

**REGULAR MEETING, BOARD OF SANITARY DISTRICT COMMISSIONERS
WEDNESDAY, FEBRUARY 24, 2010 – 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 entered later in the meeting.

Staff Members present for the meeting were:

Alan J. Walus, General Manager
Michael A. Hoffman, Collection System Superintendent
James L. Kintzele, Sr., Refuse Superintendent
Doretha M. Sanders, Administrative Director
Tina M. Tabisz, Administrative Assistant
William J. Nelson, Jr., Legal Counsel

Also present for the meeting were:

John Schaefer, City Controller
Tom Cipares, General Insurance Services
John Doyle, John A. Doyle & Associates
Tim Haas, Haas & Associates
Mike Edinger, Woodruff & Sons
Matt Field, News-Dispatch
Andre Steele, ALCO TV

Mr. Phelps entertained a motion in reference to the minutes of the Organizational Meeting and Regular Meeting of January 27, 2010.

Ms. Simmons made a motion to approve the minutes of the Organizational Meeting of January 27, 2010 as well as the Regular Meeting of January 27, 2010, as submitted—seconded by Dr. Jones and Mr. Strauss. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

In reference to the Financial Status of the District, City Controller John Schaefer distributed the final report for Year 2009 explaining that the utility operations experienced a net loss of \$1,316,000. However, after adding back in the depreciation amount of \$2,177,000, there was a profit of \$860,000. At the same time last year the profit was \$575,000 so the District is approximately \$285,000 ahead of last year.

Mr. Schaefer advised that most of the tax funds are showing a loss, as expected, without property tax revenues. However, the good news is that some property tax money was received approximately 10 days ago from the second 2009 provisional tax bill. There was approximately \$1,000,000 added to the District's accounts which will be

taken back by the City because of the loans made to the District tax funds a long time ago.

Mr. Schaefer hoped that things will get more on track this year and we won't have to deal with those things any more.

Mr. Phelps commented that it will be nice for everything to get settled so that we will know where we are.

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

Mr. Schaefer explained that he did not have a report for January yet because they just finished making all of the year-end adjustments and have rolled over the figures to the new year. He will have a report at next month's meeting.

Mr. Phelps read the financial status of the District as follows:

**FINANCIAL STATUS – SANITARY DISTRICT
February 23, 2010**

OPERATION & MAINTENANCE FUND #6201	\$621,891.56
SEWAGE WORKS SINKING FUND #6207	\$1,000,675.55
SEWAGE WORKS IMPROVEMENT FUND #6208	\$217,664.17

Public Comment

Mr. Phelps called for public comment. There was none.

Mr. Phelps then recognized Tom Cipares of General Insurance Services (GIS) to report on the insurance renewal update.

Mr. Cipares reminded the Board that, at the January meeting, he provided the Board with the proposal for the commercial package policy, which entails coverage for all of the buildings, the auto fleet, general liability, public officials' coverage, etc.

Mr. Cipares noted that at that meeting, because the insurance company is offering an option under the public officials' coverage, to pick up an enhancement for non-monetary defense, which led Ms. Paul to question whether the District could save some money in other sections of the policy by increasing deductibles.

Mr. Cipares advised that the Board packets included a memo concerning this matter.

(Ms. Paul entered the meeting at this time.)

Mr. Cipares explained that his opinion is for the Board to give specific consideration to increasing the property deductible. The current policy calls for a \$1,000 deductible per claim. This coverage is for the buildings and the contents of those buildings.

Mr. Cipares explained that there is a savings with raising the deductibles to either \$5,000 or \$10,000.

Mr. Cipares pointed out that there has not been a single property loss since 2004. Additionally, if history is any indication, this should be an area in which the District could save some considerable funds over the future years.

Mr. Cipares recommended that the Board give strong consideration to raising the property deductible.

Mr. Cipares advised, however, that he would not recommend raising the general liability deductible. Currently, the District's general liability deductible is at \$5,000 per occurrence.

Mr. Cipares explained that there is a lot of activity in the general liability section and most of the claims are denied. However, due to the activity, Mr. Cipares advised that he would not be attracted by the amount of savings.

Mr. Cipares then advised that the District has had excellent experience automobile (fleet) coverage. There have been three automobile claims since 2004. Therefore, he suggested that the Board consider raising the comprehensive and collision deductibles from \$500 to \$1,000.

Mr. Cipares stated that he does not personally think that there is enough savings to raise the public officials' deductible from \$5,000 to \$10,000.

Mr. Cipares then stated that the employment practices liability coverage is for wrongful termination, discrimination, wrongful hiring, sexual harassment, etc. The District currently has a \$5,000 deductible and it could be raised to a \$10,000. However, he does not think that there is a clear cut answer and whether this is attractive enough from a savings standpoint.

Mr. Cipares stated that Ms. Paul's question was a good one because he believes that there are some areas that can result in a savings of a few thousand dollars.

Ms. Paul commented that there could be a savings on just the property damage coverage if nothing happens. Dr. Jones agreed adding that even if something did

happen, there is an additional loss of only \$500 more loss, but the District would be saving \$8,500 by increasing the deductible. Mr. Cipares agreed.

Dr. Jones stated that there would also be a savings of over 50% of the deductible in the employment practices liability coverage if the deductible were increased. He stated that this is a good deal in that it is less than a two year payback. Mr. Cipares agreed advising that there has only been one claim in this coverage section since 2004. This is quite a few years with only one claim.

Attorney Nelson added that, just because a claim has been filed, doesn't necessarily mean that a payment will be made on it and it may be denied. Mr. Cipares stated that this is correct.

Mr. Cipares suggested that the Board consider opting for the non-monetary defense coverage in the amount of \$50,000 any one occurrence/\$100,000 aggregate under the public officials' liability. This is an additional premium in the amount of \$1,500, which is over the current coverage.

Mr. Cipares then advised that, if the rest of the previously submitted proposal was acceptable, the Board would then need to decide what deductible options they would like to select.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to increase the property coverage deductible to \$10,000, leave the general liability deductible at \$5,000, increase the automobile coverage deductible to \$1,000, leave the public officials' liability deductible at \$5,000 and add the non-monetary defense coverage, and increase the employment practice liability coverage deductible to \$10,000 – seconded by Dr. Jones.

Dr. Jones questioned a previous comment about raising the limit on the public officials' coverage. Mr. Cipares clarified that this was to enhance the public officials' coverage by adding the non-monetary defense coverage.

Dr. Jones asked if this was part of Ms. Paul's motion. Ms. Paul indicated that this was to be included in her motion.

Mr. Strauss asked if this motion includes general approval of the entire package and if it is worded properly. Attorney Nelson advised that the motion is really only to address the deductibles and the additional public officials' coverage.

Mr. Strauss clarified that this is not to approve the overall package yet. Attorney Nelson agreed stating that, if the change in deductibles is approved, the Board can then address the overall package with another motion.

Mr. Strauss stated that he just wanted clarification. Attorney Nelson stated that Mr. Strauss is absolutely correct.

Ms. Simmons questioned where the Sanitary District compares to other city entities as far as deductible levels. Mr. Cipares advised that entire communities will typically have a \$10,000 deductible on their public officials' coverage. A deductible of \$5,000 is quite common for special districts such as the Sanitary District.

There being no further discussion or comment, motion carried 5 – 0 in favor.

Mr. Phelps then entertained a motion on the insurance package renewal.

Dr. Jones made a motion to approve the proposal submitted by General Insurance Services for the overall insurance coverage – seconded by Ms. Paul.

Mr. Strauss asked about the workers' compensation coverage. Mr. Phelps advised that the workers' compensation insurance is a separate matter.

There being no further questions or comments, motion carried 5 – 0 in favor.

Mr. Cipares then advised that the workers' compensation insurance renewal is coming due on April 1st and the renewal offer has been received from Indiana Public Employers' Plan (IPEP), which has covered the District for many years.

Mr. Cipares distributed the proposal to the Commissioners explaining that the information includes the history to the District's experience modification, which is the District's own multiplier based on the loss history. There is also a scheduled credit that IPEP has applied each year.

Mr. Cipares explained that the information also includes the illustration of the final rates pointing out that the rates for all of the major job classes, such as Sewer, Sewer Cleaning and Refuse, have gone down quite a bit.

Mr. Cipares advised that these are base rates that are used by IPEP and are used state-wide.

Mr. Cipares commented that he thought that the Refuse job class rate in particular was interesting. Obviously, many communities are using the automated tippers and one has to think that this is what is bringing the loss history down into a more acceptable range.

Mr. Cipares pointed out that, in 2006, there was a rate of over \$10 for every \$100 of payroll, which is substantial. Dr. Jones noted that it is more than double what we are now paying.

Mr. Cipares stated that even a \$5 rate is substantial because it is a hazardous situation. However, this is certainly a movement in the right direction.

Mr. Cipares stated that the second page of the handout displays the IPEP pricing history, explaining that it did peak in 2007 at the \$185,000 level. However, it is at \$111,000 this year.

Mr. Cipares explained that the reason for the peak in 2007 was due to the very severe employee back injury in the 2005-2006.

Mr. Cipares asked if there were any questions about the IPEP renewal. There were none.

Mr. Cipares then reminded the Board that, at the last meeting, he would deliver an option to the Board to review and consider an option of self-insuring the District's workers' compensation insurance.

Mr. Cipares explained that the City of Michigan City has been involved with Citizens Management, Inc. (CMI), who is a division of Hanover Insurance Company. This service has been utilized by the City for two years now and it appears to be working quite well, as City Controller John Schaefer would agree.

Mr. Cipares stated that this option really depends on how much risk the department wants to take. On the District's own, there are not enough dollars in the till to make self-funding work for the District.

Mr. Cipares advised that there is an illustration of the District's seven year total of losses and premiums.

Mr. Cipares advised that the specific retention means that the District would be liable for \$400,000 on any one claim. Therefore, virtually all \$772,000 over the seven years of paid losses would have been paid by the District even if it would have been self-funded.

Mr. Cipares pointed out that these figures do not contemplate the third-party administration (TPA) fee and the cost of the re-insurance, which is \$28,476 to begin. Therefore, if this can be used as a simple assumption, the District would be just under \$200,000 in TPA fees and reinsurance costs in addition to the \$772,000 over the seven year period. Therefore, this is not very far away from what the guaranteed cost workers' compensation coverage has been with IPEP.

Mr. Cipares advised that this is a complicated topic and he does not suggest making a decision at today's meeting on the self-funded approach. He suggested that he arranges to have the representative from CMI come in from Grand Rapids, Michigan,

and meet with Mr. Walus and Mr. Schaefer to review all seven years' worth of data, including both premiums and losses as well as the details to all of the losses.

Mr. Cipares advised that he could then come back at the March meeting to provide a recommendation as to whether the self-funding makes any sense for the District.

Mr. Cipares explained that it is a little bit complicated and it is a long-term decision. He stated that, if the Board made the decision to go self-funded, this Board's successors would probably be living with that decision.

Mr. Cipares explained that you don't jump in and out of a self-funded plan because you want the law of large numbers to work for you. You know that you will have a bad claims year similar to what the District experienced in 2005-2006 because it will happen at some point in time. However, then there may be a year like 2009-2010 which was a wonderful year.

Mr. Cipares explained that the District paid IPEP \$128,285 last year and they have paid out \$9,729, which is great for them. However, the District paid IPEP \$167,577 in 2005-2006 and they paid out \$460,000 in claims.

Mr. Cipares again stated that it is a long-term decision and, if the numbers are large enough, self-insurance is very viable and does work. Mr. Cipares would recommend that the Board not make a decision on this today. However, he would like to offer that the matter be explored further.

Mr. Walus referred to the breakdown of policy year, paid losses and premiums commenting that, prior to the most recent year of 2009-2010, the 2008-2009 year experienced paid losses of \$34,000 and was the District's best year in a six year period. Mr. Cipares agreed.

Mr. Walus then commented that last year (2009-2010), the District's paid losses went down to just under \$10,000. Therefore, the District beat our best year in the last six years by approximately 65%. Mr. Cipares agreed.

Mr. Cipares stated that the District has had a real nice trend going with the paid losses declining since 2005-2006. He pointed out that, realistically, 2005-2006 is an anomaly.

Attorney Nelson added that the toters have been in place since that time as well. Mr. Cipares agreed.

Mr. Strauss stated that the toters have only been since last year. Mr. Walus pointed out that the toters were in use since the fall of 2008.

Mr. Strauss commented that the toters have been the only practice change and the rest is luck, and safety training. Mr. Cipares agreed stating that he believes that there is a degree of luck. However, you would like to think that it is also safety training as well.

Ms. Paul asked if the representative from CMI will provide their fees are so that we will be able to approximate the costs. Mr. Cipares advised that the TPA administration fee plus the reinsurance is \$28,476.

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

Mr. Phelps thanked Mr. Cipares for his report.

There was no further public comment.

The following departmental status reports were given:

Al Walus

In reference to the Trail Creek Watershed, Mr. Walus advised that Principal Martha Birkholtz from Krueger Middle School contacted the Sanitary District and advised that today, February 24th, is Parents' Day at Krueger Middle School and the District was asked to present some information about a potential grant award.

Mr. Walus explained that we applied for a U.S. Fish & Wildlife Grant to redirect parking lot runoff into a constructed wetland in front of the school building.

Mr. Walus distributed a handout with an aerial map on one side showing the current state of the parking lot area as well as the design proposal for a constructed wetland and outdoor classroom.

Mr. Walus explained that the existing conditions show a large grass area that gets mowed regularly by the Michigan City Area Schools staff. However, there is a high groundwater table there and the ground is very soft, which can be problematic to do the mowing at times.

Mr. Walus explained the School System owns 100 acres of land around the Krueger Middle School building. The last two summers, we have conducted environmental education summer camp activities. We have been able to try to perform different activities such as using GPS (global positioning system) equipment to be able to develop maps, perform water quality sampling and planting wetland plants, as well plant identification and evaluating plant root structures.

Mr. Walus advised that the administration and teachers at Krueger Middle School have been very receptive to the idea of Krueger being an outdoor environmental campus for urban students in Michigan City.

Mr. Walus stated that we hope to know by May whether we have been awarded the grant and we then could begin constructing the shallow pond marsh in the existing grass area.

Mr. Walus advised that we would also propose to have a pavilion built in the area as well as tables and benches so that teachers would have the opportunity to be able to walk outside the front door and be in an outdoor classroom setting. Studies show that using the environment as an integrating context for learning leads to better comprehension and better achievement of students.

Mr. Walus explained that, because the Principal has been very supportive of this process, she wanted Mr. Walus to share this information with the 400 students and their parents who are at Krueger Middle School on Parent Day today.

Mr. Walus advised that this was done with a slide show of different photos of actual Michigan City area students in summer camp participating in these different types of activities.

Mr. Walus advised that he also learned today that the Michigan City Area School System was successful in receiving a partial award of a grant to create an outdoor classroom at the high school. Therefore now, as we engage students in middle school with these outdoor environmental activities, they will be able to continue with this same path of working outdoors once they get to high school.

Mr. Walus advised that we are very appreciative of the Coastal Zone Management Program that awarded that grant to do a similar type project at the high school.

Mr. Walus explained that it is a little bit easier at the high school because the School System owns about 68 acres of forest that has a trail cut through it for a cross-country track and there is a building with a storage barn as well as ponds. Therefore, we just basically have to work with the teachers at the high school to develop an outdoor curriculum: All of the other infrastructure is already in place.

Mr. Walus advised that the hope is, within a short amount of time, to have outdoor classroom environmental activities at both the middle school level at Krueger and at the high school at Michigan City High School.

Mr. Walus then reported that Sanitary District was the recipient of a small grant from the Department of Natural Resources to help us investigate new ways to possibly treat stormwater drainage.

Mr. Walus explained that most stormwater drainage through Michigan City currently goes through storm sewers that discharge directly to Trail Creek.

Mr. Walus advised that the grant received from the DNR was to allow us to work with providers of catch basin inlet filter baskets that can capture petroleum oil products, silt, etc., in an effort to keep this type of pollution out of the water stream flowing to Trail Creek.

Mr. Walus advised that we have done some research on vendors who sell these basket inserts. Then, as part of the grant, we will purchase them, install them in a large parking lot and perform testing over time to monitor how much pollution is removed by the different vendors' product. We can then see who has the most cost effective way to reduce pollution in our stormwater.

Referring to the Krueger School project, Mr. Phelps asked what kind vegetation will be planted in the shallow marsh area. Mr. Walus advised that there will be plantings similar to what was done at Striebel Pond as well as the wetlands project that was done on Michigan Boulevard.

Mr. Walus advised that, working with different consultants, we will be able to determine a dozen or so different native species. The depth of the pond will vary. There will be somewhat of an edge that may be 6 inches deep and a little bit deeper in the center. There will be different types of plants that grow in shallower and deeper water and they will grow to different heights and have different colors. There will be a wide variety because it will be a great way to showcase all of the different native wetland plants of different sizes, colors and shapes.

Mr. Walus added that the students will be engaged to do the actual plantings for some hands-on experience.

Mr. Walus then advised that the Board packets included the EPA Wet Weather/Sanitary Sewer System Information Request. We are completing our answers to the request, which will be sent out today and a copy will be provided to the Board.

Mr. Walus explained that many of the questions pertained to length of gravity sewers, length of force mains, how many lift stations we have, how we perform maintenance on the system, etc. Therefore, the vast majority of the questionnaire comes right out of our CSO Operational Plan, which we are also updating to be sent to IDEM by the end of the week. This will also be provided to the Board Members.

Mr. Phelps asked if this is something that the EPA requests from different Districts from time to time. Mr. Walus advised that they contacted Plant Superintendent Dan Olson by phone to advise that they would be sending the questionnaire out so that we could get the information to them. Most likely, once they receive this information, they will again contact us so that they can come to Michigan City to do a ride around the area to see some of the different components that we have in our system.

Mr. Phelps commented that there is a lot of information that goes into the questionnaire. Mr. Walus agreed but pointed out that we have most of the information in our operational plan.

In reference to the Meer Road/U.S. Highway 12 Sanitary Sewer Extension Project, Mr. Walus advised that he has not had a chance to meet with the developers so he would like to place the matter on hold to report back at the next board meeting in March.

Mr. Walus then advised construction activities started yesterday on the Golf Course Daylighting Project. The area has been staked out by the contractor's surveyors. Jon's Tree Service was on-site yesterday to begin tree removal. D&M Excavating has mobilized with their different equipment to begin the excavation work.

In reference to the Lafayette/Barker Storm Sewer Interceptor Project Mr. Walus advised that he has been working with City Controller John Schaefer and City Planner John Pugh, along with their consultants Umbaugh & Associates, to actually complete the sale of the bond. They are anticipating having the sale done around March 17th.

As soon as that bond sale is complete, depending on when that actually is, we may consider calling a special meeting to then officially award the contract to Super Excavators and Woodruff & Sons, or at the regularly scheduled meeting on March 24th.

Mr. Walus advised that Burke Engineering has been working with both contractors and they have prepared draft contracts. We just need the sale of the bond to be completed and we will be ready to go.

Mr. Walus distributed a handout to the Board advising that he attended the La Porte County Redevelopment Commission meeting yesterday. The meeting was to consider a project with a developer for an area on the south side of County Road 400 North, which is right across the city boundary. The La Porte County Redevelopment Commission is supporting the project.

Mr. Walus advised that, with the Michigan City Economic Development Corporation, we completed a strategic plan for the next four years for our organization. In the strategic plan, there are five cornerstones that happen in economic development all across the country, explaining that two of the cornerstones involve adding capacity, both organizationally as well as with infrastructure.

Mr. Walus explained that, with the five building blocks shown on the handout, we want to build capacity. With that capacity, we can attract business; either new business from out of town or business expansion efforts of current business owners. While that is going on, we also work to assist our work force to fill the job skills to fill the jobs in the businesses that we attract.

Mr. Walus directed the Board to the handout explaining that the second goal is Product Development. There is specific information about supporting infrastructure development.

Mr. Walus explained that we identified specifically sewer and water to the I-94/U.S. 421 Corridor last year. Therefore, we are very pleased to see that the La Porte County Redevelopment Commission is supportive of moving forward in the process where a developer is proposing to take on the obligation for the bond to build the infrastructure to make that development work.

Here at the Sanitary District, we have been talking to the developer as far as how to get sewer services to that area. We have a very large sanitary truck sewer along Cleveland Avenue all the way to 400 North. Therefore, there are a couple of different options to be able to sewer that new development.

Mr. Walus advised that he went to the meeting yesterday to be able to demonstrate to the Redevelopment Commission that the proposal fits in exactly what we are planning to do as part of our long term strategic plan for economic development.

Mr. Walus advised that he was there yesterday and will be there supporting that project as it moves forward.

Mr. Walus explained that the process with the project would require bonds to be issued in 2010 so there are some pretty aggressive timelines for the developer to get different resolutions and approvals through the La Porte County Commission as well as further approval from the La Porte County Redevelopment Commission.

The MCEDC (Michigan City Economic Development Commission) will be working with the Economic Development Alliance of La Porte County to make that happen. Mr. Walus wanted to reassure the Board that the District has been involved in the conversations since the beginning to make sure we can provide adequate sewer service to that area. The project seems to be progressing well.

Dr. Jones commented that, once again, Mr. Walus has done an outstanding job of putting this together as a volunteer with the MCEDC.

Dr. Jones stated that, as someone who deals with strategic planning on a pretty constant basis, the information distributed by Mr. Walus is a pretty impressive map of the strategic plan.

Dr. Jones stated that he continues to be impressed by these skills and he thinks it is extraordinary and thanked Mr. Walus.

Mr. Walus thanked Dr. Jones and explained that the actual document itself was approximately 25 pages of written text, which can get somewhat dry to read at times.

Mr. Phelps also commented that Mr. Walus did a very good job on the matter. The Board agreed.

Mr. Phelps thanked Mr. Walus for his report.

Dan Olson

Mr. Walus advised that Mr. Olson was unable to attend today's meeting so his report will be held over until next month.

Mr. Walus advised that there was an on-site IOSHA inspection in January and we received a report last week. Mr. Olson is in the process of responding to those items that were received from IOSHA and he will present the information at next month's meeting as well.

Mike Hoffman

In reference to the Safety Report for the Wastewater Division of the Sanitary District (WWTP, Administration and Collection System), Mr. Hoffman advised that there were no reported injuries and no lost time in the last month. This is the eighth month with no lost time injuries.

In reference to the Safety Report for the Refuse Department, Mr. Hoffman advised that there was one reported injury and no lost time injuries in the last month. This is the seventh month for the Refuse Department with no lost time injuries. Mr. Hoffman pointed out that this works right in with what Mr. Cipares was reporting to the Board earlier in the meeting.

Mr. Hoffman advised that the next project, when the weather permits, will be the correction of a storm drainage issue on Tulip Tree Drive. Everything is in place but we are just waiting for the weather to change.

Mr. Hoffman then reported that very little MS4 activity occurs this time of year. Work is continuing on anticipated program changes from last year's audit and they are working on the annual report.

As is the case every month, each building permit application is evaluated for MS4 requirements, as well as stormwater requirements. Additionally, they are awaiting the audit report from the State.

Mr. Phelps thanked Mr. Hoffman for his report.

Jim Kintzele

Mr. Kintzele reported that there was a slight reduction in tonnage for the first month of 2010.

Mr. Kintzele advised that there was a total of 13,227 tons of trash taken to the transfer station in 2009. He compared it to the total tonnage taken in 1999 and found that there was a 1,215 ton reduction over that 10 year period.

Mr. Kintzele stated that this may not sound like much, however, in that time: the department has added pickups in Trail Creek, Long Beach Cove, the mobile home community on Highway 20 as well as all of the areas that the District supplies sewer service.

Additionally, during the period of time of last year, the income from special pickups was \$7,739 and the income from scrap in 2009 was \$1,090.

Mr. Kintzele advised that his department has been keeping records on special pickup and scrap income in 2003. Since then, there has been approximately \$56,000 received for special pickups and approximately \$24,000 for scrap. This is a total of almost \$90,000 that the department has collected in special fees that never was received before.

Mr. Kintzele advised that the scrap income will fluctuate without any reason due to the Refuse Department because, if the price of scrap is up or if there is a bad economy, the scrap salvagers are taking it in themselves for income. Even though there may be a reduction in scrap income to the department, you know that items are being recycled because somebody is picking it up before the Refuse Department.

Mr. Kintzele advised that there is approximately \$39,000 left in the non-reverting fund that is used for major repairs or purchases. All of the departmental equipment is in good shape right now.

Mr. Kintzele advised, however, that he is in the process of trying to obtain a replacement for the department's compost truck that has been in use for 10 years now. It has not been used for anything else other than compost.

Mr. Phelps thanked Mr. Kintzele for his report.

Attorney Bill Nelson

Attorney Nelson submitted 12 delinquent accounts to be recorded as liens, in the total amount of \$1,272.88, which requires Board action.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve the delinquent accounts to be recorded as liens, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Attorney Nelson then submitted eight liens to be released due to satisfaction of the liens, in the total amount of \$1,067.41 and advised Board action was necessary.

Mr. Phelps entertained a motion on the matter.

Mr. Strauss made a motion to approve the eight Releases of Lien, in the total amount of \$1,067.41, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Attorney Nelson then advised that there are no bad debts this month.

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

Dr. Jones made such a motion – seconded by Ms. Simmons. No discussion or comments on the motion. Motion carried 5 – 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 Ms. Paul. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Old Business

Mr. Walus distributed a memo that has been received from Central Maintenance Superintendent Charlie Cate, reminding the Board that a report was made at last month's meeting about a District pickup truck that was involved in an accident during very bad icy road conditions.

Mr. Walus advised that this vehicle was a 2000 pickup truck with 139,000 miles on it. The insurance adjuster looked at the truck and determined that it was a total loss at a value of \$5,653.

After that happened, Mr. Cate looked for a possible used vehicle for a replacement for that totaled pickup truck. Mr. Cate has presented a proposal for a 2003 Ford van with 66,000 miles on it at a cost of \$6,800.

Mr. Walus advised that, in speaking with the Collection System staff, the van would be more useable for us to store some of our GPS and sewer inspection equipment. Therefore, they have been very supportive of bringing this proposal before the Board

and seek approval for the Sanitary District to replace Truck #29 with the used 2003 Ford van with VIN #1FTNE24W8EHB73580.

Mr. Phelps asked if it is a three-door van. Mr. Hoffman advised that it is a double-side door and rear door with no windows.

Mr. Phelps asked if the doors are sliding or hinged. Mr. Hoffman advised that they hinge open adding that there is also some shelving in it already.

Mr. Phelps entertained a motion to approve the purchase of the Ford 3E250 Van, as requested.

Mr. Strauss made such a motion – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

New Business

There was none.

Dr. Jones took the opportunity to congratulate the Board President on being re-elected in his absence last month by a landslide. Mr. Phelps laughed commenting that when he read that in the minutes, he just thought that the Board couldn't find anyone else to take the position.

The next regular monthly meeting of the Board of Sanitary District Commissioners –
March 24, 2010 – 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/
Linda G. Simmons, Secretary