

REGULAR MEETING, BOARD OF SANITARY DISTRICT COMMISSIONERS
WEDNESDAY, MARCH 28, 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 Boyd W. Phelps, Judith A. Paul and Ronald J. Strauss. Commissioners J. Jeffrey Jones, Ph.D. and Linda G. Simmons were absent.

Staff Members present for the meeting were:

Alan J. Walus, General Manager
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 Schaefer, City Controller
John Doyle, John A. Doyle & Associates
Jim Maurer, Haas & Associates
Warren Thiede, Haas & Associates
Sandra Joseph, Christopher Burke & Associates
Mike Edinger, Woodruff & Sons
Ryan Miller, D&M Excavating
O. Jerrold Winski, Attorney for Zack Krachinski
Jeremy Smith, dh₂w, Inc.
Zack Krachinski, Arbor Point Development
Andre Steele, ALCO TV

Mr. Phelps entertained a motion in reference to the minutes of the Regular Meeting of February 28, 2007.

Ms. Paul made a motion to approve the minutes, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

In reference to the Financial Status of the District, City Controller John Schaefer submitted the financial reports for February 2007. However, he brought these in error because the February reports do not include the depreciation adjustments yet. He meant to bring the January reports.

Mr. Schaefer used the current reports advising that the depreciation expense line should be approximately twice the amount listed. He explained that two of his employees are off of work right now so the February month end has not been posted yet.

Mr. Schaefer stated that the District's net loss this year is substantially higher than last year. He believed this to be mainly due to the timing of the payment of bills.

Mr. Schaefer pointed out that Engineering Fees so far this year have been \$81,000 and last year it was \$21,000. Additionally, the Workers' Compensation bill has been paid already this year in the approximate amount of \$80,000. However, last year at this time, we had only paid \$2,000 and the balance was probably paid in March. Those are the significant differences between this year and last year.

Mr. Phelps asked if Mr. Schaefer believed that the depreciation is probably double the current figure listed on the reports. Mr. Schaefer stated this is correct. He stated that is still approximately \$60,000 less than last year at this time.

Ms. Paul commented that there were also improvements to the plant. Mr. Schaefer agreed and noted that most things will level out as the year progresses.

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

Mr. Phelps asked about January's reports. Mr. Schaefer advised that when Ms. Wall gets back from vacation, he will have her post the February depreciation adjustments and he will then provide copies of the reports for January through March at the meeting in April.

Mr. Phelps thanked Mr. Schaefer for his report.

Public Comment

In reference to District insurance coverage, Mr. Walus advised that he did not ask Mr. Cipares of General Insurance Services to attend today's meeting. Mr. Walus explained that the pending matter involved the potential for the Employee Identity Theft insurance, which coverage was included last year as part of the base premium with no additional cost to the District. However, this year there is an additional charge.

Mr. Walus advised that there were some questions and Mr. Cipares e-mailed the answers to those questions to the Commissioners.

Mr. Walus advised that, at this time, it is the management team's recommendation to not include the additional payment for identity theft and we would not have that coverage in this year's current insurance package.

Mr. Phelps asked if it was necessary to have a full Board in attendance to address the matter. Mr. Walus advised that action could be taken today if desired.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to not include the additional identity theft coverage, as recommended – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Phelps then recognized Attorney O. Jerrold Winski representing Arbor Point Development. Collection System Superintendent Mike Hoffman also joined Attorney Winski. (Owner Zack Krachinski entered the meeting and joined the gentlemen at the table early in the discussion.)

Mr. Walus explained that Attorney Winski asked to be included on the agenda for today's meeting. Attorney Winski has been working with Mr. Hoffman regarding a ditch easement reduction request.

Mr. Walus referred to some overhead illustrations and Mr. Walus explained them, as follows:

There are homes on either side of White Oak Drive and, in back of the homes on the west side of White Oak Drive, there is the Freyer Ditch.

The District is working on a project with John Doyle & Associates and Burke Engineering with regard to converting the open ditch to a piped storm sewer.

The center line of the ditch is pretty much the center line of the property line for the Arbor Point apartment complex (formerly Red Oaks Nursing Home) shown on the illustration. The owner (Zack Krachinski) has asked for a reduction in easement from 75 feet down to 35 feet. Mr. Hoffman has met with legal counsel (Attorney O. Jerrold Winski) for the owner.

Mr. Walus pointed out another illustration that represents the existing apartment building complex and stated that there is a potential to add additional units around the main complex on the west, south and east side of the existing complex.

The potential building on the east side of the complex has 50 foot setback from the property line. Therefore, from the property line in the center of the ditch 50 feet back, there is also a distance of approximately 15 feet from the ditch to the spoil bank. Therefore, if the difference of the 15 feet from the 50 feet leaves a remaining 35 feet remaining from the spoil bank of the ditch to the 50 foot setback.

Mr. Walus advised that District staff has evaluated the request to reduce the 75 foot ditch easement and recommends approval of the request of the property owner to reduce the 75 foot easement down to 35 feet to the spoil bank, thereby still staying within the 50 foot setback.

Mr. Phelps asked if the petitioner owned the property to the north of the apartment complex. Attorney Winski advised that the total piece includes eight acres. Mr. Krachinski advised that he does not own the forested property to the north.

Mr. Walus stated that, potentially once the District pipes the ditch, there would then be even less of a need to have the easement out on the west side.

Mr. Phelps commented that he did not know why there would be any objection to narrowing the easement, especially if the ditch were piped. Mr. Walus stated that, even with the pipe, staff is comfortable with the easement reduction.

Mr. Phelps asked for Engineer John Doyle's opinion. Mr. Doyle advised that he saw no problems either.

Mr. Phelps stated that he withdrew his concern. He explained that he was worried about whether we would not be able to effectively construct the pipe to enclose the ditch.

Attorney Winski pointed out that there would be 50 foot of easement still there because there is 15 feet already existing along with the additional 35 feet. Mr. Hoffman added that there is some easement also from the almost-center line of the ditch to the east also.

Mr. Hoffman stated that Attorney Winski and Mr. Krachinski are stipulating that Freyer Ditch is, in fact, a court ditch and that 75 foot easement is from spoil bank. Additionally, at some future date, we will revisit the easement issue if we do, in fact, pipe Freyer Ditch. Obviously, we wouldn't need such a great easement after construction.

Mr. Phelps commented that it would definitely be an improvement to the property.

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

Mr. Phelps then entertained a motion on the matter.

Mr. Strauss made a motion to approve the request for reduction of easement from 75 feet to 35 feet, as recommended – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Attorney Winski thanked the Board for their consideration.

Mr. Hoffman asked Attorney Winski if he would be submitting a legal description so that the easement documents can be recorded. Attorney Winski advised that he would work with Mr. Hoffman on the matter.

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 advised that the contractor has placed some delineators and stop signs. There is still striping to be done, weather dependent, landscaping primarily on Meer as well as some paving at the intersection. The contractor is aware of the situation and it is Mr. Doyle's understanding that Rieth-Riley is planning to open their asphalt plant approximately April 8th.

Mr. Doyle anticipated that some of these items will be taken care of by the next meeting, weather dependent.

Lafayette/Barker Project

Mr. Doyle advised that he has the streetscape plans pretty well completed from Michigan Boulevard to Lafayette Street and from Lafayette Street to Pearl Street. He is waiting on some direction from the Elston Grove people with respect to trees and things of that nature.

Mr. Phelps advised that the Redevelopment Commission has executed an agreement with a firm that will be studying the streetscape design and he believes that they will be having their first meeting with the Elston Grove people very shortly.

Freyer Ditch/Gardena Street Drainage Improvement Project

Mr. Doyle advised that he is still waiting on the permitting process. He is ready to go as far as the plans for installation of the pipe if and when the proper permits are in place.

Mr. Walus displayed the illustrations included in the Board packets which show an aerial view of the golf course which ties into the Rogers Avenue drainage. He explained that the Rogers Avenue drainage flows in an underground pipe that is somewhat compromised at this time. The underground pipe flows to an open ditch which flows to a piped area before reaching a pond on the golf course.

Mr. Walus advised that he and Dave McCormick of Burke Engineering met with Park Superintendent Daryl Garbacik and the Golf Course Superintendent and they have come up with an arrangement where the pipe ditch can be converted to an open ditch. The area involved is a practice range area for the golf course. Therefore, the proposal is to plant some bushes and shrubs along the banks of the open ditch. Further north, we have approval to put trees on either side of the open ditch so we can have forested banks on the ditch.

Mr. Walus pointed out a problematic area for the golf course. It is piped right now but it is very wet and it is hard to mow that area. They have asked that we open up that part of the ditch as part of this project. Since it is a part of the golf course itself, we would place some bushes and shrubs rather than trees.

Mr. Walus advised that the lineal feet of bushes, shrubs and trees have been totaled up and reviewed as mitigation for closing the ditch on White Oak Drive.

Mr. Walus displayed a proposed section view that was submitted to the regulatory agencies. Working with Mr. Doyle, we can determine the flow capacity through the area using a flat bottom to the ditch and a general slope going towards the typical ground elevation with trees, shrubs and bushes placed around the area.

Mr. Walus explained that we don't have any of the calculations to formally size this type of ditch but we have submitted the information to the regulatory agencies so that we can get some preliminary feedback before submitting an official permit application.

So far, the verbal discussions held with IDEM have been somewhat favorable as well as with the Army Corps of Engineers. However, we have not had feedback yet on the proposed cross-section. Once this is received, we will be working with Mr. Doyle to obtain the names and addresses of the property owners along Freyer Ditch on White Oak Drive. As the permits are submitted, the adjacent property owners have to be notified.

North Roeske Avenue

Mr. Doyle advised that they are basically doing survey work with reference to the elimination of the existing sewage lift station in Pottawattomie Park and the connection between that and the proposed new station on Roeske Avenue.

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

Jim Maurer and Warren Thiede of Haas & Associates reported on the following projects:

Wabash/Washington Sewer Separation Project, Phase 2A

Mr. Thiede advised that the contractor is currently back to work after the winter break. They are working in the 200 Block of Warren Street and the 100 Block of William Street at this time. The underground work has been completed on Warren and William Streets and two alleys. The contractor is also placing aggregate base course on those two streets to prepare them for asphalt and concrete work.

Mr. Thiede then submitted Pay Request #6 from Woodruff & Sons and he recommended approval of same.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve Pay Request #6 of Woodruff & Sons, in the amount of \$14,819.33, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Wabash/Washington Sewer Separation Project, Phase 2B

Mr. Thiede advised that the contractor is working on the Barker Avenue and Wabash Street intersection underground utilities right now. Additionally, the 100 and 200 Blocks of West Barker Avenue are basically completed with the underground work and the contractor is working on the aggregate base course in preparation for the concrete crew to begin. The concrete crew is scheduled to be on-site this Friday (March 30th) for curb and gutter work.

Mr. Thiede then submitted Pay Request #2 of Woodruff & Sons and recommended approval of same.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve Pay Request #2 of Woodruff & Sons, in the amount of \$205,576.20, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Thiede submitted proposed Change Order #1 which is for an extension of time for the contract milestones plus additional construction not included in the original scope. The change order increase would be \$12,580.00 for a total Contract Value of \$1,976,135.00. The completion date would be revised from September 15, 2007 to September 29, 2007, a total of 14 days.

Mr. Thiede explained that the 14 day extension was requested due to extreme weather in early February when the contractor was not able to work. He recommended approval of same.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve Change Order #1 of Woodruff & Sons, in the amount of \$12,580.00 plus 14 days extension of time – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Wabash/Washington Sewer Separation Project, Phase 2C

Mr. Thiede advised that the contractor is currently installing the underground utilities on Washington Street from Barker Avenue south to May Avenue.

Mr. Thiede submitted Pay Request #1 of HRP Construction and recommended approval of same. He explained that this is primarily for demolition work and contract bonding and insurance.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve Pay Request #1 of HRP Construction, in the amount of \$149,954.40, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Thiede then submitted proposed Change Order #1 of HRP Construction for an extension of time for contract milestones. He explained that HRP Construction was tied with their time milestones with Woodruff & Sons being complete with their first milestone. Therefore, due to the severe weather, the extension of time was requested. There is no change in contract amount, rather just a change in milestone time. Milestones 1 and 2 are changed by 14 days and Milestone 3, which is the final completion date, was not changed and will remain at November 16, 2007. The matter was discussed with the contractor who felt that they can make up that time between now and November. Mr. Thiede recommended approval of the Change Order.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve Change Order #1 of HRP Construction for extension of contract time for Milestone 1 date to May 29, 2007 and Milestone 2 date to July 14, 2007, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Thiede advised that as part of the project for Phase 2B, we are providing pervious concrete on the 200 Block of Barker Avenue between the sidewalk and the curb. This pervious concrete will be placed as a Best Management Practices (BMP) demonstration project. He further advised that the product that the District has chosen will be Terra Cotta colored.

Mr. Thiede then displayed a sample of the concrete in a small plastic container and poured water on top of the concrete sample, which then drained through the concrete into the bottom of the plastic container.

Mr. Thiede explained that the amount of water that this product can absorb is amazing. The concrete looks solid and it is solid. It will be basically an extension of the sidewalk. The material in the project will be six inches thick for strength, but it has a tremendous absorbency. And with the fact that there is sand underneath the concrete, we should never see that water.

Mr. Thiede explained that this is one more way of keeping our storm sewers a little bit clearer and the ability to increase capacity for storm sewers. As a demonstration project, this will hopefully be a success and we will be able to utilize this material throughout the city.

Mr. Phelps asked if this material will be placed strictly on Barker Avenue. Mr. Thiede advised that this will be placed on the 200 Block of Barker Avenue just along the commercial strip area.

Mr. Phelps commented that this is where there would have been a grass or asphalt median. Mr. Thiede stated that this is correct and advised that there will still be a six foot wide sidewalk next to the building. This median will be between the sidewalk and the curb and will be a different color to designate the difference between walking and pavement.

Lake Hills Stormwater Separation Project

Mr. Maurer advised that they have reviewed the lift station shop drawings for this project and it is on hold pending finalization of the agreement with Weil-McLain for the purchase of the lift station site.

Mr. Maurer advised that the contractor opted to submit the shop drawings ahead of having a contract. The lift station is one of the first things required in the project, so he was trying to get a jump on things.

Mr. Walus reminded the Board that there was some discussion at the last meeting regarding the property acquisition and Attorney Nelson got involved rather aggressively. The property acquisition agreement was signed last Friday (March 23rd) and we are working with Ticor Title Company to schedule the closing this week.

Mr. Phelps asked if the paperwork needs to be recorded first. Attorney Nelson advised that, as soon as we close on the property, the contract will be awarded.

Underground Storage Tank Remediation

Mr. Maurer advised that the work is complete and he has recommended, in his letter of March 21st, the Board's approval of Pay Request #1 of Delco, Inc. for the original contract amount of \$48,430.00.

Mr. Maurer advised that the paperwork and the punch list work as been completed so he is also recommending approval of Change Order #1 of Delco, Inc. in the amount of \$1,474.00, which covers three additional work items and one cost credit item. Additionally, he is recommending Pay Request #2 of Delco, Inc., which covers the cost of Change Order #1.

Mr. Maurer advised that he has all of the contract and closeout documents from Delco, Inc. such as final waiver of lien, two other assurance statements from Delco, Inc. as well as final waivers of lien from the three subcontractors and a Consent of Surety for final payment.

Mr. Maurer recommended that the Board approve Change Order #1 and then approve Pay Requests #1 and #2 of Delco, Inc. and accept the project as complete.

Mr. Phelps entertained a motion on Change Order #1.

Mr. Strauss made a motion to approve Change Order #1 of Delco, Inc., in the amount of \$1,474.00, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Walus explained, in reference to the Change Order, that we had to move an indoor heater in the building that the tanks went into that was part of the project. In moving the heater, the design had a new flue going through a new hole in the roof because they were in different locations. Once the project began, the contractor was asked if they could re-use the existing hole for the new flue instead of cutting a new hole in the roof and then put in the equipment.

Additionally, the opacity of the tanks made it a little bit difficult to see the level of fluid in the tanks. Therefore, the other part of the change order dealt with clear site glass so, as the fluid in the tank changes, you can see exactly where it is. This was more of an operational enhancement to make sure we know where the fluid is. We worked with Mr. Maurer on these items for the low cost on the change order.

Mr. Phelps then entertained a motion on Pay Request #1.

Mr. Strauss made a motion to approve Pay Request #1 of Delco, Inc., in the amount of \$48, 430.00, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Phelps then entertained a motion on Pay Request #2.

Mr. Strauss made a motion to approve Pay Request #2 of Delco, Inc., in the amount of \$1,474.00, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Mr. Phelps then entertained a motion on acceptance of the project.

Mr. Strauss made a motion to accept the project as complete – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

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

Sandra Joseph of Christopher B. Burke Engineering reported on the following projects:

Earl Road Flood Control Facility

Ms. Joseph submitted the monthly report and advised that Tonn & Blank completed constructing the remaining portions of the trail connecting the pedestrian bridge along Earl Road as well as the installation of the collapsible bollards on each end of the bridge. There are no more scheduled work activities for the contractor at this time. They have met the last substantial completion date.

Burke Engineering will be working through the next month to work with Tonn & Blank and the District to determine any final punch list items that are outstanding as well as retainage being withheld on the wetland plug items and some of the seeding and tree and shrub items. Those inspections will be occurring in the spring as well since the one-year performance period on the wetland plugs will be due in May.

Ms. Joseph submitted Pay Request #21 of Tonn & Blank for the balance of the work on the sidewalk, pedestrian bridge and the collapsible bollards. There is no retainage withheld on this pay request and the amount of the pay request is \$30,815.71. She recommended approval of same.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve Pay Request #21 of Tonn & Blank, in the amount of \$30,815.71, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Ms. Joseph then reminded the Board that Change Order #14 extended the last Substantial Completion Date to April 30, 2007 because it was thought that it would take a lot longer to get the bollards in, but they came in quite quickly. Therefore, as of March 9th, Tonn & Blank had completed the sidewalk and installation of the bollards and the pedestrian bridge.

Ms. Joseph submitted the Certificate of Substantial Completion for meeting that last completion date for the project and recommended approval of same.

Mr. Phelps asked about if there is a punch list on the project. Ms. Joseph agreed and, as she has indicated, there will be a more detailed punch list inspection with the District and Tonn & Blank.

Ms. Joseph stated that it is already known that there are concerns with the small split-rail fence along Hitchcock Road. There are some fence sections that need to be looked at.

Mr. Phelps explained that this document is under the contract documents that the engineer has set up for approval and is something that the Board should execute if it agrees that the project is substantially complete. The engineer has stated that it is.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve and execute the Certificate of Substantial Completion, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Ms. Joseph advised that the document does indicate what was just discussed that there is a tentative punch list attached to it and there will still be a final inspection with the District and the contractor for any final punch list items.

Lafayette Storm Outfall

Mr. Walus advised that the permits have been received and we are waiting for property acquisition to proceed on the project.

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

The following departmental status reports were given:

AI Walus

In reference to the Trail Creek Watershed, Mr. Walus distributed a copy of the cover of the report and explained that it is the almost final draft version that was submitted to IDEM. After the document was submitted, IDEM requested that one item of the implementation schedule be clarified. Chris Meador of ACE (American Consulting Engineers) has done so. Therefore, Mr. Walus anticipates receiving the approval letter from IDEM within the next couple of weeks so that we can schedule a public meeting.

Mr. Walus explained that an approach was taken with the report that shows “A Tale of Two Creeks – The Trail Creek Watershed Management Plan – A Guide for Cleaner Water”. He explained that the picture on the top of the report cover shows what Trail Creek looks like during dry weather, which is a nice cleaner water looking type of creek. After heavy rain, a lot of sediment and sand is carried down into the creek so the bottom picture shows a very different view of the creek during those different weather conditions.

Mr. Walus explained that, in the report, they tried to document priority areas that we can work on to start addressing sediment problems so that we can begin to have measurable improvements in the quality of the Trail Creek Watershed.

He went on to explain that the beginning of the report was made to read somewhat like a book. It includes a reproduction of the 1869 lithograph that was done of the harbor area as well as some historical elements of Trail Creek such as a picture of the Hoosier Slide and maps of the watershed.

The first 60 pages or so are actually the text of what was done, who met, input back from residents, and recommendations of what to do. The back includes all of the appendices which are the technical requirements of flow modeling, testing that was done, and comparisons of observed pollutants to recommended levels.

Mr. Walus advised that he is very excited about the report. One key to the success was the great involvement from the regulatory agencies, both IDEM and the DNR. There were three staff members from IDEM assigned to work with the committee as well as a DNR Non-Point Source person who proved very valuable in helping the committee put together the report.

Mr. Walus advised that there was also good input from local citizens, the Unity Foundation, Save the Dunes Council, Tony Ekovich (a local farmer) and some La Porte County agencies.

Mr. Walus advised that copies of the report will be reproduced for the Library, the Senior Center, and City Hall as well as sending it to some of our stake holders. A meeting will be scheduled in mid- to late April to have the approved plan distributed throughout the community to then begin implementation.

Mr. Phelps asked when the Board will have an opportunity to look at the report. Mr. Walus advised that it will probably be ready within the next two weeks. There are a few small typographical errors to be corrected as well as including the updated implementation part of it so that it can be reproduced to be sent out.

Mr. Phelps asked what grants are available on something like this. Mr. Walus advised that he will be talking about the Great Lakes Basin Erosion Control later in the meeting. There may be other grants that they may be able to apply to through private foundations as well as through different federal agencies.

Mr. Phelps asked about Coastal grants. Mr. Walus stated that Coastal Zone Management may have different grants. He believes that the Planning Department is in line for approval for Stream Bank Restoration in the Karwick Nature Park area. There are many different agencies.

Mr. Walus stated that Planning Director John Pugh spoke somewhere recently about some of the things that are going on in Trail Creek. There has been a lot of momentum and a lot of people contacting the committee to say they want to get involved in working on the implementation part of it.

Mr. Phelps asked what we will eventually be required to do as far as the heavy stormwater discharge points into Trail Creek. Mr. Walus stated that this is something that they are starting to look at addressing this year with the Great Lakes Basin grants that have been applied for.

Mr. Walus advised that the new outfall on the Lafayette/Barker Project has included stormwater treatment. This was one of the selling points with the DNR. There is a 78 inch diameter stormwater pipe going into a water quality treatment unit specially designed for the flow and application before it goes into Trail Creek.

Therefore, in new outfalls, we are looking to do water quality treatment in water drainage systems by including a stormwater quality treatment in those designs. Then we will have to go back and retrofit existing sewer systems.

In reference to the Springfield Regional Sewer District, 1000 North Corridor Project, Mr. Walus advised that he and Attorney Nelson have had conversations with respect to the individuals on that project.

Mr. Walus explained that the property owned by the developer that potentially would connect to a system at 1000 North is not currently in the Springfield Regional Sewer District. In the discussions those owners have had with the Springfield Regional Sewer District, they decided not to be annexed. Additionally, Mr. Walus had a conversation with Tony Ekovich representing the Springfield Regional Sewer District and Mr. Ekovich indicated that they were comfortable with that decision.

Mr. Walus advised that the 1000 North Corridor Project potentially would come directly to the Michigan City Sanitary District outside of any connection to the Springfield Regional Sewer District. Therefore, future references to that project will not include the Springfield Regional Sewer District.

Mr. Walus further advised that the 1000 North developers intend to enter into an agreement with the mobile home property for an easement to be able to run the sewer across the front of his property. Attorney Nelson and the District have already been contacted by the attorney for the developers. Potentially, at the next meeting in April, there may be more information on private sewer use agreements between the developers and the District.

Mr. Phelps asked what the developer is putting in. Mr. Walus explained that he will be having some type of private lift station on his property and they will have to pump over to somewhere near Meer Road and Highway 12 via force main to some gravity manhole. Mr. Walus stated that he imagines that there would be a gravity manhole, probably east of Meer Road, so the mobile home park can put their waste into a gravity manhole.

Mr. Phelps asked if the development is for one or two-family dwellings. He commented that he heard something on the radio this morning about a residential development in the area of Highways 212 and 12 and he wondered if this is the same thing. Mr. Walus advised that this development is further down 1000 North east of Meer Road. He

explained that there are a couple of homes there now and they are looking to subdivide the area. He did not recall exactly how many homes they will have there.

Mr. Walus explained that the developer will have to have some type of pumping mechanism to get the flow over to Highway 12. However, it appears that he is close to making an arrangement to have an easement off of the mobile home property.

Additionally, IDEM would be very supportive of that because they have been working with the mobile home park to convert on-site treatment there to a connection to the Sanitary District. Therefore, we have the potential not only for this developer on 1000 North, but also the mobile home park.

Mr. Walus explained that the District has also had phone contact from businesses further east on Highway 12 for future connection so it looks like this could be a very good project for the District.

Mr. Walus hoped that he will have more information next month with regard to the private sewer agreement with the 1000 North developers.

In reference to the Great Lakes Basin Erosion Control Grant Application, Mr. Walus displayed some drawings and explained them as follows:

A map that encompasses where Trail Creek is right now, which meanders through the Karwick Nature Park area, under the South Shore railroad tracks, under Springland Avenue through the Pottawattomie Park Golf Course, under Liberty Trail just south of the EPA Superfund Site under Peanut Bridge to the WWTP and then it continues on to the marinas and Lake Michigan.

There is an open ditch which is the discharge of the old Cheney Run System and it has somewhat a brownish tint to it. A large part of the urban area of Michigan City drains to storm sewers that discharge at this point. There is a 108 inch diameter storm sewer that converts to the open ditch which contains brown sediment-laden water that is all the stormwater drainage from a large part of Michigan City and Trail Creek.

The water at Trail Creek is more of a dark blue color with the sediment-laden stormwater coming into Trail Creek.

Mr. Walus explained that one federal entity that is looking at improving water quality in the Great Lakes Basin is the Great Lakes Basin Commission. They have a grant program to reduce sediment deposition into waters that discharge into Lake Michigan.

Mr. Walus pointed out an area on the map near the Michigan City Area Schools Administration Building on South Carroll Avenue where there is a large low-lying area

which used to be the open stream Cheney Run. This was piped many years ago in a 108 inch diameter pipe underground.

Mr. Walus advised that we propose to capture the water underground from the storm sewer and pump it onto the ground. We would pump the water from underground and let it cascade over some glacial stone in a man-made ripple to achieve some aeration of the stormwater. Initially it will pool in an area with wetland plantings around it. The pool will cascade through the ripple, come to a second pool going over another ripple and then meander down a man-made stream where it will go into an inlet back down into the storm sewer.

As stormwater underground, with sediment, is coming to one point, it will be pumped onto grade which acts as a water quality component to help remove the sediment from the water before we put it back in the storm sewer. Our goal is to keep the sediment out of the Cheney Run Ditch, which ends up in Trail Creek, by capturing it at a man-made above-ground water quality treatment system with wetland plants.

We have looked at different types of wetland plants, with a prairie wetland proposed in one area and a forested wetland in another area.

Therefore, using the available civil engineering calculations, Dave McCormick of Burke Engineering calculated how many pounds of sediment we have proposed to remove from the stormwater stream going into Trail Creek.

Mr. Walus advised that we have submitted a grant application for \$80,000 to help pay for the cost of constructing what we are calling the Cheney Run Wetland Education Center right next to the School Administration Building.

Mr. Walus advised that we have submitted a second grant application that involves the area on the north side of Trail Creek at the WWTP. There are two sludge lagoons on the north side of Trail Creek. The south sludge lagoon is currently active being used as a storage area to dry our solids from the wastewater process. The north lagoon is abandoned which just holds water and is more of a nuisance to the District. We have prepared a proposal to convert the north sludge lagoon into a wetland stormwater treatment center.

There is a large urban area to the west of the lagoon with all of the water draining to an open ditch along side the railroad tracks, which goes directly into Trail Creek. There is a lot of oil film on this ditch. Rather than having the sediment-laden polluted stormwater go right into Trail Creek, we would divert that into the proposed constructed wetland. We will put a 48 inch pipe connecting our new constructed wetland to Trail Creek so that all of the drainage from the area would go into the water quality treatment wetland cells before going into Trail Creek. Again, we have calculated the amount of pounds/tons of sediment we can keep out of Trail Creek.

Mr. Walus explained that the level in Trail Creek rises as we have heavy rainstorms. Another benefit would be that Trail Creek would be able to flood through this pipe into our wetland basin and then we would get sediment deposition from the water from Trail Creek into the basin.

Mr. Walus advised that we have applied for two grants and we hopefully expect to hear by the April meeting from the Great Lakes Basin Commission on whether or not we are successful.

Mr. Walus explained that these grants are only available to communities and areas that drain into the Great Lakes. In the State of Indiana, that is just a very small portion along the southern rim of Lake Michigan as well as a northern section of Indiana that drains northeasterly toward Michigan and Ohio.

Mr. Walus advised that he has met with some of the program administrators and they seemed hopeful that we would have an opportunity to get funded in one, if not both, of the grants because it is not a very large area in Indiana. Generally, they try to make awards to each of the different states.

Mr. Walus advised that we would be competing primarily with other entities within the State of Indiana that may have applied this year. We are hopeful to get one of those, if not both.

Mr. Walus explained that some of the local matching funds would be the time that our staff would contribute with earth moving, cleaning and that type of thing. We tried to use matching funds by utilizing our own personnel to do some of the construction to go toward the match on the \$80,000 grant.

Mr. Phelps asked what happens to all the material that is continually being pumped out onto the land. Mr. Walus explained that, eventually where some of the pools where the sediment settles out, we would have to periodically go in to remove the sediment. At this point, our only option is to try to get some type of large equipment into the current discharge area which is a very marshy area along the railroad tracks or construct a road over the marsh.

Mr. Walus explained that we had to dredge the channel approximately 15 years ago which resulted in a significant removal of trees on the bank. We had to mitigate and replant new trees. So our option is to somehow manhandle heavy equipment into the middle of a marshy forest or try and capture the sediment in an area where we have better access.

Mr. Phelps agreed that it is a much better idea. He was just asking because he was wondering how much of this sediment would build up and how often it would need to be removed.

Mr. Walus stated that the application for these grants is somewhat the first part of the implementation of the Trail Creek Watershed Management Plan by addressing existing urban stormwater that goes directly to the creek and getting some treatment.

Dan Olson

Mr. Walus advised that Mr. Olson was unable to attend today's meeting. However, he has advised that there were no violations of the NPDES permit or CSO events during the month of February and that a copy of the monthly reports were included in the Board's packets.

In reference to the Headworks Project, Mr. Walus also advised that the Board packets also included a letter from Fairbanks Morse dated March 14, 2007 to Mr. Olson.

Mr. Walus reminded the Board that there were discussions at the last Board meeting about the different material that was included on one of the pump shafts that Fairbanks Morse has replaced. They provided the letter to the District to protect us in the event that we find any other unusual material components that were not part of the original contract. Mr. Walus advised that Mr. Olson reviewed the letter with Don Voogt of McMahan Associates.

Mr. Walus advised that there is also a Final Pay Request from Fairbanks Morse. Mr. Voogt and Mr. Olson have both recommended that the Board approve the final payment of \$31,023.66.

Mr. Phelps stated that he is still a bit uncomfortable on the matter. He asked Attorney Nelson's opinion. Attorney Nelson stated that the letter is nice but it is a letter.

Attorney Nelson advised that the safest way to protect the District would be for the language to be in a contract addendum indicating that they will provide the additional coverage. If it is an actual addendum to the contract, it then becomes part of our contract documents. Attorney Nelson stated that a letter is just not enforceable.

Mr. Phelps commented that he was thinking about a bond or something but he wasn't sure if the District should go to that extreme. Attorney Nelson stated that a warranty is simply a contract between you and the person you have purchased something from. This is basically an extended warranty. To do that by way of an addendum to the contract would be satisfactory. He doesn't believe that a bond would be necessary and would probably be a little extreme.

Attorney Nelson stated that this letter indicates their intent to warranty the product but it is a non-binding document. It does not become part of our contract simply because they wrote it and said they would do it.

Attorney Nelson stated that this opinion is from a purely legal standpoint. His guess is that, if the product goes bad and this letter is produced, the vendor would probably come in and take care of it. However, Attorney Nelson's point of view is that it is not binding. Mr. Phelps agreed and stated that the Board has the responsibility on behalf of the City to make sure that this matter is addressed.

Mr. Walus suggested that the matter could be held over for one more month to have Mr. Olson work with Mr. Voogt to have an addendum to the contract presented at the next meeting. Attorney Nelson stated that it is not a complicated issue. The Board agreed to hold the matter over.

Mr. Phelps asked about the Final Pay Request. Mr. Walus suggested that this also be held over until next month. All were in agreement.

Mr. Walus had nothing further to report on behalf of Mr. Olson and everything else will be held over until next month's meeting.

Mike Hoffman

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

In reference to MS4 Update, Mr. Hoffman advised that it was previously reported that ordinances which enable the MS4 Program in Michigan City have been passed by the City Council and have been signed by Mayor Oberlie. Since that last Board meeting, the City of La Porte has passed their ordinances. This leaves one ordinance to be passed by the Town of Trail Creek and the three ordinances to be passed by La Porte County before the MS4 Group can seek IDEM's approval to administer the Rule 13 Program locally.

The 2006 Annual Report was completed and submitted by the MS4 Group. Some small amount of feedback on the Annual Report was that it was not as thick and burdensome as some other people submitted and they liked that.

Mr. Hoffman advised that the Board packets included the Annual Report of the Sanitary District of Michigan City for the Industrial Pretreatment Program. Mr. Hoffman stated that the Board should not think of it as a very sparse annual report. He explained that it is basically a stylized form that IDEM requests that we fill out. They have a guidance that this is exactly what they want. If it looks unlike some other annual reports, it is done so on purpose. It actually contains all of the information that IDEM wants in places where they can easily retrieve it. Therefore, everybody's annual report looks like this one and it is what IDEM wants.

Mr. Hoffman then distributed a handout and explained that Michigan City is one of 45 cities in the State of Indiana that administers industrial permitting to those industries that

discharge to the Sanitary District. For all of the rest of the municipalities in the state, IDEM handles their permitting. However, part of the District's NPDES Permit requires and allows us to permit our local industries.

Mr. Hoffman explained that the types of people that are permitted is: someone who discharges an average of 25,000 gallons per day, or more, of processed wastewater, excluding sanitary, non-contact, boiler blow down, which would make them a large Significant Industrial user; someone who contributes a process waste stream which makes up five percent (5%) or more of the average dry weather hydraulic or organic capacity of the POTW (Publicly Owned Treatment Works) which would make them a Significant Discharger; or has a reasonable potential to adversely affect the POTW's operation or violating a pretreatment standard.

Mr. Hoffman explained that there are certain industries which, by their very nature, the federal statutes call Categorical Dischargers. This would be metal finishers, electroplaters, certain aspects of grey-iron foundries. They are required by federal law to receive a permit from the Sanitary District. Those categorical standards contain different numerical limits for each one of the categories. Electroplaters would have a discharge requirement for Zinc at 4% whereas a metal finisher might have a Zinc discharge limit of 1.5 mg/L.

Therefore, the federal law establishes categorical pretreatment limits and Michigan City's Sewer Use Ordinance has local limits which the District applies to those non-categorical industries.

Mr. Hoffman advised that Sue Claussen is the District's Pretreatment Coordinator and he cannot recall when the last time the District had a serious deficiency in our Pretreatment Program. She does an excellent job. Additionally, Michigan City's industries in town are always to be commended for going the extra mile.

Mr. Hoffman explained that we have industries in town that become agitated when they start to approach half of what they are allowed to discharge. They have bought into the program that what they are discharging could adversely affect the Sanitary District. Additionally, there are serious repercussions if something that they give the Sanitary District would pass through the treatment plant and end up in Trail Creek.

Mr. Hoffman gave an example of the Town of Anderson, Indiana and the White River Fish Kill where an industrial user discharged a chemical that passed through the treatment plant and essentially killed the treatment plant and then killed massive amounts of fish in the White River. There is no trouble like environmental trouble and they do everything they possibly can to avoid that.

Mr. Hoffman advised that the handout also includes a listing of the 45 municipalities in Indiana that are permitted and required to run this program as well as a few things in reference to how you go about doing so.

Jim Kintzele

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

Attorney Bill Nelson

Attorney Nelson then submitted four delinquent accounts, in the total amount of \$808.78 to be recorded as liens which require Board action.

Mr. Phelps entertained a motion on the matter.

Ms. Paul made a motion to approve the accounts to be recorded as liens in the amount of \$808.78, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Attorney Nelson had nothing else to report at this time.

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

Ms. Paul made such a motion – seconded by Mr. Strauss. No discussion or comments on the motion. Motion carried 3 – 0 in favor.

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

Mr. Strauss made such a motion – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Old Business

In reference to the Beck Ditch Easement Reduction for Phase 6 of Tryon Farms, Mr. Walus stated that this matter was approved at a previous meeting and he submitted the document that needed to be signed in order to record the easement. Attorney Nelson added that this is just the paperwork that confirms the approval at last month's meeting.

Mr. Phelps entertained a motion on the matter.

Mr. Strauss made a motion to approve and execute the document, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

In reference to the Bike Trail Property Transfer Deed, Mr. Walus explained that, over the past couple of years, the District has been working with the Redevelopment Commission, the City of Michigan City and the Park Department regarding transfer of property from the South Shore Railroad to the Sanitary District and then an apportionment of that real estate to different entities.

Mr. Walus explained that City Attorney John Espar and his staff have prepared the legal deeds to finalize the transfer of these properties and asked that the Board execute the documents at today's meeting.

Mr. Phelps commented that these were previously executed but there was a clarification needed as he recalled. Mr. Walus agreed and explained that there was an improvement made on a legal description in order to make it easier for people in the future to understand it.

Mr. Phelps entertained a motion on the matter.

Mr. Strauss made a motion to approve the execution of the document, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

New Business

There was none.

The next regular monthly meeting of the Board of Sanitary District Commissioners –
April 25, 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