

UTILITIES SERVICE BOARD MEETING
November 25, 2019

Utilities Service Board meetings are recorded electronically and are available during regular business hours in the office of the Director of Utilities.

Board President Roberts 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 Service Center 600 East Miller Drive, Bloomington, Indiana.

Board members present: Julie Roberts, Jim Sherman, Jean Capler, Jeff Ehman, Jason Banach, and Jim Sims (ex-officio)

Staff present: Vic Kelson, Laura Pettit, Holly McLaughlin, Chris Wheeler, Phil Peden, Tom Axsom, Brandon Prince, James Hall, Brad Schroeder, Bailey McFarland, Mike Hicks, Tyler Stuary, and Cindy Shaw

Also in attendance: Craig Lotz of Crowe

MINUTES

Board Vice President Sherman moved and board member Capler seconded the motion to approve the minutes of the November 12th meeting. Motion carried, 5 ayes. (2 members absent: Burnham, Frank).

Capler asked CBU to clarify whether there were 2 or 4 items on the consent agenda for the meeting that occurred on November 12th.

CLAIMS

Sherman moved and Capler seconded the motion to approve the standard claims as follows:

Vendor invoices submitted included \$138,862.71 from the Water Utility, \$445,095.77 from the Wastewater Utility, \$201,364.78 from Water Sinking, \$24,886.92 from the Stormwater Utility, and \$2,023.60 from Water Construction. Total Claims approved: **\$812,233.78**

Motion carried, 5 ayes.

Sherman moved and Capler seconded the motion to approve the utility claims as follows:

Utility invoices submitted included \$21,331.55 from the Water Utility, \$17,625.37 from the Wastewater Utility, and \$0.00 from the Stormwater Utility. Total Claims approved: **\$38,956.92**

Motion carried, 5 ayes.

Sherman moved and Capler seconded the motion to approve the wire transfers, fees, and payroll in the amount of \$358,303.19.

Motion carried, 5 ayes.

Sherman moved and Capler seconded the motion to approve customer refunds as follows: Refunds submitted included \$83.81 from the Water Utility, \$1,158.34 from the Wastewater Utility, \$0.00 from the Stormwater Utility, and \$0.00 from Sanitation. Total Claims approved: **\$1,242.15**

Motion carried, 5 ayes.

BID OPENING FOR THE BLUCHER POOLE WWTP UV DISINFECTION AND NPW SYSTEMS REPLACEMENT PROJECT

Sherman moved and Capler seconded the motion to approve the agreement.

Motion carried, 5 ayes.

Capital Projects Engineer Hicks introduced the project to replace the UV and NPW systems at BPWWTP. This includes everything except the UV system equipment. Bids were received until 5 pm on November 25, 2019. Hicks distributed a handout. The following lump sum bids were received:

Graves Construction Company, Inc - Switz City, IN - **\$838,838**

Mitchell and Stark Construction - Medora, IN - **\$657,500**

Thieneman Construction - Westfield, IN - **\$724,000**

Engineer's (Donahue & Associates) Probable Cost Estimate - **\$1,024,086**

CBU Consultant Donahue and Associates will review the bids with CBU. If it is found that a low apparent bid was received, Hicks will return to the regular USB meeting on 12/9 with a recommendation to award the project. Following that, Hicks will return on 12/9 for approval and agreement. The tight schedule is driven by the UV disinfection season, which begins 4/1/2020. The UV equipment will cost an additional \$755,000. Donahue's estimate also does not include the cost of the UV equipment. Hicks is able share the cost estimate detail Donahue created. Banach would like to evaluate the historical discrepancy between the engineer's cost estimate and the bids submitted to complete projects.

REQUEST APPROVAL OF AGREEMENT WITH CROWE FOR WATER COST OF SERVICE STUDY AND RATE REVIEW

Sherman moved and Capler seconded the motion to approve the agreement.

Motion carried, 5 ayes.

Assistant Director - Finance Petit presented an agreement with Crowe to conduct the 2020 water service rate analysis, which includes presentations to the IURC and OUCC. Lotz presented one component of the water cost of service study to be completed. This component relates to revenue requirements and ongoing regulatory assistance, given that water is regulated by the IURC. The range of cost depends on the interactions Crowe has with the IURC. Crowe will team up with Utility Financial Solutions to complete the cost of service study. This firm has a lot of expertise in water cost of service study, and is involved with the AWWA. Crowe will consider the CBU capital

improvement plan, any financial considerations, and then work with this business to see how this cost is distributed amongst the customer service base. Board member Ehman asked why Crowe is no longer conducting cost of service studies. Lotz suggested that Crowe is still able to do these studies, but the extra assistance will be valuable because one Crowe expert retired. Ehman asked if it would be valuable to make more frequent adjustments. Director Kelson suggested CBU may not do the full cost of service study every four years, which is the duration of time water rates are considered. Total cost of this portion of contract: not to exceed **\$140,000 (expect \$55,000-\$75,000)**

REQUEST APPROVAL OF MEMORANDUM OF UNDERSTANDING WITH PLANNING AND TRANSPORTATION TO SHARE THE COST OF CULVERT AND BRIDGE INSPECTION REPORT

Sherman moved and Capler seconded the motion to approve the MOU.

Motion carried, 5 ayes.

City Attorney Wheeler presented the MOU with CoB Planning & Transportation in which CBU will contribute to the cost the CoB will incur to inspect small structures and bridges. CBU has 10 specific structures that will be inspected, and CBU will pay the consultant directly to inspect those structures. Board member Sims asked how many of these structures were culverts. CBU will follow up with the answer to this question. Public Works would have done this project anyway. Engineer Peden suggested CBU is trying to have some of these sites (culverts) reclassified as bridges so they are not in CBU inventory anymore. If the width of the culvert is a specific size, they may be considered bridges, which will be the responsibility of Monroe County. There is a specific statute that requires the county to maintain all bridges within the county. Wheeler suggested CBU made an amendment to the MOU in which CBU outlined each method of payment, rather than having one paragraph.

REQUEST APPROVAL OF MEMORANDUM OF UNDERSTANDING WITH PLANNING AND TRANSPORTATION FOR WATER AND STORMWATER UTILITY WORK

Sherman moved and Capler seconded the motion to approve the MOU.

Motion carried, 5 ayes.

Wheeler presented the MOU, in which CBU will coordinate with other CoB departments to facilitate the utility work CBU will do. For example, if Public Works has a road torn up, it may behoove CBU to do work at that time. Specifically, Public Works and Planning & Transportation are doing work on East Rogers Road; CBU would like to pay a contributory price to INDOT for the project. CBU will perform locates to upgrade water lines and install a new sewer main through the area.

Estimated cost: **\$152,145.31**

OLD BUSINESS: None.

NEW BUSINESS: None.

SUBCOMMITTEE REPORTS: None.

STAFF REPORTS:

The CBU Holiday lunch will be held at the Switchyard Park Pavilion on Wednesday, December 11th, from 11:30 - 1:30.

As advanced metering is implemented, it will cause glitches - Kelson admires the hard work the Customer Service team has put forth to handle the higher call volume.

USB calendar during the holiday season: 12/9, 12/19 (Thursday night - claims only)

Tyler Stuary is now the CBU Water Quality Coordinator. Stuary talked briefly about emerging contaminants in drinking water, which are pollutants that are not currently regulated by the EPA, but may have health advisory levels. CBU has tested for four of these contaminants: microplastics, microcystins, PFAS, and perchlorate. CBU tested influent and effluent at the WWTPs, water at the Lake Monroe WTP intake, and the CoB drinking water. All of the tests suggested CBU water is below the recommended EPA Health Advisory Levels, if they are set. These results were after one test. Board members asked about temporal and spatial variability that may influence the prevalence of these contaminants.

PETITIONS AND COMMUNICATIONS: None.

ADJOURNMENT: Sherman moved to adjourn and the meeting was adjourned at 5:32 p.m.

Julie Roberts, President

DATE