

**UTILITIES SERVICE BOARD MEETING
10/24/2022**

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CALL TO ORDER

Board President Ehman called the regular meeting of the Utilities Service Board to order at 5:03 p.m.

The meeting took place in the Utilities Service Boardroom at the City of Bloomington Utilities Service Center, 600 East Miller Drive, Bloomington, Indiana.

Board members present: Amanda Burnham, Jean Capler, Seth Debro, Jeff Ehman, Megan Parmenter, Jim Sherman, Kirk White, ex officio Scott Robinson

Board members absent: ex officio Jim Sims

Staff present: James Hall, Matt Havey, Dan Hudson, Vic Kelson, Holly McLauchlin, Hector Ortiz-Sanchez, Phil Peden, LaTreana Teague, Chris Wheeler, Katherine Zaiger

Guests present: Jennifer Wilson

MINUTES

Board member Burnham moved, and Board Member Debro seconded the motion to approve the minutes of the October 10 meeting. Motion carried, seven ayes.

CLAIMS

Burnham moved, and Debro seconded the motion to approve the Standard Invoices: Vendor invoices included \$250,401.96 from the Water Fund, \$276,708.98 from the Wastewater Fund, and \$12,441.03 from the Stormwater Fund.

Motion carried, seven ayes. Total claims approved: \$539,551.97.

Burnham moved, and Debro seconded the motion to approve the Utility Bills:

Invoices included \$180,296.13 from the Water Fund and \$104,022.73 from the Wastewater Fund.

Motion carried, seven ayes. Total claims approved: \$284,318.86.

Burnham moved, and Debro seconded the motion to approve the Wire Transfers, Fees, and Payroll for \$362,425.42. Motion carried, seven ayes.

Burnham moved, and Debro seconded the motion to approve the Customer Refunds: Customer refunds included \$11.37 from the Water Fund, \$139.52 from the Wastewater Fund, and \$4.76 from the Stormwater Fund.

Motion carried, seven ayes. Total refunds approved: \$155.65.

CONSENT AGENDA

CBU Director Kelson presented the following items recommended by staff for approval:

- a. Harrell-Fish, Inc., \$6,100.00, Installation of mini-split HVAC unit in meter services lab.
- b. Heflin Industries, Inc., \$3,634.64, First amendment to extend the scope of work on the ammonia feed lines at Monroe WTP.
- c. Hach Company, 845.00, Annual service of Hach 3900 at Blucher Poole WWTP.

The agreements were approved, as no items were removed from the Consent Agenda. Total contracts approved: \$10,579.64.

REQUEST FOR APPROVAL OF AN MOU BETWEEN CBU AND THE COB ENGINEERING DEPARTMENT

Assistant Director - Environmental Programs Zaiger presented an MOU to add green infrastructure for the W. Allen St. Neighborhood Greenway Project. The costs are an estimated \$30,000.

Burnham moved, and Debro seconded the motion to approve the MOU with the City of Bloomington Engineering Department. Motion carried, seven ayes.

REQUEST FOR APPROVAL OF AN AGREEMENT WITH WESSLER ENGINEERING, INC.

Capital Projects Manager Hudson presented an agreement with Wessler for the engineering work, design, and construction of electrical upgrades at Monroe Water Treatment Plant. This is a design-build-transfer project and is different than other past projects.

Ehman asked how it is different from previous projects.

Hudson said the others were design-bid-build projects that are publicly advertised and receive bidders. For this project, CBU staff asked for the qualifications of the contractor. Staff selected the contractors based on qualifications at 30% of the design.

Kelson commented this is an alternate project delivery mechanism for doing capital projects. The staff has been discussing this with the Controller to execute these projects.

Board member Sherman commented that he understood that the reason for closed bidding and opening in front of the board is that there cannot be any misconduct. Is this system more open to misconduct, as the system currently used seems to be a good system for that reason?

Hudson answered that the most qualified contractors are selected. In the past, staff selected contractors who were responsible but also the lowest bid. This is a very specialized contract. Electrical design and general contractors do not fit the qualifications.

City Attorney Wheeler commented that regardless of the process used, the processes have been designed by the state legislative body, they are statutorily in place, and we have followed these statutory requirements. In each one of these, we do responsive and responsible. In this instance, we are looking at an enhanced microscope on the qualifications of those bidding. They are still publicly bidding, it is still competitive bidding, and we are still looking under the microscope of state requirements. Jeff Underwood, our Controller, would not recommend that this utility use something less controlled than what we already do.

We are following state statute and state protocol, and everything will be just as rigorous as if we are using the standard procedures you are used to.

White asked if Wessler does design and they provide consulting services under design-build-transfer; at what point would we see the different options they are picking for design and build?

Hudson answered that in a typical design-bid-build, the consultant completely designs the project and bids it out publicly, and the contractor selects it. Then during the construction process, there is generally an adversary relationship between the contractor and the engineer. In this case, it is more of a team effort where the consultant not only does 30% of the design, we bring on a contractor at that point, and then the contractor and the consultant complete the design.

Wheeler added there is a statute that allows us to do what is called design-build-transfer agreements and within that statute is something known as build-operate-transfer. Before we can go down that path, Wessler is looking at whether we will go down that path. We may use basic public works. Wheeler said that he had been looking with the attorneys who represent the council, trying to determine whether the city has passed an ordinance that allows us to do build-operate-transfers. We have found that we cannot find any resolution or ordinance from the council that has adopted the current version of the statute that even allows us to do this. We are looking into it because it is a good way for us to proceed. If we can get the city to cooperate to go down this path, we will educate the board so that next time we come to the board with one of these, we will know what they look like and how they operate.

Ehman clarified that 30% is the degree to which the design is finished. Then, the contractor selected is brought on to participate in the design.

Hudson answered it is about 30%, and then we solicit qualifications from several contractors. We select the contractor with the best qualifications. The design is completed as a team, with the logistics of equipment. We are aware of inflation and supply chain delays, and contractors are more aware of those than some engineers. So they work together on how to proceed. Ehman expressed his support of the model.

Capler commented that she appreciates the city looking at the “business as usual” way of doing things and being open to and finding something that has the potential to be a more efficient or effective way of doing it.

Burnham moved, and Debro seconded the motion to approve the agreement with Wessler Engineering, Inc. Motion carried, seven ayes.

REQUEST FOR APPROVAL OF AN AGREEMENT WITH THIENEMAN CONSTRUCTION, INC.

Hudson presented a design-build project designed by Wessler to install two bar screens at the Monroe WTP intake structure. Staff received three bids, and Thieneman Construction was the most responsive and responsible bidder. The cost came in at \$1,554,000.00.

Burnham moved, and Debro seconded the motion to approve the agreement with Thieneman Construction, Inc. Motion carried, seven ayes.

REQUEST FOR APPROVAL OF RESOLUTION 2022-07

Wheeler presented a resolution to amend Title 10, Chapter 10.21. Several years ago, staff rewrote Title 10 in its entirety. There was a great deal of editing and rewriting to bring it into compliance with national standards. In doing so, a section of 10.21 was lost, which would be the appeals process for that section of Title 10. That chapter deals with erosion control and run-off from construction sites, which we are required to monitor and enforce when there are violations. It used to rely upon a catch-all appeals section at the bottom of Title 10. When we did the rewrite, we eliminated any appeals process for 10.21. We are asking the board to approve the resolution that we will then take to the council, asking for chapter 10.21 to be amended to include an appeals process through the board.

Ehman asked how long ago were the changes made. Wheeler answered he thought they were made in 2018.

Ehman asked if this caused a problem where someone tried to appeal or if someone caught this error and we are correcting it before it caused a problem.

Wheeler answered we are trying to do this before a problem arises. If we had to, we would use Title 10's basic appeals process to give them an appeals process, but it would help to have it in writing so that everybody can see what it says and how to follow it.

Burnham moved, and Debro seconded the motion to approve Resolution 2022-07. Motion carried, seven ayes.

REQUEST FOR APPROVAL OF RESOLUTION 2022-10

Hudson asked for the board's consideration of hiring Building Associates, Inc. as the construction contractor for the replacement of the filter media at the Monroe WTP. The agreement also includes upgrades to the exhaust system, ceiling, and lighting for \$2,104,900.

White commented that the report from Arcadis says they are the low bidder for the project. Hudson answered yes. This is the second bid on this project. The first bids were high, so staff returned to the drawing board and did a redesign, lowering the project cost. Staff talked to Building and Associates and their subcontractors and was happy with their qualifications.

Burnham moved, and Debro seconded the motion to approve Resolution 2022-10. Motion carried, seven ayes.

REQUEST FOR APPROVAL OF RESOLUTION 2022-11

Assistant Director - Engineering Peden presented a resolution for the North Fritz Terrace Neighborhood Sewer Rehabilitation Project. Out of five bids, Miller Pipeline was the low bidder for \$764,775.00, below the engineer's estimate of roughly \$800,000.

White said when the bids were opened, it included alternate #1 and asked what was in alternate #1. Peden said that alternate #1 included the lateral connection rehabilitation, so we adjusted the quantity and scope.

White said that since Miller Pipeline will do the lining, how close from the main to the residence is it that we are relining? Peden answered Miller Pipeline would do the sewer mains, and they will subcontract. Their subcontractor is LMK Technologies, and laterals are their specialty. The lateral linings are approximately 10ft. Most of these sewers are in the center of the road, which just about goes out to the curb line.

White clarified if the property owner has a failure beyond that, it is their responsibility. He asked if CBU staff initially did an assessment further than the 10ft. Peden said staff had 10ft originally.

Burnham moved, and Debro seconded the motion to approve Resolution 2022-11. Motion carried, seven ayes.

OLD BUSINESS: None

NEW BUSINESS: None

SUBCOMMITTEE REPORTS:

REQUEST FOR APPROVAL OF RESOLUTION 2022-08 – WASTEWATER RATE ADJUSTMENT

REQUEST FOR APPROVAL OF RESOLUTION 2022-09 – STORMWATER RATE ADJUSTMENT

Finance Subcommittee Chair White reported that the subcommittee met to discuss the wastewater and stormwater rate adjustments. There was an 18% rate increase for wastewater, with 12% going into effect in 2023 and the other 6% going into effect in 2025. For stormwater, the increase was 26%, which will go into effect on January 1, 2023, assuming the ordinance gets approved by the City Council.

Sherman moved, and White seconded to approve Resolution 2022-08 with the instruction to CBU staff to reduce the amount for the Utilities Service Center by 40%. Motion carried, seven ayes.

White moved, and Debro seconded to approve Resolution 2022-09 for the stormwater rate adjustment. Motion carried, seven ayes.

STAFF REPORTS:

Kelson thanked Gary Connor, the city's risk manager, who helped inspect the situation concerning ventilation for the Monroe WTP Filter Media Replacement Project.

Gary was instrumental in assisting that portion of the project, saving the utilities quite a bit of money.

Kelson asked the public to look for leaves on the storm grates and help keep them out of the storm inlets. This could help prevent flooding and water quality issues.

The Dillman Wastewater Treatment Plant has an upcoming event scheduled on Thursday, October 27, from 11 a.m. to 1 p.m. to celebrate the 40th anniversary of the plant and the finishing of a \$23.5 million improvement project. The staff invited contractors, including our finance contractor, the mayor's office, council members, and city employees.

PETITIONS AND COMMUNICATIONS: None

ADJOURNMENT: Burnham moved to adjourn; the meeting adjourned at 5:35 p.m.

Jeff Ehman, President

Date