk management issues. He said he wants to know if the problem still exists, and if it does, is it Utilities' fault. If so he wants it fixed.

Mr. Rouker said this can be a very difficult situation. If there is a problem in a lateral, action is not taken as a matter of policy and it would be totally improper for Utilities to take action. Mr. Roman asked if it is in a Utilities pipe or not. Mr. Rouker said he has no idea. Mr. Roman said someone should be sent to see if it is. Superintendent of Operation Axsom said the sewer was cleaned on June 28th. All the roots were cut out.

Board President Swafford said according to the City, Utilities' sewer line is clean. No further action can be taken until it is determined whether there will be litigation. Mr. Sexton said he doesn't know anything about the litigation. He said the whole problem stems from the hub on the main being broken. Roots grow through clay tile, but they won't grow through plastic. It's been broken. All he is asking is that the hub be dug up and fixed. He said they received a \$54 service charge. He said he isn't paying that at this time. Mr. Swafford said he would talk to staff and get back to Mr. Sexton.

ADJOURNMENT:

The meeting was adjourned at 5:20 p.m.

L. Thomas Swafford, President