

## UTILITIES SERVICE BOARD MEETING

12/07/2020

***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 5:00 p.m. The meeting was held via Zoom and Facebook Live.

Board members present: Jim Sherman, Jason Banach, Jean Capler, Megan Parmenter, Amanda Burnham, and Julie Roberts. Two board members were absent, Jeff Ehman, and ex-officio Jim Sims. The second ex-officio position is currently vacant.

Staff present: Vic Kelson, Laura Pettit, Holly McLauchlin, LaTreana Harrington, Chris Wheeler, Cindy Shaw, Jane Fleig, Nathan Herr, James Hall, Brad Schroeder, and Tom Axsom.

### MINUTES

***Board President Roberts moved and Board member Parmenter seconded the motion to approve the minutes of the November 23 meeting. Motion carried, 6 ayes.***

### CLAIMS

***Roberts moved and Parmenter seconded the motion to approve the standard claims as follows:*** Vendor invoices submitted included \$178,186.02 from the Water Utility, \$689,219.64 from the Wastewater Utility, and \$35,533.80 from the Stormwater Utility. ***Total Claims approved: \$902,939.46. Motion carried, 6 ayes.***

***Roberts moved and Burnham seconded the motion to approve the utility claims as follows:*** Utility invoices submitted included \$5,951.02 from the Water Utility, and \$4,620.81 from the Wastewater Utility. ***Total Claims approved: \$10,571.83. Motion carried, 6 ayes.***

***Roberts moved and Burnham seconded the motion to approve the wire transfers, fees, and payroll in the amount of \$479,487.23. Motion carried, 6 ayes.***

***Roberts moved and Parmenter seconded the motion to approve the bond payments as follows:*** Bond payments submitted included \$2,639,454.47 from the Water Sinking Fund and \$4,769,619.80 from the Wastewater Sinking Fund.

Roberts asked why the bond payments were large for this set of claims.

Pettit answered they include both Water and Wastewater. The principal is paid in December and the interest is paid in June.

**Total Claims approved: \$7,409,074.27. Motion carried, 6 ayes.**

## **CONSENT AGENDA**

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

- Rural Water Maintenance Co., \$20,475.00, Replacement of septic bed system at MWTP
- John Lecher, \$1,500.00, Inventory auditor services
- M.E. Simpson Company, Inc., \$11,060.00, Water meter services
- Hoosier Equipment Service, Inc., \$4,565.00, Removal of decommissioned aboveground storage tank at Dillman WWTP
- SSW Enterprises, LLC., \$4,546.50, Electrostatic cleaning of all CBU facilities

***As no items were removed from the Consent Agenda by the Board, agreements approved. Total contracts approved: \$42,146.50.***

## **REQUEST FOR APPROVAL OF RESOLUTION 2020-10 - ROUNDING UP AND DONATION PROGRAM FOR THE LAKE MONROE WATER FUND STEERING COMMITTEE – LAURA PETTIT AND CHRIS WHEELER**

Kelson presented a Resolution to establish a fund that would be a charitable contribution where customers could support watershed restoration and watershed protection activities in Lake Monroe. The Lake Monroe water fund steering committee would like to invite customers to contribute to the water fund as a voluntary check-off on their water bill. Customers can round up their bills or fill in an amount they want to donate. This provides the opportunity to allow customers to contribute to the long-term health and protection of the Lake Monroe water supply.

City Attorney Wheeler added, in speaking with people who are setting up the steering committee as a not-for-profit organization, they would like to have a lot of flexibility in how they might try to raise funds. These funds could be seed money for establishing a director for this committee and for establishing staff members who can then go out and raise additional donations from the community.

Kelson said that in speaking with the Mayor's office, he found that there is a similar option if you sign up for a program in one of the Parks, you have an opportunity to contribute to the Parks commission for the work that is done in support of the Parks.

Roberts asked if this needs to be something that is done in-house? Kelson replied he sees this as being related to our mission, about watershed protection and the long-term viability of Monroe's water supply. Roberts asked what is CBU's legal relationship with who we are giving the money to. Wheeler answered there is no legal relationship but there is a vested interest in the protection of Lake Monroe. Because it is part of our mission to ensure that we have a water supply for our constituents in the city of our water jurisdiction, we are willing to be in cooperation with this committee to provide an opportunity for the citizens of the City of Bloomington to make contributions through CBU.

Board member Sherman asked is it clear how the funds would be used to increase the length of time that the water of Lake Monroe can be used? Why not raise rates or add an amount to everyone's bill to collect the money necessary to do it?

Kelson answered that CBU does not own the lake or any land in the watershed, so having the City do projects related to watershed protection is not in our purview. Sherman clarified that he is not suggesting that CBU do the work, but asked if it is in our purview to collect money from people who benefit from our water supply and use. We collect money to pay others to do work that is important to the water supply in Bloomington. Could this not be done in that way? Kelson answered that the only participation that CBU would have is providing a vehicle for people to make contributions.

Burnham asked how long will this last? If there is not a date put in place, is it in our best interest to require one? If this is something that we can put in place, we may want to evaluate it and help those customers who may need assistance from CBU. Burnham expressed concern that they are not yet set up as a not-for-profit organization, and if the money is going to pay salaries. Wheeler said these funds are not CBU funds. Any money donated by the customer is not a fee; it will go into a separate fund and then be paid out to the committee to do as they see fit. It will be their funds that they will have to account for. We would like to have an open-ended termination and terminate it when we need to. Anything that we do will come before the USB for review and approval before we do it. This is just getting us launched into it, and it is giving us the authority to engage in the discussion further and to allow the committee to have this resolution to get set up.

Parmenter asked if the four surrounding counties who also use our water are also being asked to contribute to this committee's funding. Kelson answered that the team that is building the water fund has representation from Brown, Jackson, Lawrence, and Monroe counties. We are only able to reach out to our customers. Parmenter asked has the committee approached the other counties as well? Kelson said he knows that they are involved in the program, but is unsure if they are participating in the billing program.

Capler wanted to clarify that there will be efforts to fundraise grants, donations, or gifts from individuals and legal entities to help fund some of the projects. She asked if it is appropriate to think that if there were a Director hired from the initial start-up funds, part of that person's duties would be to raise more money for the work of the committee? Kelson said he believed that is true. Capler asked do we know if the committee is pursuing other sources of funding, or is the primary source of funding going to be from the voluntary funds from customers? Kelson responded, they are currently organizing as a 501c3. We have no intention of doing anything in regards to the implementation of this until they are fully organized. At that time we will come back to the board with the details of the program.

Burnham mentioned that within the Resolution it says we are authorizing the implementation of the program. She also said that she was not comfortable with signing the resolution until there are further things established, and that includes the finalization of the committee getting organized as a 501c3. Kelson said we would have to have a contract before we can start turning any money over. Wheeler added it would come in the form of an agreement or an MOU between CBU and the 501c3. That agreement would come before the board before anyone who is paying their bill sees an option to donate. That can only happen after there is a 501c3 that we can negotiate with. Wheeler said he could change the language of this resolution so that the first paragraph

does not say it authorizes implementation, but something along the lines of the board authorizes CBU to begin negotiations for the implementation of a program.

Sherman asked if there would be a change in the bills that go out, and will be a cost to CBU. CBU Assistant Director of Finance Pettit said there will likely be a small fee to change the bill.

***Roberts moved, Burnham seconded the motion to table the request for approval of Resolution 2020-10. Motion carried, 6 ayes.***

#### **REQUEST FOR APPROVAL OF RESOLUTION 2020-11 – BID ACCEPTANCE FOR THE JORDAN RIVER STORM CULVERT RECONSTRUCTION PROJECT**

CBU Engineer Fleig presented the board with Resolution 2020-11 to ask the board to award a contract for the Jordan River storm reconstruction project. Three bids were opened on November 23rd and were reviewed by our consulting engineer. It has been determined that Milestone Contractors has submitted a responsible bid and we recommend the acceptance of their lump sum bid of \$13,184,000.00.

***Roberts moved, Parmenter seconded the motion to approve the request for approval of Resolution 2020-11. Motion carried, 6 ayes.***

#### **REQUEST FOR APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH BREHOB CORP. FOR SCOPE OF WORK EXPANSION**

CBU Purchasing Manager Shaw presented a first amendment to the agreement with Brehob Corp. for the repair of Blower #4 at Blucher Poole WWTP. The contract was originally approved at the November 9 meeting. It was an emergency purchase contract to repair a blower at BP. At the time, the contractor gave our plant an estimate of \$8,043.00. When they started work on the motor, the damages were extensive, so the additional cost is \$10,133.00. The total is now \$18,176.00.

***Roberts moved, Parmenter seconded the motion to approve the request for approval of the First Amendment to the agreement with Brehob Corp. for scope of work expansion. Motion carried, 6 ayes.***

#### **REQUEST FOR APPROVAL OF FIRST AMENDMENT TO THE AGREEMENT WITH AIR-MASTER HEATING AND AIR CONDITIONING, LLC. FOR ON-CALL SERVICES**

Shaw presented a first amendment to an agreement with Air-Master for on-call services where we have exceeded the original \$6,000.00 contract. The amendment is for an additional \$20,000.00. The revised amount of the contract will be \$26,000.00 and it will extend for the rest of the year and renew at \$26,000.00.

Board member Banach asked if the \$6,000.00 was for a one-year on-call.

Shaw said that each on-call is for one year and are generally based on last year's dollar amount. A lot of the work is being done at Dillman WWTP which is currently undergoing a reconstruction project and there are a lot of small items that need to be done in preparation for that project.

Banach asked at what point do we look at bidding a job rather than being on-call.

Shaw said the on-calls are based on small, individual amounts of work. The on-call invoice amounts to \$2,500.00 per contract. This contract is available for all plants as

well as the Service Center to use for small repairs. Any repairs over \$2,500.00 we generally do not use the on-call for, we then write a separate contract.

***Roberts moved, Parmenter seconded the motion to approve the request for approval of the First Amendment to the agreement with Air-Master for on-call services. Motion carried, 6 ayes.***

**OLD BUSINESS:** None

**NEW BUSINESS:** Capler shared with the board that they need to determine leadership and roles for 2021. Wheeler reminded the board that they cannot meet as a group outside of a public meeting, but they can speak one-on-one with each other. The board generally determines leadership roles in the first meeting of the new year.

**SUBCOMMITTEE REPORTS:** None

**STAFF REPORTS:** Kelson reported there were two new COVID cases in CBU. One at the Monroe WTP, and one at Blucher Poole WWTP.

CBU has continued discussions with our consultants about the contours of the water rate discussion that will take place in the first quarter of next year. We will talk with our major customers about it as well.

**PETITIONS AND COMMUNICATIONS:** None

**ADJOURNMENT:** Roberts moved to adjourn; the meeting was adjourned at 5:47 pm.

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Julie Roberts, President

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DATE