

UTILITIES SERVICE BOARD MEETING
8/26/2024

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CALL TO ORDER

Board President Parmenter called the regular meeting of the Utilities Service Board to order at 5:00 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, Kirk White, Amanda Burnham, Jim Sherman, Seth Debro, Molly Stewart

Board members absent: Matt Flaherty, Jeff Ehman

Staff present: Matt Havey, Kat Zaiger, Mark Menefee, Elizabeth Carter, Caden Swanson, James Hall, Chris Wheeler, Dan Hudson, Phil Peden, Hector Ortiz Sanchez, Justin Meschter, Kevin White, Matt Daberton, Daniel Frank

Guests present: None

PETITIONS AND COMMUNICATIONS: None

REQUEST APPROVAL OF RESOLUTION 2024-15 FOR APPROVAL OF APPOINTMENT OF UTILITIES DIRECTOR

Board member Sherman moved, and Board member White seconded the motion to approve the minutes of the 8/12/2024. Motion carried, five ayes

MINUTES

Sherman moved, and White seconded the motion to approve the minutes of the 8/12/2024. Motion carried, five ayes

CLAIMS

Standard Invoice Questions

Board President Parmenter questioned a charge for Snedegar Construction on page eight for 'boring work at 622 W 6th to repair a hit service line' for a total of \$3,000.00. Parmenter questioned specifically who hit the noted line. CBU Assistant Director - Transmission & Distribution (T&D) - Hall advised that a service line and gas line were both struck by AEG while doing fiber optic cable install work in the area. Parmenter questioned if AEG will be reimbursing CBU for the expenses. Hall advised that CBU is working with City Engineering and AEG to be reimbursed for the expenses related to the hit line. Sherman noted the first charge on the invoices list is related to the printing of CBU utilities bills, and referenced the agreement made between CBU and Bloomington Sanitation that established CBU handling the billing for that department. Sherman advised that part of that agreement involved Sanitation reimbursing CBU for a portion of the billing expenses and questioned if CBU is being reimbursed. Assistant Director - Finance - Havey advised yes, Sanitation is paying a percentage of the total

expenses for billing through the Interdepartmental process. Sherman noted that the practice always seemed fair and is similar to Parmenter's suggestion at a previous meeting to have Sanitation reimburse CBU for a portion of the credit card fees that are being paid. Havey agreed and advised that CBU is waiting on a contract with the payment network that will allow CBU to not absorb those charges any longer. Once the contract has been finalized, customers will be informed and changes will take effect January 1, 2025.

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

Vendor invoices included \$248,120.72 from the Water Fund, \$25,151.29 from the Water Construction Fund, \$1,664,332.55 from the Wastewater Fund, \$994,981.95 from the Stormwater Fund.

Motion carried, six ayes. Total claims approved: \$2,932,586.51.

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

Invoices included \$116,692.71 from the Water Fund and \$64,063.54 from the Wastewater Fund.

Motion carried, six ayes. Total claims approved: \$180,756.25.

Sherman moved, and Debro seconded the motion to approve the Wire Transfers, Fees, and Payroll for \$464,573.04. Motion carried, six ayes.

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

Refunds: Customer Refunds included \$10,452.47 from the Wastewater Fund

Motion carried, six ayes. Total refunds approved: \$10,452.47.

CONSENT AGENDA

CBU Interim Director - Zaiger presented the following items recommended by staff for approval:

- a. Yokogawa Fluid Imaging Technologies, Inc., \$13,950.00, Calibration and Preventative Maintenance of Flowcam at Monroe WTP
- b. Heflin Industries, Inc., \$15,000.00, On-call contract for HVAC, plumbing, and mechanical contracting services
- c. Eco Friendly Mechanical, \$5,200.00, Installation of air conditioning unit in meter services room

Consent agenda was approved as presented. Total approved: \$34,150.00

REQUEST APPROVAL OF AMENDED 2025 BUDGET RECOMMENDATION

CBU Director - Zaiger provided an overview of recent changes to the 2025 budget. Zaiger noted the increased focus on the Winston Thomas site, where \$858,000 has been spent on demolition and site preparation, and \$698,000 on design work for a proposed service center. The site has been cleared for future development, and Champlin has developed 50% designs for the service center, with staff input guiding the design process. Efforts are ongoing to determine the

floodplain on the northern half of the parcel, allowing for additional future use options. Additionally, Wessler is performing a full asset inventory at Monroe Water Treatment Plant to inform future rate cases. Zaiger noted the implementation of Title 13, which will enhance review processes, and the rollout of text notifications for customers. Zaiger highlighted reprioritized budget goals, with the highest priority now being the upgrade and replacement of critical water infrastructure. Other goals include maintaining service quality, increasing storm resiliency, improving wastewater services, and enhancing customer assistance programs. Changes were also made to the revenue budget summary to better align with actuals, narrowing gaps between previous budgets and real expenditures. Zaiger also advised that CBU now plans to take a \$4 million loan from the sewer fund to finance water projects, with zero interest and minimal additional costs. This loan will fund critical projects, including a \$3 million chemical feed line project and other smaller compliance-related efforts. The loan will be repaid in a lump sum following a future rate case. Board member Stewert questioned why the Sewer account has such a large amount of available funds. Havey noted that a sewer rate increase has been completed more recently and funds have been accruing in the account and lending this money to Water doesn't endanger the Sewer account as there is funding available to maintain required minimums. Zaiger added that CBU doesn't always get the rates requested during a rate case, as this is regulated by the IURC, so CBU may not receive all the funding needed for every project using Water Rate Cease. Storm and Sewer Rate cases are not subject to IURC approval, so not receiving necessary funding from the rate case is less likely. Board member Burnham questioned if there has been a lack of transparency with the USB regarding critical need for infrastructure projects and questioned if these projects have been discussed with the board before now. Zaiger noted that the biggest critical infrastructure project that CBU currently has and that is the result of a recent failure of the existing chemical feed lines at the Monroe plant that has been discussed with the board in prior meetings.

Sherman moved, and Burnham seconded the motion to approve the 2025 Budget Recommendation with Board recommended changes. Motion carried, six ayes.

REQUEST APPROVAL OF AMENDMENT NO.1 WITH EVERETT J PRESCOTT, INC.

Hall presented the amendment and noted that this is related to a contract approved earlier in the year to install new antennas and radios throughout Bloomington to improve AMI system coverage that helps CBU track customer water meter readings for billing. Hall advised that the amendment will extend the contract date because some components took longer than expected to acquire.

Sherman moved, and Debro seconded the motion to approve Amendment No.1 with Everett J Prescott, Inc. Motion carried, six ayes.

REQUEST APPROVAL OF CHANGE ORDER NO.2 WITH PERFORMANCE PIPELINING, INC

CBU Capital Project Coordinator - White presented, noting that the project is completed and the change order will rectify final quantities and payment for the contractor. White noted that the project lined 14,000 ft. of 8" sewer pipe, 50 ft. of 10" sewer pipe, 124 ft. of 24" sewer pipe, and roughly 65 private laterals.

Sherman moved, and Debro seconded the motion to approve Change Order No.2 with Performance Pipelining, Inc. Motion carried, six ayes.

OLD BUSINESS: Assistant Director - Engineering - Peden provided an update regarding the Woodhaven lifts station that was discussed at the previous meeting. Peden advised that 'as built' drawings from the area were located and are being reviewed. CBU will need to complete some field research, but currently it is believed that three homes in the neighborhood are potentially affected by the issue and is proposing to purchase and install backflow preventers for each of those homes. Peden also noted that the Woodhaven lift station was included in the current lift station update project, but the scope of work for that specific station only includes an update of the existing electrical systems/control box and not emergency electrical systems. CBU is looking at the control valves in the lift station and configurations that would increase the storage and efficiency of existing setup. CBU is also considering installation of a 'pig tail' which allows for quick connection to a portable or permanent generator in the event of power loss to the lift station. White noted that CBU should make an effort to consider potential recurrence of this kind of situation when planning the installation of future lift stations. Peden advised that current best practice for lift station design includes providing the ability for waste to stage up through the pipe system without impacting homes along the line. When the homes in question were built and the basements were installed, the homes sat at the bare minimum elevation needed to prevent backflows, and if the builders put in the basement lower than originally planned, it may be worsening the issue. White thanked Peden for his effort to resolve this situation. Peden noted the importance of finding solutions for lift stations located close to homes, where potential overflows could cause significant damage, unlike those in more isolated locations. The discussion emphasized the importance of developing a strategy to identify which lift stations are most at risk and determining the appropriate emergency response. This may involve a combination of installing permanent generators at critical sites and using portable generators where feasible. Given CBU's 45 lift stations and only eight permanent generators, a comprehensive plan is needed to prioritize generator installation or ensure that mobile generators or vacuum trucks are available in emergencies to prevent environmental damage and compliance violations. Burnham noted that the petitioner from the previous meeting who raised these issues had already incurred significant expense as a result of this overflow and questioned if any type of assistance is available to help with those costs. Peden advised that typically CBU advises customers to file a TORT claim with the city. Assistant City Attorney - Wheeler confirmed that the TORT claim process is how these instances are handled. Sherman questioned if CBU has been in contact with the customer from the prior meeting. Hall confirmed that CBU staff has been in contact with the customer and he has been made aware of the TORT claim process. Parmenter requested an update on the status of the appeal for sewer connection from the previous meeting. Zaiger noted that CBU, City Legal, and the Office of the Mayor have been in discussions regarding CBU policy for sewer connection outside of the City, but nothing

has been decided at this time. Zaiger advised that CBU has notified Steve Smith that no new information is available at this time and that CBU will reach out once it becomes available. Burnham noted that the church was unable to connect because a Will Serve letter was not already in place, and questioned if any other properties have been provided connection without a Will Serve letter. Wheeler advised that none have been approved without the Will Serve.

NEW BUSINESS: White requested an update regarding the precautionary boil water advisory that occurred on August 17th, noting that he could not recall the last systemwide advisory such as this and that many people were unaware that it was in effect. Zaiger advised that the cause of the incident involved an error in the programming of a filter's programmable logic controller (PLC). During a filter media project, new sand was added to Filter 1, and a low wash was performed to clean the sand. However, due to a programming error, the system reset incorrectly, causing water to be dumped into the clear well, which stores clean water. A full review of the PLC's history revealed the error, and the PLC was reprogrammed to prevent it from resetting to the clear well in the future. Filter 1 was successfully put back into service and is running well. Zaiger noted that CBU reviewed response protocols, communication, and notification processes. They issued a boil water advisory, communicated effectively with staff, and collaborated with the Office of the Mayor to notify the public through multiple media outlets. Zaiger noted the limitations of the current opt-in notification system and the future implementation of a new text alert system, which will allow direct communication with all customers. The new system is expected to improve public notifications in similar situations, balancing timely warnings with avoiding unnecessary panic. Parmenter thanked CBU for their efforts in dealing with the issue and recommended customers sign up for the Monroe County Alert system so they can receive notifications on their phone in case a similar situation occurs. Parmenter questioned if the code issue in the PLC was the result of a CBU issue, or a problem from the manufacturer. Zagier advised that PLC was reset as part of the installation of Filter 1 and that's how the error occurred. Stewart questioned the threshold for a precautionary boil water advisory and a mandatory boil water advisory. Zaiger advised that IDEM sets the standards and provides guidance to CBU based on what has been reported, for example: in the instance of a contaminant that is harmful to human health, it would be a boil water advisory. In the instance of a contaminant that could not be removed through building, it would be a 'do not consume' notice. Parmenter noted that a guide to the different types of notification could be added to the website to help clarify to customers the severity of a given notification.

SUBCOMMITTEE REPORTS: Parmenter noted the upcoming Property & Planning Subcommittee meeting on September 9th and encouraged all who are available to attend. Burnham questioned if there was a need for the Administrative Subcommittee to meet and discuss the issue of CBU policy regarding connections of to sanitary sewer for properties outside the the City. Burnham also noted that it would be helpful for the Board to hear from the Office of the Mayor regarding the USB and Director's role and responsibilities when it comes to this issue.

STAFF REPORTS:

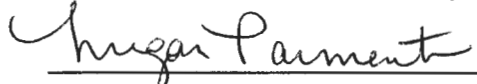
Zaiger presented the following staff notes:

New Hires

- Drew Hays - Laborer/Utilities Specialist - T&D

PETITIONS AND COMMUNICATIONS: None

ADJOURNMENT: Parmenter adjourned the meeting at 5:53 pm.



Megan Parmenter, President

9/9/24

Date