

MINUTES
MURFREESBORO WATER RESOURCES BOARD
September 26, 2023

The Murfreesboro Water Resources Board met on Tuesday, September 26, 2023, in the conference room of the Operations and Maintenance Building, 1725 South Church Street. Present at the meeting were Board members: Mr. Ron Crabtree, Mr. Brian Kidd, Ms. Kathy Nobles, Mr. Warren Russell, Ms. Madelyn Scales-Harris, Mr. John Sant Amour, and Ms. Sandra Trail. Also present were Darren Gore, Valerie Smith, Doug Swann, Josh Upham, Mary Lancaster, Roman Hankins, Alan Cranford, John Strickland, Joe Russell, Randy McCullough, Linda Sullivan, and Brent Fowler along with other members of the public.

The motion to nominate Brian Kidd for Vice Chair was made by Ron Crabtree. Sandra Trail seconded the motion. The motion carried unanimously. Brian Kidd made a motion to nominate John Sant Amour for Chairman. Sandra Trail seconded the motion. The motion carried unanimously. Brian Kidd made a motion to nominate Michele Pinkston for Secretary. Warren Russell seconded the motion. The motion carried unanimously.

The Consent Agenda was presented to the Board for approval:

- A. Consider VxRail Servers Support Purchase*
- B. Consider SRWTP High Service Pump Station & Membrane Feed Pump Improvements Final Balancing Change Order*
- C. Consider SSR Task Order 22-41-009.0 Amendment No. 1, MWRD Water Model Update*

Sandra Trail made a motion to accept the Consent Agenda as presented and it was seconded by Kathy Nobles. The motion carried unanimously.

The August 22, 2023 Board Minutes were accepted as presented.

Board considered the purchase of a Tractor with Sidearm Rotary with Tri-Green Equipment LLC. The Department owns the Jordan Farm off Leanna Road and the Coleman Farm off Central Valley Road. The farms play a significant role toward ensuring compliance with the City's EPA discharge permit via land irrigation of treated water from the Water Resource Recovery Facility. Staff will use the equipment to maintain the almost 600 acres of farmlands when hay contractors are not available.

The equipment purchase would utilize the Sourcewell contract pricing. \$185,856 to purchase the equipment; funding coming from the Department's FY24 rate funded capital budget amount of \$190,000.

Sandra Trail made a motion to approve. Kathy Nobles seconded. The motion unanimously passed.

Board considered Hobas Pipe Sewer Rehabilitation Change Control Request. At the April 20, 2023 Board meeting, the Board approved to award this project to SBW Constructors to rehab approximately 6,800 feet of Hobas fiber reinforced pipe after having two pipe failures along our Southwest Sewer Interceptor.

Since this time, SBW and Insituform, the lining sub-contractor, have been working to build access roads, coordinate with property owners televise the lines again and take measurements to determine the length needed for the liners. During the televising and measuring of manhole openings and invert elevations, Insituform discovered that the manholes, which are used as access points to insert the liners, were not standard manholes. The tops of the manholes are 48" diameter fiberglass, but at the bottom of the fiberglass, there is a transition to a "tee base" which is just a large fitting with a little smaller diameter than the main line. They were originally chosen to be installed as an alternative to standard concrete manholes to reduce infiltration and inflow.

The tee bases are an issue as they are not large enough to allow the liner to be inserted into the sewer main without severe wrinkling or possibly damaging the liner during the install. Therefore, in order to install the large liners, the installation of a standard concrete manhole will be required prior to the lining at both the entry point and exit point if one doesn't already exist and then these manholes will be partially lined to seal the manhole to pipe/liner connections.

Staff and LJA have asked SBW to provide a lump sum price for the installation of manholes and liners involving the rehabilitated sewer line sections on the Indian Hills Golf Course and General Mills currently. There has been much coordination with the individual property owners, Indian Hills golf course, General Mills and CSX Railroad, so staff considers the work to be essential and necessary to proceed.

This work change directive no. 1 does not change the contract price. The final contract price and number of working days will be adjusted accordingly in a future change order, if necessary.

Staff has asked SBW and LJA to prepare a full scope of the manhole installations and pricing necessary to complete the entire project and LJA and staff will present options at the next Board meeting for consideration to complete the full scope of the originally bid project.

Recommend the referenced contingency allocation be authorized as described in the Change Control Request. \$211,575 is required to complete the work; funding coming from the \$425,000 contract contingency allowance.

Sandra Trail made a motion to approve. Kathy Nobles seconded. The motion unanimously passed.

Board considered FY2023 Cost of Service (COS) and Rate Study Professional Services Proposal from Jackson Thornton.

The COSS determines the minimum user fees to cover the Department's fixed costs and the commodity rates to cover the production of potable water and treatment of sanitary sewer between the

several customer classes the Department serves. Approval of the COS and rate study is consistent with the Department's prior Financial Management Policies adopted in December 2017. Section E. Rates, Fees, and Charges Policies, Item E.6. states: *"The Department shall consider using the services of a qualified independent consultant to conduct a comprehensive cost of service and rate study at approximately two (2) year intervals."* The last COSS was conducted for the Department for FY2021.

The proposal includes determining Cost of Service (COS) and Rate Studies for MWRD's water, sewer and repurified (reclaimed) water systems.

A new cost of service study will help position the Department appropriately to develop our five (5) year rate design and determine where we are in comparison to the previous 5-yr pro forma calculations developed in the FY21 study. The previous study gave a Pro Forma through FY26 and the proposed study will develop a Pro Forma through FY28.

MWRD staff requests the Board approve a Water Resources Cost of Service and Rate Study (COSS) with Jackson Thornton for year ending June 30, 2023.

The Jackson Thornton COSS for the Water Resources fund is a fixed fee of \$48,400. This is a 4% annual increase over the last COSS for fiscal year 2021. The COSS will be funded from the outside professional services budget.

Sandra Trail made a motion to approve. Brian Kidd seconded. The motion unanimously passed.

The Stormwater Annual Report, 2022-2023 was presented by Josh Upham.

On January 1, 2023, TDEC authorized the City to discharge stormwater runoff into local streams under a new stormwater permit. As with past permits, the permit requires the City to submit an annual report detailing activities from the previous year.

The annual report asks the permittee to report on the 6 main program areas (Minimum Controls Measures), along with enforcement and monitoring activities. Additionally, the annual report requires a self-evaluation to gage program compliance. The evaluation is intended to locate deficiencies so that improvements can be made. An outline of improvements is provided in the below table.

MCM	Improvement Needed	Improvement
1: Public Education (employees)	Training of new employees within 6 months of hire.	Task automated in HR training software.
4: Construction Sites	Legal authority: design storms.	Stormwater ordinance being revised to reflect requirement.
6: Good Housekeeping	4 of 12 sites were not inspected (annual requirement).	These sites have been inspected and now have O&M plans.
Monitoring	Biological, bacteria, VSA's	Scheduled for 2023-24.

Board considered the contract award recommendation for the Admin Building Renovation at 316 Robert Rose Drive.

MWRD's pre-existing Administrative Building was built in 1977 and was funded through a US Dept. of Commerce Economic Development Administration (EDA) grant. The total project cost was \$552,947 and the grant was authorized for an amount of \$502,300.

Murfreesboro's current Administrative Building along with the old City Hall, currently occupied by MWRD Engineering, GIS and Stormwater personnel, is expected to be demolished and prepped for redevelopment by the City starting in June 2024. Project Keystone is a multi-use development consisting of a boutique hotel, retail, apartments, and condominiums.

City staff identified a pre-existing building on 316 Robert Rose Drive with 19,746 square feet of office space for sale at \$5,400,000 and MWRD purchased the building in September of 2022.

Renovation plans were developed by KDGi Architects in the amount of approximately \$100,000. Bids were received on September 20, 2023. Two bids were received with one no bid. The bid tabulation is itemized in the following table:

	Baron Construction	Rock City
Base Bid Amount	2,477,812	1,888,000
100K Contingency	100,000	100,000
Total Base Bid	2,577,812	1,988,000
<i>Alternate 1 Board Room</i>	40,356	9,140
<i>Alternate 2 New LED Lights</i>	64,547	61,039
<i>Alternate 3 Replace Tile Flooring</i>	35,237	26,077
Total w/ Alternates	\$2,717,952	\$2,084,256

The construction cost estimate provided by KDGi in April 2023 indicated a renovation bid total of around \$810,000. Staff asked the apparent low bidder Rock City Construction to provide a high-level breakdown of their bid and the following table illustrates the differences between KDGi's estimate and Rock City's bid:

Item	KDGi Estimate	Rock City Bid
Building Renovations	367,300	797,571
Site Improvements	234,319	628,178
General Condition Costs (Mobilization, OH &P, Bonds, Insurance, Permits, Fees)	145,470	462,251
% of General Conditions to Hard Costs	19.5%	24.5%
Contingency	60,161	100,000
TOTAL	\$807,250	\$1,988,000

When accounting for all the current anticipated expenses, the cost total equals around \$7,600,000. This is above the estimated costs of \$6,250,000 provided to the Board in October of 2022.

Future anticipated costs will include a new roof, HVAC replacements and low voltage cabling for networking and video capabilities in the building that could be in the range of \$300,000. This puts the building costs around \$7,900,000 or \$400 per square foot.

Staff recommends the Board recommend to City Council the award of the renovation contract for 316 Robert Rose Drive to Rock City Construction Company, LLC at \$2,100,000 in construction costs, with funding coming from the Department's working capital reserves.

Darren Gore to work through details in an effort to reduce renovation costs to \$1,800,000 including obtaining cost difference in having the Engineering file room on first floor versus the second floor.

Sandra Trail made a motion to approve. Kathy Nobles seconded. The motion unanimously passed.

Staff discussed the Water Resources Dashboard Performance for August 2023.

Staff presented the Financial Reports for the year ending August 31, 2023.

Staff proposed to combine the November and December Board meetings into one meeting due to the holidays. Therefore, the November 28th meeting has been cancelled and the December 26th meeting will be rescheduled to either the first or second Tuesday in December.

There being no further business, the meeting was adjourned.

John Sant Amour, Chairman