

UTILITIES SERVICE BOARD MEETING
8/14/2023

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CALL TO ORDER

Board Vice President Parmenter called the regular meeting of the Utilities Service Board to order at 5:07 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: Megan Parmenter, Jeff Ehman, Seth Debro, Jim Sherman, Kirk White

Board members absent: Amanda Parmenter, Molly Stewart, Ex Officio Jim Sims, ex Officio Scott Robinson

Staff present: Matt Havey, Phil Peden, Chris Wheeler, Kevin White, Dan Hudson, James Hall, Kat Zaiger, Jason Wenning, Nancy Axsom, Caden Swanson, Daniel Frank

Guests present: Maggie Nord, Tine Wolff, Jeremy Hardy

Board member Ehman moved, and Board Member White seconded the motion to add a Petitions section to the beginning of the meeting. Motion carried, five ayes.

Homeowner at 819 W Ralston Drive - Maggie Nord petitioned the Board regarding her efforts to connect to CBU sewer due to the failure of her home's septic system. The cost associated with the road cut required to provide the lateral stub needed to connect was an unexpected expense because many neighbors in the Broadview neighborhood had a similar service provided during a grant funded project that took place in 2021. Nord advised that she is petitioning to determine if a similar arrangement can be considered for both her property and her neighbor at 817 ½ W Ralston Drive. Parmenter noted that Nord had lived in the home for seven years, and the grant funded project took place in 2019, but Nord was not approached by CBU at that time. Nord confirmed, stating that her neighbor had been told over the phone that their homes were simply forgotten, while others advised that at the time of the project, the homes were ineligible because the properties would likely need a pump to connect. Nord noted that the contractor who provided their quote determined that a pump would not be needed. Nord recognized that the expense is substantial and that this project was initially funded by grant money that has already been spent, but the added expense to her family is preventing them from moving forward with decommissioning their failing septic system. Nord advised that her contractor's estimate for the road cut portion was around \$7,300.00, which is the amount she is petitioning to have covered by CBU. Nord noted the connection fee of \$2,000.00 and the contract bid of \$18,000.00-\$20,000.00 to remove the septic system are expenses her family is willing to pay. Nord also noted that CBU has offered to provide the installation at a total cost of \$6,000.00 if both property owners agree to the connection and split the expense at \$3,000.00 per home, but even that added cost is a challenge. Parmenter requested an explanation from staff regarding why the properties were not included as part of the original project. Assistant Director - Engineering Peden advised that the sewer expansion project in the Broadview neighborhood

was funded by a grant and at the time CBU Engineering designed the project and CBU Transmission and Distribution (T&D) served as the contractor. CBU Engineering was limited by the grant funding and when designing the project they looked at the most efficient way to connect as many houses as possible with the funding available. Peden advised that the lots in question were considered at the time but there were some unknowns, specifically if the homes could be served with gravity or would require a pressure main, and all the available funding was projected to be spent before reaching those homes. Parmenter questioned if all the homes marked with a star in the plans were served as part of the grant. Peden clarified that all the starred homes were set up to be served, but final connection to the line is at each homeowners discretion and not all homes that were provided a stub have opted to connect thus far. Parmenter questioned how the Broadview neighborhood was selected for the grant. Peden advised that the area was not served by sewer and was a lower income area. White questioned where the grant funding came from. Peden advised that it was a Community Development Block Grant (CDBG). White noted that the CDBG was administered through Civil City, and questioned if CBU had considered requesting funds for another phase of this project. Peden advised that he was unaware of any other funding opportunities, but that CBU had not looked into the possibility yet, noting that there is a significant process to go through with the grant program. White noted that it is a priority of the municipal government to get off of septic systems. Peden agreed, and advised that moving customers within Bloomington away from septic systems was the goal of the project, and it was just unfortunate that the funds were unable to provide the same service for everyone in the neighborhood. Peden noted that the grant was for \$200,000.00 and CBU performed the design and construction entirely in house to ensure cost saving. Peden also pointed out that Nord had expressed a willingness to pay the connection fee of \$2,000.00, but CBU will pay for that service by offsetting the stormwater budget because transferring the home over to sewer removes the potential for contamination of the stormwater system. Parmenter noted that the 2019 project was a wonderful project for the community, but acknowledged that it's unfortunate that a few homes were left out and now don't have the ability to take advantage of those same grant funds. Peden noted that CBU Staff if not opposed to the Board approving the funds to connect the house in question, but that is not standard practice for CBU. The lateral is owned by the customer from the main connection, all the way to the home, and the other laterals were only extended because they were part of a grant funded construction project. Once that project was over, that lateral is now owned by the customers. While CBU supports removing septic systems, and is not opposed to providing service to these homes, it is not standard practice for CBU to pay for this type of connection. Sherman questioned if CBU was aware at the time that several homes in the neighborhood would not receive connections. Peden confirmed, CBU knew other homes might be able to connect, but it was unclear if they could be at the time with the limited funding. Peden noted the earlier points regarding the potential need for a force main given that it was unclear if the connections in question could be served by gravity, and advised that at the time CBU did not have an approved design for the connection of a pressurized line to CBU's gravity laterals. Since that time the CBU Engineering team has developed an approved design for this type of connection. At the time of the grant project, the lines for the homes in question would have needed to run to a manhole, which would have increased the cost even further at a time when the budget was already tight. Sherman questioned what would be the cost to CBU for adding the two properties. Peden

advised that CBU estimated the cost at \$4,700.00 per line, unless both homeowners agreed to the project and the lines could be run side-by-side, which would reduce the cost to \$3,000.00 per home. Sherman noted between \$6,000.00 and \$10,000.00 didn't seem like a large amount considering the City would also receive the benefit of removing two septic systems. Parmenter questioned how many other customers were not served in the Broadview neighborhood. Peden advised there are two other homes aside from Nord's that were not served. White questioned if CBU was aware that these houses wouldn't be served when applying for the grant, or if that was determined during the course of the project. White questioned if CDBG thought that the homes would be served as part of the grant. Peden advised no, the plans they were provided did not include those properties. White suggested that the best way to proceed would be to look at a CDBG second phase for this project to adhere to current CBU practices and not set a precedent of providing this service to customers at CBU expense, while acknowledging that it will take a significant amount of time to get through the process. White questioned if CBU currently has any other projects being proposed to CDBG. Peden advised that CBU has a detention pond project that was funded last year and will be constructed this year pending permitting, and the application process begins in October. White noted that since CDBG saw fit to grant funding for this project to begin with, perhaps they would grant further funding to finish connecting the remaining houses, which would allow CBU to adhere to current practices. Sherman questioned when final decisions were made for grant funding. Peden advised that funding was announced before the end of the year, and then several months before the funding is distributed, so this solution would require Nord to wait some time. White questioned if there was a failing system to consider. Nord advised yes, her home's septic system had failed in January, and while this issue is not pressing for the Utilities, it is pressing for her. White advised that the issue of failing septic systems is pressing for CBU, but the problem of staying consistent with policies and practices makes these issues challenging for CBU. Sherman advised that the USB always has the option to make exceptions if there are special circumstances and benefits to the City, it can be a decision that the Board makes, and there benefits to the ratepayer and the City by removing the failing septic system given the small amount of cost. White questioned if there were any other failing systems that this project could cover. Peden advised none that he was aware of and currently only 13 of the 34 homes that were stub for service have actually connected at this time, but as the septic systems start to fail, homeowners in this neighborhood will be forced to connect because the lots in question are not large enough to accommodate another septic field. Sherman questioned if it would be possible to put this topic on the next meeting agenda. City Legal - Wheeler advised that the Board is free to set its own agenda and can add agenda items as it sees fit. Parmenter noted that there is a sense of urgency with this issue and requested that it be added to the next agenda. White requested further staff investigation, specifically regarding firm numbers on how many more properties in the neighborhood are yet to be served and other options to explore for resolving this issue. Board member Ehman noted that after seeing the map and staffs presentation it is clear that the customer was not forgotten, but rather the boundaries of the project were designed in advance and encompassed as many homes as project funds would allow. Ehman apologized on behalf of whoever advised Nord that her home was "simply forgotten" because after seeing the project map, it was clearly not the case. Ehman agreed with the Board that looking for any other funding source or trying to expedite some type

of grant would be the best options at this time. Sherman advised Nord that this topic will be discussed again at the following meeting in two weeks and that she should plan to attend.

MINUTES

Board member Debro moved, and Board member Sherman seconded the motion to approve the minutes of the July 31rd meeting. Motion carried, five ayes.

CLAIMS

Debro moved, and Sherman seconded the motion to approve the Standard Invoices:

Vendor invoices included \$756,212.30 from the Water Fund, \$2,131.22 from the Water Construction Fund, \$750.00 from the Water Sinking Fund, \$571,030.65 from the Wastewater Fund, and \$11,623.43 from the Stormwater Fund.

Motion carried, five ayes. Total claims approved: \$1,341,747.60.

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

Invoices included \$4,350.98 from the Water Fund and \$19,600.99 from the Wastewater Fund.

Motion carried, five ayes. Total claims approved: \$23,951.97.

Debro moved, and Sherman seconded the motion to approve the Wire Transfers, Fees, and Payroll for \$648,058.78. Motion carried, five ayes.

Debro moved, and Sherman seconded the motion to approve the Customer

Refunds: Customer Refunds included \$2,128.96 from the Water fund and 481.82 from the Wastewater Fund.

Motion carried, five ayes. Total refunds approved: \$2,610.78.

CONSENT AGENDA

CBU Assistant Director Finance - Havey presented the following items recommended by staff for approval:

- a. Black & Veatch Corporation, \$19,970.00, 2023 water tank inspections
- b. Yokogawa Fluid Imaging Technologies, Inc., \$13,950.00, Calibration and preventative maintenance of flowcam
- c. Patriot Engineering & Environmental, Inc., \$4,999.00, Geotechnical engineering services.

Consent Agenda approved as presented. Total approved: \$38,919.00

REQUEST FOR APPROVAL SUBWAY FOG COMPLIANCE MOU

CBU Pretreatment Coordinator - Wenning presented the MOU for FOG Compliance with seven various Subway locations that were purchased at the beginning of the year and found to require updates to the grease retention devices. The MOU provides more time to allow for coordination of multiple installations. Along with this, several of the locations will likely be relocated in the near future, and this agreement will allow dispensation for those stores pending their relocation.

Debro moved, and Sherman seconded the motion to approve the FOG Compliance MOU with Subway. Motion carried, five ayes.

REQUEST FOR APPROVAL OF MOU BETWEEN CITY OF BLOOMINGTON UTILITIES DEPARTMENT AND BLOOMINGTON REDEVELOPMENT COMMISSION

CBU Assistant Director - Zaiger presented the MOU for CBU to contribute \$310,000.00 to the installation of a green roof at the Trades District Tech Center. Ehman questioned if the funding was already present in the Green Infrastructure budget. Zaiger advised yes, the budget was looked out to ensure funding was available. Ehman questioned what the total Green Infrastructure budget was. Zaiger advised \$400,000.00. Ehman questioned what type of opportunity cost of a project of this scale. Zaiger advised that a small amount is set aside each year for rain gardens and other types of small green infrastructure projects, and in recent years, there was funding left over at the end of the budget cycle. Those left over funds will be used towards this project as well. There were no other large scale projects currently planned that this would take funds away from. Ehman questioned who else would be providing funding to this project. Zaiger advised that the Redevelopment Commission (RDC) would be providing the remaining funds for the project which totals \$400,000.00. CBU agreed to contribute the total cost of the alternative project necessary to meet detention and treatment requirements that would have been used in lieu of the green roof, which would likely have been underground. RDC approached CBU after initially removing the project from their plans, but Zaiger noted that CBU volunteered funding to help build this 'first of its kind' project in Bloomington. Ehman questioned what the potential Operation and Maintenance (O&M) cost would be for a project such as this. Zaiger advised that the MOU specifies that the RDC will be responsible for all O&M of the project. Ehman questioned if CBU already had a potential contractor in mind for the planning and installation of the roof. Zaiger advised that the RDC has a plan ready and they hope to put it out to bid soon. Ehman questioned if green roof structures hold up well over time. Zaiger advised that so long as they are well maintained, green roofs do hold up well. White questioned if this was truly the first in Bloomington for a project of this kind. Zaiger advised that it is the first for the City of Bloomington, Indiana University potentially had one in the past on the O'Neill School of Public and Environmental Affairs building. White questioned how a green roof works, specifically what is planted, and what type of maintenance is needed. Zaiger advised that design specifications are considered a "Blue/Green Roof" with a top cell that contains a variety of native plants, including Stonecrop and native grasses, above a lower cell that holds water. Zaiger noted that with the proposed roof, during an average rainfall you would be unlikely to see any rain flow from the downspout. Sherman questioned what would happen during drought. Zaiger advised that maintenance during drought would likely entail watering, though the plants selected for this project are drought resistant native species capable of withstanding significant dry spells. White questioned if the money being used for this project is being pulled from the Stormwater budget. Zaiger advised yes, all green infrastructure projects receive funding from the Stormwater budget. White noted that the trade-off for the project would be less stormwater flow for CBU to manage and a more environmentally friendly system. Zaiger confirmed, noting that another part of the MOU allows CBU open access to the roof, which will provide many opportunities for education and outreach. White questioned if there was any chance that CBU would be required to provide any long term maintenance to the project. Zaiger advised that the

MOU is written to exclude CBU from any O&M related to the project. Along with this, if for any reason the green roof needs to be decommissioned, the RDC is required to construct a project that meets the same stormwater detention and water quality requirements that would be lost. Parmenter questioned if the roof was decommissioned, how would CBU recoup the cost of the project. Zaiger advised that no funds would be returned to CBU, but the RDC would be required to fund a project to offset the loss of the roof in regards to stormwater quality and quantity. Parmenter questioned why this project was chosen. Zaiger advised that CBU is often approached for smaller greenspace projects, this just happens to be the largest project CBU has been approached with the City. Ehman questioned if the \$310,000.00 proposed for the Green Roof project were used on other projects, would they provide a similar or greater benefit to the stormwater system than this proposed project. Zaiger advised that if you compare water detention capacities of several smaller green infrastructure projects and the Green Roof project, the Green Roof would be at least comparable, and likely detain more water than alternative projects.

Debro moved, and Sherman seconded the motion to approve the MOU between City of Bloomington Utilities and Bloomington Redevelopment Commission. Motion carried, five ayes.

OLD BUSINESS: None

NEW BUSINESS: None

SUBCOMMITTEE REPORTS:

Debro noted that Kokosing Construction Engineer - Tina Wolff presented general information on Guaranteed Saving Contracts (GSC) as a procurement method for CBU. Debro noted the discussion included information on how GSCs apply to Indiana Code, where they can be used, the flexibility they provide to a contract, and how they can be used in a single project or a larger program contract. Debro also noted that new GSC contracts can build off CBU standards and provide potential savings.

STAFF REPORTS:

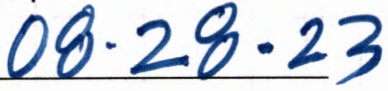
Havey noted the Property and Planning Subcommittee Meeting that will be held before the regular meeting on August 28th. Topics of discussion will include a deeper dive into the finances of the proposed Service Center at the former Winston Thomas site, and information on the Stormwater and Wastewater bond process. Havey also wished to note the passing of CBU Blucher Poole Wastewater Plant Superintendent Joe Potts who passed away on August 2nd. White suggested a resolution from the Board recognizing the passing of Potts and recognition of his years of service to be presented to his family. Ehman requested that the Board members who were absent from the previous Property and Planning Subcommittee be provided with the meeting materials ahead of the next meeting, preferably earlier than the normal distribution of meeting materials. Parmenter noted that the upcoming week was Customer Service Appreciation week and wished to thank the Customer Service staff on behalf of the Board for being the face and voice of CBU. Parmenter also wished to thank the Transmission and

Distribution staff for recent overnight work on a water main upgrade near Fountain Drive. Wheeler requested the Board provide another opportunity for Petitions and Communications before adjourning the meeting.

PETITIONS AND COMMUNICATIONS: None

ADJOURNMENT: Parmenter adjourned the meeting at 5:48 pm


Amanda Burnham, President


Date