

REGULAR MEETING, BOARD OF SANITARY DISTRICT COMMISSIONERS
WEDNESDAY, JANUARY 24, 2007 – 1:00 P.M. – 1100 E. EIGHTH STREET

The meeting was called to order at 1:00 p.m. in the Board Room of the Administration Building, 1100 E. Eighth Street, by the President of the Board, Boyd W. Phelps.

Commissioners present for the meeting were J. Jeffrey Jones, Ph.D., Boyd W. Phelps, Linda G. Simmons and Ronald J. Strauss. Commissioner Judith A. Paul was absent.

Staff Members present for the meeting were:

Alan J. Walus, General Manager
Daniel R. Olson, Plant Superintendent
Michael A. Hoffman, Collection System Superintendent
Doretha M. Sanders, Business Office Manager
Tina M. Tabisz, Administrative Secretary
William J. Nelson, Jr., Attorney

Also present for the meeting were:

John Pugh, City Planner
Tom Cipares, General Insurance Services
John Doyle, John A. Doyle & Associates
Tim Haas, Haas & Associates
Jim Maurer, Haas & Associates
Ken Krause, Haas & Associates
Dean Price, Haas & Associates
Dave McCormick, Christopher Burke & Associates
Mike Edinger, Woodruff & Sons
Ryan Miller, D&M Excavating
Andre Steele, ALCO TV

Mr. Phelps introduced Ronald J. Strauss as the newly appointed Commissioner and welcomed him to the Board.

Mr. Phelps then entertained a motion in reference to the minutes of the Regular Meeting of December 20, 2006.

Dr. Jones made a motion to approve the minutes, as submitted – seconded by Ms. Simmons. No discussion or comment on the matter. Motion carried 3 – 0 in favor. (Newly appointed Mr. Strauss did not vote.)

Mr. Phelps then entertained a motion in reference to the minutes of the Special Meeting of December 28, 2006.

Ms. Simmons made a motion to approve the minutes, as submitted – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 3 – 0 in favor. (Newly appointed Mr. Strauss did not vote.)

Public Comment

Tom Cipares of General Insurance Services approached the Board and advised that March 1st is the District's insurance package expiration written through Argonaut Insurance. Mr. Cipares advised that the renewal pricing will be received in the next ten days, which will then be released to Mr. Walus and Ms. Sanders.

Mr. Cipares advised that the good news is that the District has been with this carrier for three years with a 22% loss ratio, which is good. Mr. Cipares advised that the carrier is very pleased with the District's management team and the operations of the District. He anticipated seeing a nice reduction in that renewal package this year. He stated that he couldn't be specific but that he knows it is going down.

Mr. Cipares then advised that the Workers' Compensation insurance is written through the Indiana Public Employers' Plan (IPEP) and has been for many years. Mr. Cipares explained that this renewal is unfortunately going to go the other way.

Mr. Cipares reminded the Board that any employer is subject to an Experience Modification Factor and it is a three year formula. He explained that the year 2002 will be falling off of the formula calculation this year. However, 2002 was an excellent year with only \$21,000 in claims. He advised that 2005 rolls into the formula this year, but there was \$253,000 in claims in that year.

Mr. Cipares advised that the District does not get charged for all of the claims and that there is a stabilizing factor in the formula. However, the District's current Experience Modification Factor is 1.04, which is not too far from the norm of 1.0. He stated that in the renewal it will increase.

Mr. Cipares advised that the Workers' Compensation renewal is not until April 1st and that IPEP is working on the renewal quote right now. He anticipates having the renewal quote soon also. He advised that, once the bids are in, he will provide all of the details supporting their position.

Mr. Phelps asked if there were any questions by the Board. There were none.

Mr. Phelps asked if there was any further public comment. There was none.

The following status reports were given:

John Doyle of John A. Doyle & Associates reported on the following projects:

Tryon Road/Meer Road Project

Mr. Doyle submitted Pay Request #14 of D&M Excavating for a reduction in retainage. Mr. Doyle advised that ten percent retainage is being held. He recommended that this be reduced to five percent, resulting in a payment of \$60,811.64.

Mr. Phelps asked where the progress of the project stands at this point. Mr. Doyle advised that some landscaping, seeding and restoration remains on the Meer Road side, striping of Meer and Tryon Roads as well as the installation of delineators, which is basically all minor work.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve Pay Request #14 of D&M Excavating for reduction of retainage, in the amount of \$60,811.64, as submitted – seconded by Ms. Simmons. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Walus advised that, after discussion with Mr. Doyle and his staff, it has been determined that the sanitary sewer system is ready for property owners to connect. The District is prepared to send out letters to homeowners notifying them that the sewer system is available.

Mr. Walus advised that there have been some calls received from residents who are currently on septic systems that are near failing and would desire an opportunity to connect now. He explained that if there is warm weather in the near future, a property owner may have an opportunity to connect and the District would certainly allow that.

Mr. Walus explained that, once the property owners are notified that the sewer system is ready for connection, there is a 90-day window for property owners to make this connection. Mr. Walus explained that the District will most likely start the 90-day period April 1st to allow the property owners to take care of these connections under better weather. However, in cases where people having failing septic systems and want to connect, we will tell them that the sewer is available right now. The Board agreed.

Freyer Ditch/Gardena Street Drainage Improvement Project

Mr. Doyle advised that the project is basically on hold pending receipt of approvals from the Army Corps of Engineers and IDEM. He advised that Burke Engineering is working on the permitting process.

Mr. Walus advised that a meeting was held on-site with Burke Engineering, who has had conversations with both IDEM and the Army Corps of Engineers. At this point, both agencies have responded favorably to some of the mitigation proposals.

Mr. Walus explained that there is some drainage on the golf course tied to Rogers Avenue that we may be able to use to mitigate the closure of Freyer Ditch by White Oak Drive.

Therefore, in working those two projects together, we believe that we have a good opportunity to get IDEM and the Corps of Engineers' approval for the Freyer Ditch Project.

Mr. Walus advised that the permit application should be completed within the next couple of weeks and ready to submit to the agencies for hopeful approval.

Lafayette/Barker Phase 1

Mr. Doyle advised that he is continuing to work on the streetscape phase of the project and the design of the stormwater inlets in the area. He explained that not much has been done as far as the tunnel situation pending a location of an outlet that has yet to be obtained.

Mr. Walus reminded the Board that, a couple of meetings ago, Dr. Jones brought up the fact that the Redevelopment Commission is seeking qualifications of consultants to design an overall streetscape for Elston Grove. Mr. Walus asked City Planner John Pugh to attend today's meeting to bring the Board up to date on what the Redevelopment Commission is doing.

Mr. Pugh approached the Board and explained that the Redevelopment Commission's involvement began as a request from Mayor Oberlie late last year. The Redevelopment Commission solicited RFQs (Request for Qualifications) from a number of firms to develop a streetscape plan for Elston Grove, basically an overall plan for all infrastructures in that area, so that it would set design standards and criteria for consistency with the future development.

Mr. Pugh advised that, as of this morning, the Redevelopment Commission, Mr. Phelps and Mr. Pugh interviewed three firms. Mr. Pugh anticipated having a firm in place by next month to begin contract negotiations and to have them begin a development of a plan for Elston Grove.

Mr. Pugh advised that schedules were discussed but there is not a firm timeline. The intent is to build a consensus. By doing this, they want to involve the Sanitary District, the City Engineer's Office, the Redevelopment Commission, the Historic Review Board, the Tree Board, the Preservationists and the Neighborhood Group.

Mr. Pugh advised that a lot of time is anticipated up front to begin the process. He stated that he hoped that by this time next year, or sooner, that there would be some type of plan.

Dr. Jones asked if there is a way that these two projects can be integrated so that there is a similar look in the area since the money is being invested. He guessed that the timing would be the major issue. Mr. Phelps agreed but believed that the timing will

work out due to the fact that there will be enough guidelines prior to the start of the project. Mr. Phelps stated that the outlet needs to be decided first.

Mr. Pugh added that it is the Redevelopment Commission's intent to keep the Sanitary District involved.

Rogers Avenue Stormwater Drainage Review

Mr. Doyle advised that this project is somewhat tied in with the Freyer Ditch Project with respect to offset some of the mitigation that may have to be done on Gardena Street. He advised that survey work has been done with respect to the Rogers Avenue and he is in a position to prepare plans at the Board's direction.

Mr. Walus advised that the Board packets included a copy of meeting minutes from the Michigan City Board of Public Works & Safety meeting of June 18, 1969. Mr. Walus explained that he reviewed the historical aerial and topographic data from 1961 and saw that the ditch along Rogers Avenue was an open ditch. At some point in time, part of the open ditch was converted to a pipe ditch. Mr. Walus advised that staff did not recall how that happened.

Mr. Walus explained that it appears that a resident at 415 Michigan Blvd. went to the Board of Works to request that part of the ditch be converted to a pipe ditch in order to construct a building there. The Board of Works did provide approval in June 1969 for this request. Therefore, possibly sometime later in 1969 or early 1970, part of this open ditch was converted to a pipe ditch.

Mr. Walus explained that we are now concentrating on some of the golf course drainage to make sure that, from the golf course property line to the north, the drainage is restored back to its original capacity. Ultimately, this should help the drainage in the ditch system in back of Rogers Avenue.

Mr. Walus further explained that if the District has to go in the area of Rogers Avenue, it may be more challenging because it is all private property. However, for now, we are trying to focus on the golf course area that we know is restricting some of the drainage to try to improve the capacity.

Mr. Walus advised that he happened to run across the Board of Works minutes from 1969 while searching for other information. This provided another piece to the puzzle as to what happened in the area over the last two decades.

North Roeske Avenue

Mr. Doyle advised that some preliminary drawings have been prepared for sanitary sewer along North Roeske Avenue. He is in the process of talking to Mr. Walus with respect to tying in the existing lift station in Pottawattomie Park, running a sewer from that point over to Roeske Avenue, where a lift station would be needed at that particular

point in order to do the job on Roeske Avenue. Therefore, the old Pottawattomie Park lift station would be eliminated.

Mr. Walus displayed a map of the recommended sanitary sewer drawing in conjunction with Mr. Doyle's study for the Town of Pottawattomie Park in 1991. Mr. Walus pointed out where the current sanitary sewer lift station is in Pottawattomie Park explaining that some parts of Pottawattomie Park gravity drain into the lift station, which is then pumped to Springland Avenue via force main.

Mr. Walus explained that Roeske Trail is the dividing line between Pottawattomie Park to the west and Michigan City to the east. Therefore, there are several residences on North Roeske Trail that are in Michigan City that currently do not have access to sanitary sewer. The sanitary sewer stops mid-way on Roeske Trail because the grade does not allow further extension of the gravity line.

Mr. Walus advised that the proposal is to locate a new lift station, as well as gravity lines draining from the north. Mr. Walus stated that Mr. Doyle has advised that the current lift station can then be abandoned and gravity drain the flow to the new lift station. Therefore, there will be one brand new lift station instead of two lift stations. Once the conversion is made from the existing lift station to the new lift station, the entire northern section of Pottawattomie Park would then be able to gravity drain to the new lift station.

Mr. Walus explained that the existing lift station in Pottawattomie Park is in very bad shape and would require significant funds for the District to replace it. Rather than replacing an old lift station and building a second new lift station, Mr. Doyle has been able to come up with a plan to build just one lift station and eventually abandon the other one allowing all of Pottawattomie Park to be served by gravity sanitary sewer draining towards one lift station.

Mr. Walus advised that it has been very encouraging and the District has asked Mr. Doyle to perform some survey work at this point as the scope is defined for the sanitary sewer line and possible stormwater inlets along the way.

Mr. Walus advised that the District's goal is to be able to provide cost estimates to the City Administration by late spring or early summer for possible consideration for funding by the city in the 2008 budget process.

Dr. Jones questioned the references of North Roeske Avenue and North Roeske Trail and asked if they are being used interchangeably. Mr. Walus believed that they are the same. Mr. Phelps advised that the proper identifier is North Roeske Avenue.

Dr. Jones then asked if and how Pottawattomie Country Club is connected to sewer. Mr. Phelps advised that they have a lift station on their own property that comes down

to the intersection of Roeske and Springland Avenues. Dr. Jones asked about ownership of the lift station. Mr. Phelps advised that it is a private lift station.

Lake Shore Drive Sanitary Sewer

Mr. Doyle advised that this is basically on hold since there hasn't been anything happening in the last two or three months.

Evergreen Baptist Church Sanitary Sewer Extension, Trail Creek

Mr. Doyle advised that this system is complete and the church has been connected and, to the best of his knowledge, everything is working.

Mr. Phelps asked if there were any further questions for Mr. Doyle. There were none.

Tim Haas, Jim Maurer and Ken Krause of Haas & Associates reported on the following projects:

Wabash/Washington Sewer Separation Project, Phase 2A

Mr. Haas advised that Woodruff & Sons is temporarily not working on the project. However they intend to begin when the weather warms up, possibly the first week of March. There are no change orders or pay requests at this time. They are working on a change order for the next meeting.

Wabash/Washington Sewer Separation Project, Phase 2B

Mr. Haas advised that Woodruff & Sons, the low bidder, was awarded the work and has submitted all of the necessary bonding, contract and insurance forms.

Mr. Phelps asked if Attorney Nelson has reviewed the contract and if everything is in order. Attorney Nelson advised that he has reviewed the contract and it is ready for signature.

Mr. Haas advised that if the Board chooses to sign the contract and if a Notice to Proceed is issued, they would begin work as soon as next Monday (January 29th) on Barker Avenue.

Mr. Haas noted that he is working on a design change order for a change in scope to hopefully submit by the next meeting. He has been negotiating with Mr. Walus on the matter. Mr. Phelps asked what the change in scope would be. Mr. Haas explained that it is storm sewer work in Phase 2B and 2C of the project, as well as some street reconstruction that was added.

Mr. Haas also noted that the intention is to meet with the property owners along Barker Avenue today or tomorrow, with representatives from Haas & Associates and Woodruff & Sons to inform them of the road closure that will take place next week.

Mr. Phelps asked if the road closure would begin Monday (January 29th) because he had heard on the radio that the road would be closed on Thursday (January 25th). Mr. Haas advised that it is his understanding that the road is to be closed on Monday.

Mr. Walus added that there is a Notice to Proceed to be issued today and Woodruff & Sons is certified to commence work no earlier than Monday, January 29th, provided that the contract is signed at today's meeting.

Mr. Phelps entertained a motion on the matter of the contract.

Ms. Simmons made a motion to execute the contract for Wabash/Washington Sewer Separation Project, Phase 2B with Woodruff & Sons, as the low bidder – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Wabash/Washington Sewer Separation Project, Phase 2C

Mr. Haas advised that HRP Construction was the low bidder and the contract was awarded as such. All of the necessary paperwork has been received from the contractor and forwarded to legal counsel for review.

Attorney Nelson advised that he has reviewed everything. No escrow agreement has been received yet, however, it is his understanding that work is not to begin until mid-February. Therefore, whatever action is taken today would be subject to the provision that an escrow agreement is received.

Mr. Phelps added that this is only if the contractor wants an escrow agreement. Attorney Nelson agreed.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to execute the contract for Wabash/Washington Sewer Separation Project, Phase 2C with HRP Construction as the low bidder – seconded by Ms. Simmons. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Haas stated that, as Attorney Nelson just mentioned, HRP's intention is to begin construction approximately the third week in February.

Lake Hills Stormwater Separation Project

Mr. Haas stated that the bids were opened on December 19, 2006, however no action was taken.

Mr. Walus explained that the matter was tabled at the December meeting pending a Letter of Understanding with the City of Michigan City. Mr. Walus advised that a Letter of Understanding between the Board of Public Works & Safety and the Sanitary District of Michigan City was approved at the Board of Works meeting on January 16, 2007.

The Letter of Understanding sets out that the Sanitary District performs the engineering and secures bids and the City of Michigan City, through the Board of Works, will provide funding in a not to exceed value of \$400,000.

This level of funding will allow the District to award Division I of the base bid of the Lake Hills Stormwater Separation Project for the new lift station in the area. Based on the bids received, H&G Underground Utilities was the low bidder in the amount of \$399,036. Therefore, there was enough funding from the City to cover the base bid for the low bidder of Division I.

Any additional contingencies would have to be borne by the Sanitary District through our Improvement Fund related to construction of a new lift station.

Mr. Walus further explained that the existing lift station is in a very challenged state. The wet well and manhole are in the roadway and the lift station panel is in the backyard of a nearby home. Therefore, it is problematic for the District to maintain that lift station much further.

Mr. Walus stated that the additional funding covers the base bid and the District will do everything to stay as close to that as possible.

Mr. Walus recommended first approving the Letter of Understanding with the Board of Works, whereby the District would be able to access \$400,000 in funding from the City for construction of the Lake Hills project.

Mr. Phelps entertained a motion on the matter.

Ms. Simmons made a motion to approve the Letter of Understanding Between the Board of Public Works & Safety and the Sanitary District of Michigan City for the Lake Hills Sewer Separation Project Division I, as submitted – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Walus provided a further explanation for the new Board Member. The Sanitary District's funding generally pays for the operation and maintenance of the wastewater treatment plant and as well as all of the sanitary sewers. There is also a tax levy component to property taxes for managing ditches (stormwater), as well as a bonding capacity through property taxes for different projects.

In recent years, the method of funding sewer work or other capital projects has been to work with the City to identify different projects over a period of years that could possibly be funded by riverboat revenue. Each summer, the Mayor puts together a capital budget for the City; whether it be water works improvement, parks improvement, etc. and there then will be an appropriation into the city budget for a particular calendar year for underground infrastructure, for example.

The Board of Works is the contractual agent of the City; therefore, any expenditure of funds for a capital improvement like this would be managed typically by the Board of Works.

The Board of Works would then enter into a Letter of Understanding, as was done today, whereby the Board of Works would instruct the Sanitary District to perform the engineering, construction inspection oversight and review claims. Once the claims are approved, they would then be sent to the Board of Works for actual payment.

Since the District does not typically have funding for building sewers, the City has asked the District to take on this role with funding by the City, going through the Board of Works.

Therefore, prior to the Sanitary District being able to award a contract, a level of funding would be agreed so that we know what type of funds are coming into the project to be able to award projects.

Mr. Walus advised that, with this Letter of Understanding at the level of \$400,000, he recommended that the Board award a contract to H&G Underground Utilities for Division I of the Lake Hills Stormwater Separation Project in the amount of \$399,036.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to award the bid of H&G Underground Utilities in the amount of \$399,036, as recommended – seconded by Ms. Simmons. No discussion or comment on the matter, motion carried 4 – 0 in favor.

Mr. Walus advised that H&G Underground will be contacted requesting all of the appropriate documents and then the contract will be brought back to the Board at the February meeting for consideration of approval.

Greenwood Avenue Sanitary Sewer Project

Mr. Haas advised that they are continuing to work on the construction documents in preparation for going out for bids next month, with possibly receiving bids the first or second week in March. He believed that they can be ready to put the documents out for bidders by approximately February 19th.

Mr. Walus advised that Pay Request #1 of Woodruff & Sons for the emergency sewer repair has been submitted and reviewed by Haas & Associates. Haas & Associates is recommending approval of the pay request in the amount of \$85,820.00.

Mr. Phelps asked if this was a partial pay request or if it was the total project. Mr. Walus believed that the award was for \$96,960 and the work completed constitutes 89%. Mr. Haas agreed and stated that there is some cleanup work to be done in the spring.

Mr. Phelps then entertained a motion on the matter.

Ms. Simmons made a motion to approve Pay Request #1 of Woodruff & Sons, in the amount of \$85,820.00, as submitted – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Walus advised that there is also a change order for an unknown tap that the contractor had to re-install, in the amount of \$929.80. Mr. Haas explained that this was for a house connection pipe that was unknown until they got in the project during excavation. This needed to be tied into one of the new manholes. Mr. Haas recommended approval.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve Change Order #1 of Woodruff & Sons, in the amount of \$929.80, as submitted – seconded by Ms. Simmons.

Mr. Phelps noted that the paperwork shows the amount as \$929.80 in one place but \$929.00 in another place. Mr. Haas reviewed the paperwork and noted that there was evidently a typographical error and that the actual amount is \$929.00.

Mr. Phelps suggested a retraction of the motion.

Dr. Jones retracted his previous motion and made a new motion to approve Change Order #1 in the amount of \$929.00, as corrected – seconded by Ms. Simmons. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

In reference to the Lake Hills Project, Mr. Haas noted that the IDEM construction permit for the lift station and sanitary sewer was received this week.

Georgia Avenue Stormwater Project

Mr. Walus reminded the Board that some residents came to the Board of Commissioners meeting last fall expressing their concern about stormwater accumulated at the north end of Georgia Avenue in low areas north of Lake Shore Drive.

Mr. Walus displayed a page of the two dimensional sewer atlas from the 1961 topographic detail in the area and explained the area showing the water drainage going from Lake Shore Drive down the street into the beach esplanade area as well as low points where water would naturally want to accumulate.

Mr. Walus explained that, over time during heavy rains, water would go downhill into these low areas, ponding temporarily, and then infiltrate rather rapidly into the sand. Therefore, there would be times where there would be water in these depressions of land and other times no water.

Over time, houses were built where the pockets of water puddling would occur so that there are houses built over some of these low areas.

Mr. Walus then displayed a three dimensional topographic map that shows the large hill on the south side of Lake Shore Drive with all of the water draining toward the lake to the low area. There is a dune along the beach which then basically traps the water.

Mr. Walus advised that Ken Krause of Haas & Associates superimposed on the 1961 sewer atlas where there are now structures today. The new view shows many areas where structures are built in the low areas where the water would tend to want to pond.

Mr. Walus explained that Mr. Krause took this one step further to show where the water actually drains. He identified several sub-watersheds where water flows.

Mr. Krause explained that he began with the problem at 210 Georgia Avenue and worked his way backward from there. The drainage shed area was identified for all of the area of Sheridan Beach from the ridgeline of the dunes that are south of Lake Shore Drive to the ridgeline of the dunes between the development and the lake.

Mr. Krause explained in detail the steps taken to analyze the water runoff area coming up with the conclusion that none of the three drainage sheds have enough sand area to drain the water that is being generated in a 100 year storm with full land development conditions. Basically, this analysis shows that there is more water coming in than the sand can get rid of in a fashion acceptable to people who have developed property.

Mr. Krause advised that he held a meeting with Mr. Walus, Mr. Haas, Joe Exl of the DNR and Tom Anderson of the Save The Dunes Council, in order to generate some ideas of what can be done to rid ourselves of this water in a manner that is going to be acceptable to everyone.

Mr. Krause stated that they are also trying to think somewhat outside the box which would include taking into consideration some of the MS4 procedures that are recommended by the State. This would include things such as having a rain garden on private property that the residents would take care of themselves. This is directing water off of hard surfaces into an area that can be left with suitable plantings that need extra water. This would be creating many small detention basins in the yards.

Mr. Krause stated that they also discussed drywells, detention basins and storm sewers. One of the most promising ones, besides having lot level infiltration into private property would be a storm sewer running on Colfax Avenue and/or Lake Shore Drive collecting water before it gets to the north end and possibly emptying it into one of the depressed areas in the esplanade that can handle more drainage.

Mr. Krause stated that some of the short term type solutions considered would be to do something at the end of Louisiana and Georgia Avenues to increase the area where the water can percolate into the ground by taking water away from areas where some of these houses are and giving the water a different place to percolate.

Mr. Krause stated that drywells were also considered. He stated, however, that you would need approximately 160 drywells per acre foot of storage. Therefore, in this particular area of the problem, you would need 148 drywells for this to work.

Mr. Krause stated that you might be able to put one or two of them in strategic locations that might collect a small area that may alleviate their water from heading down the street. Therefore, it looks like a combination of tactics would be recommended in this particular area.

Mr. Krause stated that Mr. Anderson and Mr. Exl were pretty open-minded to just about any of these possible solutions that were considered.

Mr. Krause stated that he is now at the point where they have pinpointed where the problem happened and why it happened. They have several different methods of solution for this particular area.

Mr. Krause advised that there is a potential problem area next to Dunescape. The end of California Avenue is very large depressed area and has one of the largest drainage sheds coming to it. So far, there have been no problems that he is aware of, however, this may be because there has not yet been a big enough storm.

Mr. Phelps asked if the map is displaying existing contours. Mr. Krause advised that it is existing contours with two foot contour intervals. The map is the county GIS map from 2001.

Mr. Krause advised that one of the other things Mr. Walus asked him to do at this meeting was to prepare this map with the 1962 contour map. Mr. Krause pointed out that they are very consistent. He explained that they are a little bit off on their data. Therefore, he compared the depth of the depression on the GIS map in comparison to the map from 1962 and found that some of them are deeper and some are shallower. However, essentially, they are all within a foot or so of each other. Therefore, these depressions seem to have pretty good staying power. They have been around for 45 years and are fairly stable.

Mr. Phelps stated that is was why he was asking. He also pointed out that part of the problem is because people don't tend to build at the top of a hill, they build at the bottom.

For many years there have been isolated drainage problems and the District can put in a drywell or two to try to solve the problem. However that is not the case here. Mr. Walus advised that one of the reasons that the Haas & Associates staff has been asked to do some modeling and analysis is that because we did not know the magnitude of the water coming down the hill to the area. This is now well defined for the different storm configurations such as 10 year, 25 year and 50 year storms.

As was discussed in the internal meeting, there are a whole host of opportunities for solutions such as rain barrels in people's homes, rain gardens in people's yards, drywells, possibly some cul-de-sac drainage at Colfax and Louisiana Avenues as well as a possible storm sewer to the esplanade to the east.

Mr. Walus advised that we are going to focus additionally on what can be done at the Louisiana and Georgia Avenues to supplement the natural ponding there until we can come up with a longer term solution to handle these volumes.

Mr. Walus advised that the District will keep working with our consultants on this matter to see if we can make some progress. He advised that he wanted to at least document what has been done so far and bring the Board up to date.

Mr. Phelps wanted to congratulate Mr. Krause and stated that it is a very interesting study. Mr. Krause thanked Mr. Phelps and commented that the firm has worked on projects in this area before but it isn't until you bring all of the elements together that you actually see what is actually going on.

Underground Storage Tank Remediation

Mr. Maurer advised that three bids were received on January 18th for the replacement of the underground storage tank with vertical tanks to be installed in the Operations/Chemical Building at the WWTP. The three bids have been reviewed by Haas & Associates as well as Attorney Nelson's office.

Mr. Maurer advised that Haas & Associates is recommending that the low bid of Delco, Inc. be accepted in the total lump sum amount of \$48,430.00. Mr. Maurer pointed out that the EEO bid package submitted by Delco was reviewed by the City EEO Director and has been approved.

Mr. Maurer also recommended that a Notice of Award be issued to Delco, Inc. and that a District official be designated to execute the contract and issue a Notice to Proceed once the construction agreement and bonds are returned from Delco.

Mr. Phelps asked if there was a timetable on the project. Mr. Maurer advised that the bidders set their own start and completion date. He explained that we were looking for the earliest possible date but we did not want to set a time schedule because we

wanted to make sure that we got to this point. He also explained that this project is a part of a sequence to eliminate an underground storage tank at the WWTP.

Mr. Maurer advised that Delco's starting and completion dates were in line with the other two bidders and the price was low enough that Haas believed that they had the best bid.

Mr. Olson added that there has been an informal completion date issued by the agency in charge of underground storage tanks. There is nothing formal right now and the Delco schedule seems to fit with that fairly well. However, we would like work to start as soon as possible because the longer the start is delayed, the longer past the informal completion date it will go.

Mr. Olson explained that there will be some conversation on the part of the District with the state agency to make them aware of what we are doing and that we have a good faith effort going on. However, we would like to meet the informal deadline as close as possible. Mr. Phelps agreed and believed that the Board should not wait for another meeting.

Mr. Phelps entertained a motion on the matter.

Ms. Simmons made a motion to approve a pending contract with Delco, Inc. in the amount of \$48,430.00 and to authorize Mr. Phelps to execute the contract prior to the next meeting and for the General Manager to issue a Notice to Proceed following execution of the contract and subject to receipt of the performance bond, certificate of insurance or any other necessary documentation – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Phelps asked if there were any questions by the Board. There were none.

Dave McCormick of Christopher B. Burke Engineering reported on the following projects:

Earl Road Flood Control Facility

Mr. McCormick advised that he is pleased to announce that the pedestrian bridge was successfully installed south of Earl Road on Thursday, January 25th. Tonn & Blank has requested that payment for the bridge be tabled until next month. Therefore, there are no pay requests to be submitted for this month.

Mr. McCormick advised that there are some sidewalk issues in the area that should be resolved by next month. Mr. Walus advised that the issues are more weather related at this point.

Mr. Walus added that some photographs were included in the Board packets taken as the bridge was being installed. He explained that they were delivered in two 50 foot sections.

Lafayette Storm Outfall

Mr. McCormick distributed some exhibits of the outfall area and explained that he has been in discussions with the DNR, the Army Corps of Engineers and IDEM. He advised that a permit approval was received in the past from IDEM to perform the work associated with the Lafayette/Barker Project outfall.

Mr. McCormick advised that there were some questions from the DNR regarding the layout of the outfall. They didn't necessarily like the proposed sheet pilings which would be east of the waterfall. This is considered navigable waters of the U.S. so there is a little bit of extra regulatory authority associated with that.

Mr. McCormick advised that he and Mr. Walus met on-site with a representative from the DNR and they were able to develop an idea to basically tie the waterfall into the existing slope. They seemed to be very amenable to that solution. The hope is that this will resolve the issue with the DNR.

Mr. McCormick advised that he has also been in contact with the Corps of Engineers who indicated that, once the matter is worked out with the DNR, it should be close to resolution. Mr. McCormick stated that he is very hopeful that he is extremely close to getting all of the permits needed for this project.

Mr. McCormick briefly explained the exhibits of the outfall.

Mr. Phelps asked if there were any further questions by the Board. There were none.

The following departmental status reports were given:

Al Walus

In reference to the Trail Creek Watershed, Mr. Walus advised that the draft plan has been submitted to IDEM, who has reviewed it internally and they have some minor comments as well as a favorable response to the report at this point. The goal is to incorporate those comments in the plan in the next couple of weeks to have the draft report in early February to mail out to the various stakeholders and invite them to a public meeting tentatively toward the end of February, possibly February 22nd.

Mr. Walus advised that, once the report is issued, there are many implementation opportunities to move forward. There are things that need to be done with urban stormwater drainage and items where private property owners in the country will have an opportunity to participate with the project.

Therefore, a structure needs to eventually be identified for a lead agency to move everything forward within the watershed. On a temporary basis, the recommendation is that the Sanitary District remains as the lead agency in the short term, which has been defined as the next one to two years.

Mr. Walus advised that ACE (American Consulting Engineers) has been asked to draw a five mile radius arc from the various corners of the Michigan City limits. By state law, the Sanitary District can construct sewers and conduct business within five miles beyond the corporate boundaries.

Mr. Walus distributed a map of the watershed area identifying everything that falls within the five mile boundary of the Michigan City limits, which just about overlaps the extent of the Trail Creek Watershed. Therefore, for the Sanitary District to still be the lead agency in the short term, it will take much coordination and cooperation working together with the county, the townships and individual property owners.

Mr. Walus advised that another impact this has had is on the county-wide land development plan where they seem to be concentrating more growth within the Trail Creek Watershed itself. There may be some opportunities to extend water and sanitary sewer along some of the main arteries and highways.

Mr. Phelps commented that the five mile radius extends almost to the corporate limits of La Porte. Mr. Walus agreed and commented that another interesting thing is that you are outside of the Great Lakes Watershed boundary south of the Trail Creek Watershed. This water drains to the south toward the Kankakee Valley.

In reference to the Springfield Regional Sewer District, 1000 North Corridor Project, Mr. Walus advised that he has nothing to report this month. He advised that he has provided a typical draft sewer use agreement to the developers in that area and is awaiting information back concerning what they would anticipate charging future connectors to that project.

Mr. Walus advised that the District made the offer to do the engineering in-house with John Doyle & Associates for the design of a connection under U.S. Highway 12. We are now waiting for confirmation from the Springfield Regional Sewer District and the developers if they want to move forward.

Dan Olson

Mr. Olson advised that there were no violations of the NPDES permit or CSO events during the month of December. He submitted the reports to the Board President for signature.

In reference to the Headworks Project, Mr. Olson advised that it has come to a point where it is finished with the exception of one equipment contract. Mr. Olson advised

that it has been suggested that the Board formally accept this project by way of a motion. However, it would be to accept only Contract A, which is the construction contract, and Equipment Contracts C through H, leaving out Equipment Contract B, if the Board should be so inclined.

Mr. Olson recommended that Construction Contract A and Equipment Contracts C through H be accepted as complete.

Mr. Phelps entertained a motion on the matter.

Ms. Simmons made a motion to accept Construction Contract A and Equipment Contracts C through H as complete – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Olson advised that we are aware of what the final payment is going to be for Equipment Contract B so we know what the cost of the project will be.

Mr. Olson stated that he did a summary of the project to be able to go back and compare what the project actually did cost to what the City Council was told that it would cost for equipment and construction. In adding the equipment and construction phases together, it turns out that the project was approximately \$359,000 less than what was predicted it would be.

Mr. Olson advised that Equipment Contract B is the Fairbanks Morse influent pumps. He advised that the pumps are working and they are working fine. A small component of the pump is that there is a seal water gauge and fail safe switch so that if the seal water pressure or volume drops below a certain point, the pump will shut down in order to protect itself.

Mr. Olson explained that the gauges/switch were provided by Fairbanks Morse and were installed in accordance with their representative. However, Pump #1 for some reason does not meet the flow volume. The pressure is there but the flow volume cannot be obtained.

Fairbanks Morse thought that this might be due to a lower Teflon bearing at the bottom of the pump and suggested that we defeat the failsafe mechanism and let the pump run for approximately 1,000 hours and it should work itself out. They have seen this on other projects, so this was done.

Mr. Olson explained that we went back to Fairbanks Morse who said to let the pump run for another 500 hours. This was done resulting in the same problem. They then asked the District to try to set the flow control point to a half of a gallon per minute. We attempted to do so, but the flow gauge that they supplied with the equipment is so

sensitive that there is virtually no difference between a half a gallon and zero. Consequently, while we attempted to set for that amount, the pump failed immediately.

With numerous e-mails back and forth, Fairbanks Morse has agreed to supply the District with four new digital gauges which are more sensitive in their range. The District has agreed that the gauge will be installed on pump one, which is the one experiencing problems and run it for two to three weeks.

At the end of that time frame, if the District is satisfied and there have been no pump failures, we will then notify McMahon Associates to proceed with releasing the pay request for final payment for submission to the Board.

Mr. Olson believes that this is an amicable and protective approach for the District so that the contract can then be closed out.

Mr. Olson advised that McMahon Associates has been retained to perform two feasibility studies. One is on the solids handling system, which is the digestion system, and evaluation of any needs and improvements that may be needed for that system.

Mr. Olson explained that the District currently does not have a meter that measures gas production. He felt that it would be a good idea to take a look at the system to see if there is any improvement that needs to be made.

Mr. Olson explained that digesters normally produce natural gas (methane). At this point, the gas is just being flared off. However, if we have an idea of how much we are producing and if we dry it, it could possibly be used to heat the contents of the primary digesters, which have to be maintained at 95°, which would result in a potential savings in energy since we are heating it with NIPSCO gas right now.

Mr. Olson advised that the second project that McMahon is looking at is a feasibility and assessment for standby power requirements so that the District can provide emergency wastewater treatment in the case that both power sources are lost, at least to the critical portions of the plant.

Additionally, as was experienced in August 2006 when the major storm came through, communications for internet and plant SCADA (Supervisory Control and Data Acquisition) system were lost. The internet is used to monitor lift stations and the SCADA system is used to monitor the treatment plant. It is critical that we keep that information going, especially in a storm situation, so that we can make priority decisions as to where to go to solve which problems.

McMahon Associates are going to look at these things. They are just assessments to try to provide a schedule by which the District can phase in improvements unless it is of critical nature.

Mr. Olson stated that he was just bringing the Board up to speed and the progress that has been made so far is to bring McMahon on board. McMahon has asked for a wish list of data which Mr. Olson has been able to supply most of.

Mr. Olson advised that he was going to make a presentation on how the District is improving the lift station operation and maintenance. Included with that is a progress report on the conversion of the lift station communication system to Mission Communications, Inc.

Mr. Olson explained that the District's goal is to take real time data at the lift stations and combine that with maintenance activities and operations to get the most efficient match of those three.

Mr. Olson gave a Power Point presentation which touched on the following points:

- Difference between discrete (binary or digital) inputs and analog inputs.
- AT&T alarms are land-based, permanent wire connections with no real time data. Mission Communications uses satellite-based data cell phone lines providing real time status on eight discrete inputs and the possibility of two analog inputs.
- AT&T alarms provides in or out status only. Mission provides pump run status, low and high wet well, power fail and/or intrusion alarm information.
- AT&T provides alarm via alarm bell and/or Wonderware. Mission provides alarm through website, Wonderware, email, and/or telephone notification.
- AT&T has no capability to track run time or pump starts or to track/determine efficiency. Mission provides pump run time and number of starts and is able to catch problems in early stages, estimate volume pumped on daily basis for I/I (Infiltration and Inflow), and determine pump efficiency.
- Mission website displays a map of the city with each of the connected lift stations designated on the map with a legend of colors showing the status of the stations, as follows: OK, Alarm, Offline, Service, and Disabled.
- Mission website map also displays a pop-up real time status window providing the status, conditions at the station, last time the station was polled, wet well level and whether the pumps are running and, if so, for how long.

- Mission data interface with Wonderware provides a screen displaying additional information such as who was there last and on what date and time, wet well level and set points for the controller.
- Wonderware also is then able to provide an historical data plot of wet well level and pump starts/runs.
- This data is then used to provide I/I verification during significant rains at certain lift stations.
- Hierarchal lift station relationships help in the evaluation of the importance of addressing possible problems at the lift stations.
- Mission data helps with problem solving by evaluating I/I and pump control failure. This allows opportunity to make intelligent decisions as to whether to call someone out right away or to wait until normal work hours to address it.
- Mission website also has “Super Graph” also displaying analog readings.
- Data is used to improve operations by analyzing pumps runs and amount of time running. Too many times off and on are detrimental to the pumps.
- Data gathered allows for informed prioritization and overtime decisions.
- Mission is more than just telemetry. Mission will help improve pump control by using a pressure transducer to determine wet well level and control pump start/start set points, using backup start/stop floats to run pump if transducer fails or is dislodged, installation of new pump control hardware to maximize use of transducer and backup floats and the controller and Mission telemetry boards are contained in a weatherproof enclosure with intrusion alarm and Dallas Key to record who opened the enclosure.
- Picture of typical enclosure displaying cell phone antenna, controller, UPS (uninterruptible power source), circuit board and Mission card.
- Second analog input permits placing rain gauges at three strategic locations in service area: Freyer Road (east side of area), Meadowdale (south side of area), Monon Lift Station (west side of area) and WWTP (north side of area).
- Rain data viewable via Mission website.
- Real time communication possible anywhere and anytime via laptop with Sprint wireless service.

- Conversion schedule to Mission: 9 lift stations in 2005, 7 existing and 1 new lift station in 2006, 7 existing and 1 relocating lift station for 2007, 7 existing and 1 relocating lift station in 2008 and 8 lift stations in 2009. Total of 41 lift station conversion/upgrades.
- Capital and annual cost: Approximately \$10,000 to convert and upgrade controls of one lift station and approximately \$564 for annual communication fee per lift station. Projected cost of conversion for all 41 lift stations is \$410,000 and annual communication fees after completion is \$23,124. (Only \$8,000 more than current AT&T communication).
- Potential offset savings from conversion: \$2,000 to \$6,000 for repair versus replacement of pump (3 Hp to 37Hp); \$500 or higher for property damage due to lift station failure; personnel overtime decisions made more accurately for determining what created the alarm condition.

The Power Point presentation was then concluded.

Mr. Olson stated that you cannot have this without having special thanks to Plant Maintenance Mechanics Bill McNeill and Kevin VanSickle, who had worked with the District's supplier in 2005 and observed the connections and began taking over the conversions. They then did all of the conversions themselves in 2006. Mr. Olson believes that these men have done a great job of doing it and they will probably be the lead team in converting the rest of the lift stations over. However, the other members of the maintenance crew are also being brought up to speed.

Mr. Olson stated that it is good to start from the beginning and work yourself through. These men have done a great job. They take the work step by step. When they are ready to convert the station over, they contact Mr. Olson, who contacts Mission to get the lift station signals online. Mr. Olson then just activates the signals in Wonderware so the dual monitoring is also going on at that time.

Mr. Olson then showed a live view of the Mission website displaying the map of the area with the current real time lift station status at Edgewood Lift Station.

Mr. Phelps asked what lift station has the heaviest flow load. Mr. Olson advised that it is the Krueger Lift Station. He pointed out, however, that Monon Stormwater Lift Station may put out as much or more of a load in a very heavy storm. Mr. Phelps pointed out that Monon Lift Station has more pumps. Mr. Olson agreed.

Mr. Olson asked if there were any further questions.

Attorney Nelson asked what determines whether one or two pumps turn on. Mr. Olson used the example of Krueger Lift Station explaining that there are actually two wet wells.

The lift station was expanded and the two wet wells are connected by interconnecting pipes. Therefore, there are two discharge force mains. Mr. Olson explained that Pump 4 goes to the old force main and Pumps 1, 2 and 3 go to the new force main.

Mr. Olson further explained that we always run Pump 4 when Pump 1 runs just to keep flow going to the old force main. Otherwise, the pumps run in an auto-alternation sequence.

Mr. Olson stated that the other stations are just Pump 1 and 2. However, there are some stations that are kind of odd. Mr. Olson explained that Pump 2 is kept as lead at Evergreen Plaza Lift Station because it just seems to work better because of the way the lift station is constructed. Mr. Olson advised that Pump 2 at Monon Lift Station is always the lead pump and Pump 1 is always the lag pump.

Mike Hoffman

Mr. Hoffman advised that there were no reported or lost time injuries in the last month. This makes seven months with no lost time injuries.

In reference to MS4 Update, Mr. Hoffman advised that the previously presented ordinances which enable the MS4 Program in Michigan City have been passed by the City Council and have been signed by Mayor Oberlie. Mr. Walus, MS4 Coordinator Rick Brown, Randy Lindley, the group's consulting engineer, and Mr. Hoffman presented at the Council Workshop Session and the three readings before the City Council. This is a milestone for the implementation of the Program under the local control by Rule 13. When the final members of the La Porte County Permittee MS4 Group complete passage, the request can be submitted to IDEM for authorization of local control of the program.

A new Education Coordinator has been hired by the La Porte County Soil & Water Conservation District. Nichole Kintzele has already met with the MS4 Advisory Committee and understands how the data that she generates for education of Soil & Water is also used by the MS4 Program.

The next big project underway is the submittal of the 2006 Annual Report by the Group. That report is due at the end of February.

Jim Kintzele

Mr. Walus advised that Mr. Kintzele was not available for the meeting and that his report would be held over until the next meeting.

Attorney Bill Nelson

In reference to Lamar Sign Company, Attorney Nelson reminded the Board that Lamar had previously made a proposal for a contract regarding their advertising sign located on District property.

Attorney Nelson advised that the Board suggested a counter proposal. That counter proposal was made to them after the last Board meeting in December. The counter proposal has been accepted which results in a higher monthly fee, a lower term of duration of the contract and only renewable with District consent as opposed to Lamar having the right to automatic renewal.

Attorney Nelson advised that Lamar Sign asked his office to provide them with some suggested language for the modifications. This has been submitted and he is waiting for Lamar to forward the modified contract. He expects it back any time and at least by the February meeting. He will then bring it back to the Board for approval and execution.

Mr. Phelps asked the monetary amount that Lamar Sign agreed to. Attorney Nelson advised that it is \$1,500 per month for a term of five years, instead of ten years.

Attorney Nelson then submitted nine delinquent accounts, in the total amount of \$1,178.78 to be recorded as liens which require Board action.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve the accounts to be recorded as liens in the amount of \$1,178.78, as submitted – seconded by Ms. Simmons. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Phelps then entertained a motion to approve and allow Revenue and Tax Levy claims for payment.

Ms. Simmons made such a motion – seconded by Dr. Jones. No discussion or comments on the motion. Motion carried 4 – 0 in favor.

Mr. Phelps then entertained a motion to approve and allow claims for the Board of Public Works & Safety.

Ms. Simmons made such a motion – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Old Business

There was none.

New Business

There was none

The next regular monthly meeting of the Board of Sanitary District Commissioners –
February 28, 2007 – 1:00 p.m. - 1100 E. Eighth Street

There being no further business to come before the Board at this time, on motion duly made and seconded, the meeting then adjourned.

Linda G. Simmons, Secretary