

UTILITIES SERVICE BOARD MEETING

03/12/2020

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 1:00p.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: Jim Sherman, Jason Banach, Amanda Burnham, Jeff Ehman, and Jean Capler. Two members were absent, Julie Roberts and Megan Parmenter.

Staff present: Vic Kelson, Laura Pettit, Holly McLauchlin, LaTreana Harrington, Chris Wheeler, Cindy Shaw, Missy Waldon, James Hall, Brandon Prince, Tom Axsom, Nolan Hendon, Tyler Steury, Mike Hicks, Jane Fleig, Liberty Flora, Kevin White, Rance Fawbush, and Kevin Curran.

AMEND AGENDA

Vice President Capler noted the addition of agenda item 7A, Request Approval of Authority by BHA to seek variance on behalf of CBU/USB for development of the Dyer Tank Property. Capler also asked the staff for a recommendation of a second addition to the agenda, to which CBU Director Kelson asked the Board to hear item 7B, Consulting Services Provided by Rance Fawbush.

Board member Burnham moved and Board member Banach seconded the motion to approve the amended agenda. Motion carried, 4 ayes

MINUTES

Sherman moved and Burnham seconded the motion to approve the minutes of the March 2 meeting. Motion carried, 4 ayes.

CLAIMS

Sherman moved and Burnham seconded the motion to approve the standard claims as follows: Vendor invoices submitted included \$157,948.54 from the Water Utility, \$200,910.68 from the Water Construction Fund, \$163,114.44 from the Wastewater Utility, and \$26,809.12 from the Stormwater Utility. ***Total Claims approved: \$548,782.78. Motion carried, 4 ayes.***

Sherman moved and Burnham seconded the motion to approve the utility claims as follows: Utility invoices submitted included \$69,367.69 from the Water Utility, and \$22,110.91 from the Wastewater Utility. **Total Claims approved: \$91,478.60. Motion carried, 4 ayes.**

Sherman moved and Burnham seconded the motion to approve the wire transfers, fees, and payroll in the amount of \$450,087.59. Motion carried, 4 ayes.

Sherman moved and Burnham seconded the motion to approve the customer refunds as follows: Refunds submitted included \$22.19 from the Water Utility, \$906.97 from the Wastewater Utility, and \$22.32 from the Stormwater Utility. **Total Claims approved: \$951.48. Motion carried, 5 ayes.**

CONSENT AGENDA

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

- Commercial Service-\$13,629.00–Purchase and install new heaters in filter room at MWTP
- Commercial Service-\$18,615.00-Purchase and install new heater in the pump room at MWTP
- Harrell-Fish-\$23,000-Purchase 3 wall-mounted duplex chemical feed systems at Dillman

As no items were removed from the Consent Agenda by the Board, agreements approved. Total contracts approved: \$55,244.00.

REQUEST APPROVAL OF CHANGE ORDER NO. 1 FOR AGREEMENT WITH MADDOX INDUSTRIAL GROUP

CBU-Engineering staff member Mike Hicks requested approval for the Dillman Road wwtp clarifier launderer improvement project. This is the final change order that will allow closeout of the project and final payment to the contractor. There was a coating discovered on one of the clarifiers that was not anticipated, and it required mechanical removal sandblasting before application of the new coating system. The change in the contract is \$3,287.00. The original contract amount was \$246,840.00, and with the increase, the new contract price will be \$250,127.00.

Sherman moved, Burnham seconded the motion to approve the change order with Maddox Industrial Group. Motion carried, 5 ayes.

REQUEST APPROVAL OF AUTHORITY BY BLOOMINGTON HOUSING AUTHORITY TO SEEK VARIANCE ON BEHALF OF CBU/USB FOR DEVELOPMENT OF THE DYER TANK PROPERTY.

Assistant City Attorney Chris Wheeler mentioned this process was similar to one completed in January or February 2020 with regard to property near Jackson Creek where the Planning and Transportation and the Parks and Recreation Departments are putting in a foot path and bridge and were going before the Board of Zoning Appeals to

receive certain use variances. Since CBU owns the property, CBU is required to give authority to whoever will be seeking the use variance. In that case, Planning and Transportation will speak on behalf of CBU to get the use variance. It had been presented to the Board that CBU would like to enter into a lease agreement with the BHA for them to build an ongoing business on the property that was once used as the Dyer Tank property. BHA would like to put a daycare on the property on the first floor and residential dwelling units on the second floor. BHA needs to receive use variances from the Board of Zoning Appeals. They also need CBU's permission to speak on our behalf to get the use variances at that meeting.

Banach asked if the USB will have a chance to approve the lease.

Wheeler answered that this is discussing the ability to change the zoning on the property to allow building to take place there. Once CBU receives a clean bill of health from the Indiana Department of Environmental Management (IDEM), we will then enter into a lease agreement with them. At that point in time we will negotiate proper lease terms and bring them to the real estate subcommittee and the Board as a whole.

It is unknown what is currently zoned at the property and what will be zoned in the future.

Sherman moved, Burnham seconded the motion to approve the agreement with BHA. Motion carried, 5 ayes.

CBU Contract with Rance Fawbush

This is an agreement that CBU wants to enter into with Rance Fawbush. Rance is currently an employee whose last day is March 13, 2020. Rance has been integral in the transfer of CBU to Smart Metering and has been very involved with data management. CBU would like to have him continue on in a consulting fashion as needed. It would also allow him to help him train his replacement. This item was removed from the consent agenda because when we enter into an agreement with someone, who is a current employee and soon to be ex-employee, the Controller's office takes extra steps in talking with HR, the Mayor's office, and City Legal to make sure there are no conflicts of concern that need to be reviewed. The vetting is not yet completed and we are asking the contract be approved pending approval from City Hall.

Board member Sherman asked if CBU has Rance's replacement and Wheeler answered that we do have his replacement.

Burnham asked if Rance is agreeing to do this to which Wheeler answered that he is.

Banach asked for a guarantee that Rance will only conduct Utility work and not Civil City work. Wheeler responded that Rance is only consulting with Laura Pettit and her team as it relates to the transition on Smart Metering as it relates to the Utilities department and to train his replacement.

Capler asked if details were spelled out in the contract. Pettit answered in the contract, the statement of work shows only Utilities items, and the civil city parts have been transferred to someone else in the department.

OLD BUSINESS: None

NEW BUSINESS: None

SUBCOMMITTEE REPORTS: The subcommittee met to discuss the restructuring of the bonds. The restructuring will save about \$2.3 million in interest over time, and will make budgeting an easier process to even out our expenses. The finance committee will support and request approval from the Board.

Sherman moved, Burnham seconded the motion to approve Resolution 20-03, Refunding Certain Outstanding Waterworks Revenue Bonds. Motion carried, 5 ayes.

Burnham commended Baird Financial who worked on the bonds restructuring and thanked them for their hard work.

STAFF REPORTS: Kelson introduced CBU employee Rance Fawbush who has worked for the City of Bloomington for 35 years and invited him to speak to the audience about his time with CBU.

James Hall introduced two new employees to CBU Environmental, the Green Infrastructure Team, that was developed from the stormwater increase fee, Sam Arthur and Brent Solbrig. They will both help maintain CBU's green infrastructure seen around the city.

Kelson remarked that Gov. Holcomb declared an Indiana public health emergency regarding the spread of the virus that causes the COVID-19 virus and that CBU has been making plans to help slow the spread of the virus. CBU has had several discussions in-house to come up with approaches we can take. The USB is a critical function, as we cannot pay bills or sign contracts without the Board, so we will continue to have USB meetings. The meetings will contain the mandatory items of approving minutes, claims, and contracts. We will no longer offer Public Comment or Staff Reports, as well as Old Business and New Business for the time being. The IT department is working on a way for members of the public to make comments that we can read into the record or ask questions that can be answered. The public is welcome to attend the meetings. City Hall is working on a statement to encourage the public to stay home and not attend the meetings, but since this is a public hearing, they are allowed to attend. Once the statement is permanent, we will include it on the agenda. CBU is also considering closing the front door to the Service Center and conducting Customer Service by telephone and email, rather than having people enter the building. This will help us prevent some contact with the public. We are also considering halting disconnections until the State of Emergency is lifted. If there is an issue where people are sick or need to take medication, it is safer for them to continue to have service. A lot of utilities around the country are holding off on disconnections during the emergency.

Capler expressed pleasure in the fact that CBU is looking at the option of public input even if there will not be a designated public comment period.

Burnham asked that there is reassurance to the public that staff and plants are being taken care of, the plants will continue to run and be clean and safe, and that there is nothing wrong with the water. Kelson remarked that operations of the plants are our highest priority, and maintaining the distribution collection system, fixing main breaks, and sewer clogs. We will make sure all those things are covered throughout the entire period. Some staff may work remotely, we have also looked into which employees can work from home and the technology they need to do it. We are in contact with IDEM with anything they asked us to do. The water is disinfected and safe to drink, and there is no need to get bottled water.

PETITIONS AND COMMUNICATIONS: None

ADJOURNMENT: Vice President Capler moved to adjourn; the meeting was adjourned at 1:30pm.

Julie Roberts, President

DATE