

UTILITIES SERVICE BOARD MEETING

02/17/2020

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

Board Vice President Capler called the regular meeting of the Utilities Service Board to order at 5:00p.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: Jean Capler, Jason Banach, Amanda Burnham, Jeff Ehman, Terri Porter. Two members were absent, Julie Roberts and Jim Sherman.

Staff present: Vic Kelson, Laura Pettit, Holly McLaughlin, LaTreana Harrington, Chris Wheeler, Brad Schroeder, Cindy Shaw, Jane Fleig, Phil Peden, Missy Waldon, James Hall, Nathan Herr, Michael Carter.

AMEND AGENDA

Capler noted the addition of item 9B Request approval of Purchasing Thresholds. ***Board member Burnham moved and Board member Banach seconded the motion to approve the amended agenda. Motion carried, 4 ayes.***

MINUTES

Burnham moved and Banach seconded the motion to approve the minutes of the February 3 meeting. Motion carried, 4 ayes.

CLAIMS

Board member Ehman noticed several payments to Hylent on pg 3 and asked if the Hylent charges are insurance related. He wanted to know what the Renewal Property-Affiliated FM Engineering line was in the amount of \$119,979.27, if the city uses the same insurance provider, and if cyber liability insurance is new or preexisting. Assistant Director - Finance Pettit confirmed the city does use the same insurance provider and the cyber liability insurance is preexisting. The Renewal Property-Affiliated FM Engineering line is for the renewal of CBUs commercial property insurance. Affiliated FM is the insurance company who handles our property insurance.

Ehman also asked if the Michael Stewart Cagel invoice amount is for the Jordan River project; Pettit confirmed it is.

Ehman asked if the sewer connection fee changed over time. Pettit confirmed the connection fee does change.

Burnham asked if the FrostBrownTodd, LLC invoice for wastewater bond refinancing an annual charge. Pettit answered the wastewater bond refinancing is from last fall. It is a late invoice that CBU is paying.

Burnham asked about a golf cart purchase and what location is using it. Assistant Director -T&D Prince confirmed the golf cart was purchased for use at the Service Center for the maintenance staff.

Burnham moved and Banach seconded the motion to approve the standard claims as follows: Vendor invoices submitted included \$302,909.56 from the Water Utility, \$200,910.68 from the Water Sinking Fund, \$343,565.46 from the Wastewater Utility, and \$52,738.32 from the Stormwater Utility. **Total Claims approved: \$900,124.02. Motion carried, 4 ayes.**

Burnham moved and Banach seconded the motion to approve the utility claims as follows: Utility invoices submitted included \$78,353.75 from the Water Utility, and \$26,092.48 from the Wastewater Utility. **Total Claims approved: \$104,446.23. Motion carried, 4 ayes.**

Burnham moved and Banach seconded the motion to approve the wire transfers, fees, and payroll in the amount of \$473,110.20. Motion carried, 4 ayes.

Burnham moved and Banach seconded the motion to approve the Customer Refunds as follows: Refunds submitted included \$911.18 from the Water Utility and \$662.94 from the Wastewater Utility. **Total Claims approved: \$1,574.12. Motion carried, 4 ayes.**

CONSENT AGENDA

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

- Mitchell and Stark - \$15,000.00/year – On Call contracting work
- Fluid Imaging Technologies - \$7,500.00 – Software support for FlowCam Analyzer
- Mitchell and Stark - \$7,325.00 – Emergency repair of raw sewage header pipe
- Indiana Railroad Property - \$22,000.00 – Install gravity sewer line under railroad
- Crane 1 - \$15,000.00/year – On Call overhead crane repairs
- Overhead Door Company - \$3,200.00 – Purchase and install of front and back door
- Electric Plus - \$4,900.00 – Install of 2 runs of ¾ inch conduit and pull wire
- D.E.Q. Inc., - \$3,600.00 – Remove and replace existing wiring to motor starter
- GRW Engineers – (\$1,506.00) – Reimbursement by INDOT mod - #2
- Cummins - \$20,000.00/year – On Call generator repairs
- Wessler Engineering - \$8,000.00/year - On Call services agreement
- Building Associates - \$2,715.00 - Parts and service for drain boots

As no items were removed from the Consent Agenda by the Board, agreements approved. Total contracts approved: \$107,734.00. Burnham requested the addition of the total dollar amount to the consent agenda.

REQUEST APPROVAL OF AGREEMENT WITH REYNOLDS CONSTRUCTION, LLC FOR \$2,167,326.00

CBU Engineer Fleig requested approval to move forward with contracting with Reynolds Construction to do the sanitary sewer relocation associated with I-69. Majority of the work is eligible for reimbursement by INDOT (\$1,984,866.00), with CBU being responsible for \$182,460.00 of the project.

Burnham moved, Banach seconded the motion to approve the agreement with Reynolds Construction. Motion carried, 4 ayes.

REQUEST APPROVAL OF AGREEMENT WITH MILLER PIPELINE, INC. FOR \$622,944.00

CBU Engineer Peden requested approval for a contract with Miller Pipeline. Peden presented 3 images of neighborhoods where work is to be completed. Peden also presented a video describing the process of chemical grouting that will be used to line the piping on the Hoosier Acres neighborhood. The neighborhood has been lined but water still moves from the joints and cracks and finds the lateral and deposits into the sewer main. The lateral will be infused with grout to stop the water flowing into the gaps. Flow meters are moved to the lining projects to see how the data changed from pre and post grouting. It takes at least 6 months after lining to see results. Burnham questioned when will projects start and how long will they take. The project is 120 days as outlined in the contract and about 4 hours per section. There will not be any open cutting or open ditch or road construction. Peden said there is no intrusion to traffic or use of homeowner's sewer. Ehman question: For the grout going in, are there any issues of compositions with the grout? Peden responded: There are specifications of different grout for a sewer lateral vs a sewer main. There are specs in the contract with how many gallons per lateral of grout to use before they get to another level of criteria in contract. Ehman also asked if there would be an issue with backup or stopping home chores. Peden responded that a 48-72 hour notice about stopping water usage goes out to homeowners. Homes in this neighborhood are far enough back to where there is enough room in the lateral to hold some water. **Burnham moved, Banach seconded the motion to approve the agreement with Miller Pipeline. Motion carried, 4 ayes.**

REQUEST APPROVAL OF FIRST ADDENDUM TO LICENSE FOR USE OF CITY PROPERTY

Assistant City Attorney Wheeler presented the addendum to a license agreement the City of Bloomington has with the City of Bloomington Utilities Department, particularly the Utilities Service Board. The Winston Thomas property is owned by the City of Bloomington Utilities through the Utilities Service Board. The section to the northeast of the property on Walnut Street is leased to the Bloomington Police Departments and Bloomington Fire Departments for training facilities. This addendum allows the BPD to increase its footprint on the Winston Thomas property to engage a contractor and construct an evidence storage facility on the property. The storage facility will sit to the east of the current training facilities and west of the water station. Banach posed his question to Vic asking if the acreage that is leased to the BPD to be taken out of the pilot agreement. He also asked if there is a reason why Utilities should continue to own the site if it is leased. Kelson mentioned that Utilities had thought about deeding out the parcel to the City. The pilot agreement is part of the interdepartmental agreement and Utilities can raise the issue during the next interdepartmental agreements. Banach also asked if on the original agreement Utilities has the right to tell BPD to remove the structure in the event Utilities needs to dispose of the property. Wheeler mentioned there is an expiration for the lease and the property still remains for the Utility Department to use for Utility Department purposes. Banach then asked if Utilities has incremental encroachment protection. Wheeler responded yes, it is still Utilities' property and can still be removed to use for Utility purposes. **Burnham moved, Banach seconded the motion to approve the first addendum to license for use of city property. Motion carried, 4 ayes.**

REQUEST APPROVAL OF MOU WITH IU FOR CHILLER PLANT WASTEWATER SERVICE

Assistant Director - Engineering Schroeder presented to the Board a Memorandum of Understanding with IU that CBU has a program in place that refunds a certain percentage of how much water is assumed lost to evaporation. This percentage is normally around 20%. IU can meter its water for a year to show that less water is going down the sewer system. Utilities can then adjust the rate to match. In this case, water and wastewater were monitored for a year, and 14% of the water is actually going down the sewer. Utilities will set up a new refund to reflect the metered amount. This MOU is documenting that the testing was done and the documented flow. Burnham asked if this is something that is evaluated every year or every other year. Schroeder answered that the system will flag when consumption significantly increases, and IU is notified about the increase but evaluation is not done on a regular schedule. Wheeler mentioned this MOU will last a period of 5 years.

Burnham moved, Banach seconded the motion to approve the MOU with IU. Motion carried, 4 ayes.

UNCOLLECTIBLE ACCOUNTS RECEIVABLE

Pettit presented to the Board the uncollectible accounts receivable allows the staff to expense uncollectible water and wastewater accounts that are at least 90 days overdue with outstanding balances less than \$40. There were 950 wastewater accounts in the amount of \$12,223.38 and 648 water accounts \$10,279.73 to be written off.

Burnham asked for an average in the future since the uncollectible accounts are written off once per year.

Burnham moved, Banach seconded the motion to approve the expense of the uncollectible accounts receivable. Motion carried, 4 ayes.

REQUEST APPROVAL OF NEW PURCHASING THRESHOLDS

Wheeler requested the board approve new purchasing thresholds for Utilities to aid in the process of making purchases for items needed to keep up with maintenance. The new procedures are similar to the 1996 purchasing procedures but raises the parameters for signed approval to show signed approval by area supervisors can occur for every purchase \$5,000 or less. Area supervisor and Assistant Director approval for all purchases between 5,001 up to \$50,000. Area supervisor, Assistant Director, and Director approval is needed for all purchases \$50,001 and greater. Funding requests are still \$10,000.00. Request bids and quotes purchases 5,000 or less can be purchased on the open market. 5,001 to 50,000 can follow 3 options. One of which is to request verbal quotes from at least 3 vendors, contractors, or service providers. Written requests can be used as well as formal bidding procedures. 50,001 to 150,000 only allow two items, requests through email or formal bidding. Verbal phone quotes are not allowed. Purchases over 150,000.00 are required to follow formal bidding procedures. This purchasing threshold follows what the Controller allows.

Banach asked if the new purchasing procedures will change the limits on the consent agenda. Wheeler answered saying the contracting does not change and that there still must be a contract.

Burnham moved, Banach seconded the motion to approve the new purchasing thresholds. Motion carried, 4 ayes.

OLD BUSINESS: None

NEW BUSINESS: None

SUBCOMMITTEE REPORTS: None

STAFF REPORTS: Kelson introduced new CBU employee Herr, Environmental Programs Specialist. Kelson also advised the board of the upcoming retreat to be held Monday, March 9, 2020.

PETITIONS AND COMMUNICATIONS: None

ADJOURNMENT: Board member Sherman moved to adjourn; the meeting was adjourned at 5:43 p.m.

Julie Roberts, President

DATE