

REGULAR MEETING, BOARD OF SANITARY DISTRICT COMMISSIONERS
WEDNESDAY, MAY 28, 2008 – 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., Judith A. Paul, Boyd W. Phelps and Ronald J. Strauss. Commissioner Linda G. Simmons entered later in the meeting.

Staff Members present for the meeting were:

Alan J. Walus, General Manager
Daniel R. Olson, Plant Superintendent
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., Attorney, Braje, Nelson & Janes, LLC

Also present for the meeting were:

John Schaefer, City Controller
Charlie Cate, Central Maintenance Superintendent.
John Doyle, John A. Doyle & Associates
Jim Maurer, Haas & Associates
Todd Bell, Woodruff & Sons
Andre Steele, ALCO TV

Mr. Phelps entertained a motion in reference to the minutes of the Regular Meeting of April 30, 2008.

Ms. Paul made a motion to approve the minutes, 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 submitted the monthly reports and advised that, for the year-to-date ending April 30, 2008, the utility funds have a profit of approximately \$49,000, after adding back depreciation. This is compared to a \$22,000 loss at this time last year. Therefore, the funds are approximately \$71,000 better than they were last year at this time.

Mr. Schaefer anticipated that the tax funds will finish out in the black and pointed out that this is the final year for the bond payments from the Bond Fund. He had nothing further to report.

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

Mr. Phelps entertained a motion to approve the financial report provided by Mr. Schaefer.

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

Mr. Phelps then thanked Mr. Schaefer for his report.

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

**FINANCIAL STATUS – SANITARY DISTRICT
May 23, 2008**

OPERATION & MAINTENANCE FUND #6201	\$215,744.10
SEWAGE WORKS SINKING FUND #6207	\$1,530,198.81
SEWAGE WORKS IMPROVEMENT FUND #6208	\$275,520.83

Public Comment

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

The following status reports were given:

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

Mr. Doyle advised that he has submitted his Proposal for Continuing Engineering Services for miscellaneous projects, as has been done in years past.

Mr. Phelps advised that the Board has just received these engineering proposals and Mr. Walus has not had the opportunity to perform the review and comparison that has also been done in the past.

Mr. Phelps advised that all of the proposals for continued engineering will be taken under advisement at this time.

White Oak Drive Storm Sewer

Mr. Doyle advised that the project is basically complete. The surface asphalt was placed on the street last Thursday (May 22nd). The contractor was in yesterday to do the seeding. There will still be a walk-through done and there are still some minor adjustments that need to be done.

Meer Road South Sanitary Sewer and Water Main Extension Project

Mr. Doyle advised that this project is in the same situation. The contractor is doing the seeding on the east side and they had approximately half of the west side done last week. The contractor should finish up the rest of the west half today.

Mr. Doyle advised that he has been in touch with the South Shore Railroad (NICTD) asking them to perform a little cleaning of their ditch running west off of Meer Road for approximately 300 or 400 feet so that there can be a bit better drainage off of the new ditch system.

Mr. Doyle advised that everything seems to be in good shape and it should be ready to pave with surface asphalt by the end of next week. Mr. Doyle pointed out that the final paving is the County's responsibility.

Freyer Ditch – Gardena Street Storm Drainage Improvement Project

Mr. Doyle advised that Mr. Walus has information on this matter.

Mr. Walus advised that the District has received a copy of a public notice issued by IDEM regarding our permit application for this work. There is currently an open public comment period which closes on May 30th regarding the proposed mitigation plan with regard to the work we are doing with Freyer Ditch. Mr. Walus explained that we have been working with Sarah Wright of Christopher Burke Engineering to obtain the permit.

Mr. Walus advised that IDEM generally would not issue a public notice comment period unless they are fairly comfortable with the plans submitted.

As Mr. Walus previously advised, the closing date for the public comment is Friday, May 30th. Potentially, after that, IDEM would be in a position to issue a permit for the Freyer Ditch Project.

Mr. Phelps asked about the length of time that it normally takes for IDEM to issue the permit. Mr. Walus advised that they usually can process the permit rather quickly.

Mr. Walus explained that the District's consultants will be speaking with IDEM next week to see where they stand. We should then be in a position to issue the Notice of Award to Woodruff & Sons and to work with the Board of Public Works & Safety to get the Letter of Understanding Agreement in place.

Mr. Phelps asked if we could get the Letter of Understanding ready for the next Board of Works meeting. Mr. Walus advised that he could do so.

Mr. Phelps suggested that the Letter of Understanding contain language that approves the funding subject to issuance of the permits, in an effort to avoid delaying the project any further. Mr. Walus agreed.

Mr. Doyle asked the Board to consider issuing the Notice of Award to the contractor, assuming that everything falls into line, so that they can begin to submit their paperwork. Mr. Phelps agreed adding that this should be subject to approval of the permits by IDEM. Attorney Nelson agreed as well.

Mr. Phelps also stated that a special meeting could be set if necessary.

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

Mr. Phelps thanked Mr. Doyle for his report.

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

In reference to the Proposal for Continuing Engineering Services, Mr. Phelps advised that this matter is under advisement.

Wabash/Washington Sewer Separation Project, Phase 2C

Mr. Maurer advised that the pavement striping has been done but there are no final pay requests to submit at this time.

Lake Hills Storm Sewer Separation Project, Phase II

Mr. Maurer advised that the pre-construction meeting is scheduled for tomorrow (May 29th) at 2:30 p.m. and the contractor, H&G Underground, anticipates starting the project in approximately three weeks.

Mr. Phelps asked where the pre-construction meeting is to be held. Mr. Maurer advised that it is to be held in the Sanitary District Administration Building Conference Room.

Mr. Phelps advised that the City also has work to do on this project such as paving. He asked for some idea of a timetable that the contractor expects to follow. Mr. Maurer explained that the contract provides for substantial completion by October 21, 2008 and final completion by November 20, 2008. Therefore, paving will most likely be in between these dates.

Mr. Phelps asked Mr. Maurer if they could try to speed up the process a bit to make sure the paving gets done. Mr. Maurer advised that he would pass on the information.

Palatek Sewer Extension Project

Mr. Maurer advised that HRP Construction is the contractor and a Notice of Award has been issued requesting the return of contracts and bonds, insurance certificates and the City Local Hiring Agreement. This paperwork will most likely be submitted by the next Board Meeting.

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

Mr. Phelps thanked Mr. Maurer for his report.

Referencing the previous discussion on the Freyer Ditch Project, Mr. Walus stated that Woodruff & Sons was the lowest responsive and responsible bidder. Mr. Walus then explained that Attorney Nelson requested that the Board consider a motion to allow the preliminary Notice of Award prior to the next meeting subject to the Board of Works funding and IDEM permits.

Attorney Nelson added that this could matter considered if the Board chooses to move forward before a special meeting is set, the Board should take action by motion to do so.

Mr. Phelps entertained a motion on the matter.

Dr. Jones clarified that all the Board would be doing at this point is authorizing the issuance of the Notice of Award to Woodruff & Sons pending IDEM permits. Mr. Phelps and Mr. Walus agreed.

Dr. Jones then made a motion to authorize the issuance of the Notice of Award to Woodruff & Sons subject to receipt of final IDEM approval and permits – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Walus then clarified that this authorization will allow Woodruff & Sons to proceed with getting their bonds and paperwork in order so that the contract can be brought back to the Board for final approval, with an ultimate Notice to Proceed at a later date.

Mr. Walus pointed out that no work can proceed until the Notice to Proceed is issued.

Dave McCormick of McCormick Engineering, LLC approached the Board.

In reference to the Proposal for Continuing Engineering Services, Mr. Phelps advised that this matter is under advisement.

Mr. Walus explained that Mr. McCormick has opened his own new engineering consulting firm, McCormick Engineering, LLC. Mr. McCormick has demonstrated outstanding capabilities as a consulting engineer with his work through Burke Engineering. McCormick Engineering is located in South Bend.

Mr. Walus advised that Mr. McCormick was asked to submit a proposal with an hourly, on-call rate sheet for some of the non-standard drainage analysis, similar to what is asked of the other consulting engineering firms.

Mr. Walus stated that Mr. McCormick was asked to submit this proposal as well as to appear at today's meeting to re-introduce himself to the Commissioners.

Mr. Phelps and the Board Members welcomed Mr. McCormick and thanked him for his attendance.

In reference to McMahon Associates and Christopher Burke Engineering, Mr. Walus advised that the agenda items for both of those firms were also in reference to their proposals for continuing engineering services for the coming year, which are under advisement.

The following departmental status reports were given:

Al Walus

In reference to the Trail Creek Watershed, Mr. Walus advised that the Board packets included a brief summary of a few things.

Mr. Walus explained that he and Dave McCormick appeared before a high school environmental class to provide a lecture on watersheds. The La Porte County Soil & Water Conservation District allowed the use of their Enviroscape, which is a table-top demonstration unit which demonstrates different aspects of the watershed. It displays how the changing land uses in the watershed could result in additional pollution in the waterways.

Mr. Walus advised that Mr. McCormick came along to assist in the lecture, which was very well received by the class participants with a hands-on activity. Mr. Walus explained that a spray bottle was used to help simulate rainstorms. This helped to show the erosion of farmland and residential land into the waterways, as well as industrial pollution into the streams. Therefore, they were able to demonstrate how different land uses impact water quality.

Mr. Walus advised that the Board packets also included the 11" x 17" handout that was presented to the class that addressed the different components of the hands-on demonstration that was given to the class. Mr. Walus explained that this was just a way to help the students more fully understand that the activities that they do impacts their watershed.

Mr. Walus advised that, during the question and answer session, the students asked some great questions about some of the large parking lot properties around Michigan City. They also brought up the construction that they saw in different parts of town and why people were tearing trees down and what is being done to mitigate the runoff from that. The students were very engaged and it was very rewarding to get the message out there about the watershed.

In reference to the Welnetz Road/Roeske Avenue Sanitary Sewer Project, Mr. Walus advised that he spoke with Rick McVay of the County Highway Department. Mr. McVay

has agreed to meet with Mr. Walus and Mr. Doyle to discuss potential drainage improvement as related to the potential sanitary sewer project.

Mr. Walus anticipates that he and Mr. Doyle will be meeting with Mr. McVay in the next couple of weeks to see if we can keep moving forward.

Mr. Phelps thanked Mr. Walus for his report.

Dan Olson

Mr. Olson advised that there were no violations of the NPDES permit or CSO events during the month of April. The reports have been mailed to the State.

Mr. Olson also advised that, during the month of April, there were 1,731 tons of sludge removed from the sludge lagoons for a total cost of \$32,794.00. This was the done as the annual spring sludge disposal plan.

Mr. Olson advised that the Board packets included an Anti-Degradation Briefing and offered his assistance if the Board had any questions. There were none.

Mr. Olson then advised that the State Workgroup is proceeding and IDEM is taking all of the comments that were submitted on the proposed rule. There will then be another meeting in the middle of June or the second week of July, which Mr. Olson will attend.

Mr. Phelps asked what all is comprised in the Great Lakes Basin. Mr. Olson explained that, in Lake County, it goes down as far as somewhere between Crown Point and Lowell. From that point it begins to move up and that it basically follows the Toll Road in La Porte County and everything north.

Mr. Phelps asked if it was across the state. Mr. Olson explained that there is one spot in Northern Indiana that is not in the Great Lakes Basin and then it comes back down and picks up the Lake Erie Basin over by the state borderline.

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

Mr. Phelps thanked Mr. Olson for his report.

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 or lost time injuries in the last month. This makes 23 months with no lost time.

In reference to the Safety Report for the Refuse Department, Mr. Hoffman advised that there was one short-term lost time injury in the last month. However, the Refuse

Department continues to have two employees currently off of work on long term workers' compensation.

In reference to MS4, Mr. Hoffman advised that the MS4 Advisory Committee met on May 14th for the monthly meeting.

MS4 Coordinator Rick Brown reported to the Committee on plan reviews and site inspections for both Rule 5 and Rule 13. On-going projects were discussed as well as future projects. This gives the Committee an opportunity to point out things that they have seen and may have been privy to that might be coming up so that Mr. Brown can keep an eye on them. Mr. Hoffman explained that not every project that is seen requires an MS4 permit because of the trigger of one acre.

Discussion was held concerning an inlet protection study using several different donated erosion protection technologies. This is in an effort to go beyond the filter fabric and silt fence frequently seen. These devices are being used in the City of La Porte project with the approval of the City of La Porte, INDOT, and the project contractor. We are looking forward to the results of this testing.

Mr. Hoffman explained that there are five different inlet protections from different vendors that were donated by one vendor and they are all being tried out in different locations. This is in an effort to try to go beyond just sticking filter fabric underneath an open grate or putting some straw bales around and some silt fence. Everyone is anxious to see how well it works.

Mr. Phelps thanked Mr. Hoffman for his report.

Sue Claussen – Pollution Prevention Coordinator

Ms. Claussen's report will be held over until next month's meeting.

Jim Kintzele

In reference to tonnage, Mr. Kintzele advised that the compacted trash is down 122 tons and the loose trash is down 93 tons for a total of a 215 ton reduction for the first three months of the year.

Mr. Kintzele stated that he believes that this is exceptional because, a year ago in 2007, we were a total of almost 1,000 tons lower than we were the year before in 2006. Mr. Kintzele pointed out that, if this carries on this way, it will be very good for the department.

Mr. Kintzele believed that much of this reduction is due to recycling and hopefully there will be much more recycling in the near future due to newer, larger containers.

In reference to Spring Cleanup, Mr. Kintzele advised that there was a grand total of 332 tons that were picked up to be taken to the landfill. There was \$9,800 spent in dumping fees. There was reimbursement from the Sanitary District and the Street Department. There were 300 loads taken to the Hitchcock landfill. All three departments worked well together.

Mr. Kintzele pointed out the observance of some employees. He explained that there was an employee on one of the refuse trucks who did not drive the truck very often. However, when this driver took the truck to be dumped at Kingsbury, he looked at the tare rate on the ticket and commented that there would be no way that this could be the right tonnage.

After the truck was checked, it was discovered that the tare rate was 4,000 pounds less than what was being shown. Therefore, for all of this time, the department has been paying for two ton extra for every load that this truck took to Kingsbury.

Mr. Kintzele advised that he met with Waste Management and they have agreed to pull all of the records going back over the last nine months.

Mr. Kintzele stated that, because he has an observant employee who noticed this, the department will be saving some money.

Mr. Kintzele advised that he will report back to the Board once all of the information is gathered with hopes of recognizing this employee in the future.

Mr. Kintzele then advised that the Workers' Compensation insurance carrier visited the department to observe the employees working and a very good report was received. Mr. Kintzele advised that the only comment made is that the employees are not wearing the safety vests as they are supposed to but this is being corrected.

Mr. Kintzele advised that the Special Pickup Non-Reverting Fund balance is currently \$77,000 for future use.

In reference to provision of dumpsters, Mr. Walus explained that the Board packets included a map of the city, as well as Ordinance #4022 (Dumpster Provision). Mr. Walus explained that the Michigan City Common Council approved Ordinance #4022 at their meeting on May 7, 2008, which amends the previous ordinance regarding trash collection.

Mr. Walus explained that one of the components of this ordinance concerns new language about standards for containers, reading as follows: *"The only container that may be used must be a cart that the city will supply. In some cases, where numerous carts are needed, such as apartment complexes, the City may, at its discretion, provide dumpsters for the garbage, trash or rubbish."*

Mr. Walus advised that Mr. Kintzele has looked through the city and identified seven apartment complexes: Marina Park, Housing Authority, Queens Apartments, Tall Timbers, Edgewood Apartments, Woodland East and Coolspring Estates, as areas that presently have a large number of garbage cans. Therefore, it is Mr. Kintzele's recommendation that we convert these areas to dumpsters.

Mr. Walus stated that the Board packets also included photographs of a typical 6-Yard trash bin. Mr. Kintzele reviewed each of these locations with a Waste Management representative.

Mr. Walus advised that the proposal before the Board is either a 6-Yard bin as shown in the photographs or a smaller 4-Yard bin that would replace a number of the garbage cans at these different apartment complexes.

Mr. Walus explained that the residents at these complexes currently place their trash in any number of cans stationed around the apartment complex. However, the new methodology would be for the residents to place their garbage into a trash bin. Then, at a regular weekly interval, Waste Management would come to empty the bins with a front-loaded tipper pursuant to the proposal that they have submitted.

Mr. Walus then explained that the Board packets also included the pricing summation and breakdown from Waste Management regarding the quantity of bins, size of bins and the unit cost for providing this service. Mr. Walus advised that the information from Waste Management was also submitted to the District's legal counsel for review.

Mr. Walus advised that the proposal from Waste Management is a five-year agreement with Waste Management. He stated that staff recommends that the Board approve the proposal from Waste Management. If that were done, Mr. Kintzele would then be authorized to begin converting some of these apartment complexes from many garbage cans to the dumpster bins to handle the trash.

Mr. Kintzele added that some of these apartment complex areas have as many as over 100 garbage cans that are currently being picked up every week.

Mr. Kintzele also added that legal counsel has ruled that this proposed agreement is okay because it is under \$50,000.

Additionally, Mr. Kintzele stated that the savings will be tremendous by having Waste Management pick up and remove the trash. He stated that the District has to pay for the tonnage under the current system as well as the transportation costs.

Mr. Phelps asked for clarification on one of the columns on the pricing breakdown. Mr. Kintzele explained that this column displays the number of bins at the specific location.

Mr. Phelps then asked for clarification on the service charge per month. Mr. Kintzele explained that this monthly service charge is the flat fee. It does not mean the amount plus the tonnage, rather it is the flat rate to remove and empty the bin entirely.

Mr. Strauss asked if Mr. Kintzele had the amount of savings that would offset this fee. Mr. Kintzele advised that there would be a savings in manpower and fuel. Mr. Kintzele pointed out that this savings is greater now that fuel costs are rising.

Mr. Strauss commented that he was making sure that this would not be an extra cost. Mr. Kintzele advised that we would be saving more.

Ms. Paul asked if Mr. Kintzele would be able to track the cost savings. Mr. Kintzele advised that he would be able to track the tonnage.

Mr. Kintzele added that he has already looked into what it would take for bins to hold what is already in place and it has been broken into tonnage, which figures out to almost \$20 just for picking up and delivery, not including labor, gas or anything else. Therefore, this will be a very good concept.

Mr. Kintzele pointed out that the District has two years to go on our other contract which states that we must deposit all of our trash at the transfer station in Kingsbury. Therefore, if the District bought the containers and had to dump them, they would still have to be taken to Kingsbury for at least another two years.

Mr. Kintzele advised that changing to the trash bins is discretionary to the department and, if the need arises for any other locations later, they can then be taken into consideration.

However, Mr. Kintzele wanted to make it very clear that this is only for apartment complexes, and not for businesses or anything else like that. Mr. Kintzele explained that the apartment complexes are entitled to five cans per unit.

Mr. Walus advised that what provides the flexibility is the language in the new ordinance that allows this to happen. Mr. Walus explained that it was previously very specific about how many cans per residence that individuals were allowed.

As Mr. Kintzele was asked by the Mayor to get involved in how we update our trash pickup ordinances in light of the assisted tippers, we thought that it was a good opportunity to include the discretionary language in the new ordinance to more efficiently handle the areas that have large number of garbage cans.

Mr. Kintzele added that this would allow him to put this practice in effect before the regular change-over to the new cans is done. Additionally, Mr. Kintzele has already established new routes that will go into effect at that time because, by removing these

complexes off of the routes, it will change the routes. Therefore, to equalize the routes, a new route procedure is being developed.

Mr. Kintzele advised that this will also mean a cleanup as part of their job. Mr. Kintzele believes that this will make the city look much cleaner, reduce injuries and will be just an overall improvement.

Mr. Kintzele commented that it is said that "if it isn't broke, don't fix it". However, sometimes you have to do things even if it isn't broke. However, this is something that should be considered, especially due to the previous injuries.

Mr. Phelps commented that it will really cut out a lot of work. Mr. Kintzele agreed but pointed out that it will mean that there will be more cleanup done of the routes.

Mr. Phelps asked if there will be restrictions such as bagging the trash. Mr. Kintzele stated that this would be up to the apartment complex. However, he believes that the residents would put their trash in bags. However, there will not be separate containers, but rather double-lidded bins.

Mr. Kintzele explained that the apartment complexes usually have maintenance people who maintain the area.

Mr. Kintzele added that it is understood that, if there are large items such as televisions, beds or mattresses, special pickups will still be done at these locations.

Mr. Walus advised that Mr. Kintzele also met with the management of each of the different apartment complexes to review the procedures. Mr. Kintzele agreed and stated that, if the Board approves this proposal today, he will begin to go to the apartment complexes beginning tomorrow. He will go to one at a time to discuss where they want the containers to be placed. Instead of having a fenced-in area, they can put up a shield or blind so that the bins won't be seen but can be picked up.

However, Mr. Kintzele stated that he will make sure that the department works with the complexes so that the department can be completely out of the picture. He noted that Waste Management representatives will be taken to these meetings at the same time.

Mr. Phelps entertained a motion on the matter.

Mr. Strauss made a motion to accept the proposal of Waste Management for collection and disposal of garbage from the apartment complexes – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

Mr. Walus advised that the next matter to discuss is the specifications for refuse cart containers. He explained that he and Mr. Kintzele have been working with Central Maintenance Superintendent Charlie Cate.

Mr. Walus explained that, in 2005, technical specifications were prepared for a vector truck. Therefore, using some of the research that Mr. Cate has done, we have somewhat modified specifications for the two-wheeled cart waste containers.

Mr. Walus advised that we are specifically looking to seek and solicit quotations for 96 gallon capacity wheel carts and 64 gallon capacity wheel carts.

Mr. Walus explained that the carts are equipped to be compatible with either the locking assisted tipplers at the back of the refuse trucks or the ANSI (American National Standards Institute) Type G Automated Lifting Arm. At this point in time, the Sanitary District is not looking to implement automated lifting arm pickup. However, there will be a 10-year warranty on these containers. Therefore, we want to make sure that whatever is purchased now can be used in the future if automated lifting is done in the future.

Mr. Walus pointed out a couple of key points in the technical specifications. The quantity of wheeled carts that we are looking for, which is primarily a quantity of 14,500 of the larger 96 gallon carts as well as smaller quantity of 500 of the 64 gallon carts. Therefore, there will be a total of 15,000 of the two-wheeled carts which will be compatible to both ANSI Type B and ANSI Type G lifters.

Mr. Walus stated that there are also sections dealing with delivery, assembly and then delivery to the customers. Another section deals with material equipment delivery by requesting the quoting entity to deliver the material and equipment to a local area identified by the Sanitary District.

Mr. Walus explained that he has worked with the Port Authority to utilize the Trail Creek (Sprague) Marina to be the assembly area. The wheeled carts will be delivered in pieces with the main body of the cart and wheels separately to be assembled later in Michigan City. Therefore, this item tells quotes that delivery of the material and equipment to 700 E. Michigan Blvd. in Michigan City, which is Trail Creek Marina.

Mr. Walus explained that another section states that the successful quoting entity will perform post-delivery assembly. Therefore, the supplier of the bins will be required to assemble all 15,000 of the wheeled carts here in Michigan City. Once they are all assembled, they will be required to do post-assembly delivery to our customer premises.

Mr. Walus explained that this involves a process where all of the materials are delivered to, and assembled in, Michigan City and the successful quoter will work with our staff to

deliver one 96 gallon cart for each single family residence. Multi-family residences will have one 96 gallon container per mailbox. The supplier will then track and create a database to be turned over to the District which will contain the information of the serial number of the can being delivered to each individual address.

Therefore, there are different components that the supplier will have to fulfill, which is delivery and assembly of equipment as well as delivery of the containers to our customers.

Mr. Walus advised that the specifications are for a warranty for no less than ten full years and they must specifically provide for no-charge replacement of any component parts which fail in materials due to workmanship for a period of ten years. Therefore, as part of the quote submittal process, the supplier has to submit their proposed warranty documentation that legal counsel will review.

Mr. Walus also advised that there is an item that discusses manufacturing process stating that the container body must be manufactured by the rotational molding process.

Mr. Walus explained that, through the research of Mr. Cate and Mr. Kintzele, it was found that there are three different processes for making these types of cans: rotational molding; blow molding; and injection molding. In talking with other public works departments, some agencies have done crush tests on rotational versus injection molding and those tests indicate that the containers manufactured by rotational molding stand up better.

Additionally, in reviewing some of the other municipalities in Northwest Indiana, we found that Valparaiso, South Bend, Elkhart, Fort Wayne, East Chicago, Hammond and Trail Creek use carts manufactured by the rotational molding process. Therefore, this was built into the current specifications.

Mr. Walus explained that the next few sections discuss ANSI conformance, load ratings and different items such as wheels.

Mr. Walus stated that there is also a section that addresses marking characteristics that we want to see on the carts. He stated that each can will have a unique serial number hot-stamped into the body so that we will be able to track those over time.

(Ms. Simmons entered the meeting at this point.)

Additionally, there is a section that addresses that fact that we want the seal of Michigan City hot-stamped on both sides of the cart. Mr. Walus then displayed a sample of what the seal will look like, which is a minor variation of the Park Department's departmental logo displaying a sunset. This variation will be utilized as the seal that is hot-stamped

into the container. It will be a white seal on the navy blue background of the cart, on both sides. This will make it easily identifiable as a Michigan City refuse can.

Mr. Walus stated that the suppliers will typically stamp in the local municipalities information. Therefore, this was requested.

Mr. Walus then pointed out that the specifications ask the quoters to submit a total cost for the material and equipment, the post-delivery assembly and the delivery to the premises for the 14,500 large size cans and for 500 of the smaller size cans. Additionally, they have been asked to provide unit pricing for each of the different sized cans and asked that the price be held for a period of 12 months so that, as we proceed into implementation, there may be a need to obtain more larger or smaller size cans, we will have a unit price cost for the material. The unit price cost for the individual containers should be less because we are not asking for assembly.

Mr. Walus advised that the Board is being asked to approve the technical specifications subject to final legal review by Attorney Nelson and then to solicit three different quotes from suppliers of this type of technical specifications so that they could be brought back to the Board at the June meeting.

Mr. Kintzele added that the Solid Waste District has currently put out specifications for similar size containers for recycling. However, their specifications state that it cannot be the same color that Michigan City will have and that it is to be a bright color so as to tell the difference between recycling and garbage.

Mr. Kintzele also added that Mr. Walus included language in the specifications that any unique tools or mechanisms utilized in the assembly shall become property of the owner so that we can assemble any additional units in the future. Therefore, we will have the equipment here in the event that the need arises for additional units.

Mr. Phelps asked if the Solid Waste District is going to be getting new containers. Mr. Kintzele stated that he did not want to speak for them but their current aim is to have specifications similar to ours for future recycling. They are in the process of obtaining bids.

Mr. Walus added that our specifications are asking the quotes to utilize the Navy Granite color with a white seal. As Mr. Kintzele stated, the Solid Waste District's recycling cans would be a brighter color.

Mr. Strauss pointed out a small error on the specifications stating that it calls for 96 gallon cans and 48 gallon cans. Mr. Walus agreed with Mr. Strauss and stated that it should be 64 gallons instead of 48 gallons. This will be corrected.

Mr. Walus explained that this came about because we were originally looking at the 48 gallon size. However, as Mr. Kintzele and Mr. Cate reviewed it, they determined that the 48 gallon size was too small. Therefore, the intention was to switch to the 64 gallon.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve the technical specifications pending review and approval by legal counsel – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Dr. Jones stated that he has asked a question before and has received an answer but he is not sure that he is satisfied with the answer.

Dr. Jones asked what will be done with the 30,000 or 40,000 empty cans that people will then have to dispose of. He asked if we can bring in a grinder or something like that to dispose of the cans. Mr. Kintzele advised that he is gathering information but noted that he is aware of other cities that have used companies that take in old cans to be recycled.

Dr. Jones commented that there are going to be a lot of old garbage cans for disposal. Mr. Kintzele agreed but pointed out that there may be many people who will want to keep them to give to their friends out in the country.

Mr. Kintzele advised, however, that Refuse Inspector Connie Adams has obtained information from other cities that have had this contracted out for removal.

Mr. Strauss asked how grass clippings and yard waste will be handled after this system is in effect. Mr. Kintzele advised that it will be handled the same as it is now for the time being. Mr. Kintzele suggested that people can even use some of their old garbage cans for the compost pickups.

Dr. Jones commented that he somewhat envisioned a portable grinder that could be used similar to those used on trees otherwise the employees will have to haul all of the cans in and there wouldn't be very much room in a load. It would be a tremendous job to haul of those cans.

Mr. Kintzele stated that there are people who are interested in recycling. Therefore, we will have to get an idea of how many we will have and then make a decision at that time.

Dr. Jones thanked Mr. Kintzele for his information.

Mr. Kintzele continued his report advising that the new Case front-end loader came in today and is getting some work done on it. The operators will be test driving it next week.

Mr. Kintzele then stated that he would like to get rid of one of the department's old front-end loaders when the new one came in. He stated that the current #520 loader is used by other departments but it is maintained by the Refuse Department.

Mr. Kintzele stated that he would like authorization to give this loader to the Vector Control Department, who uses it most of the time anyway, with the understanding that the Refuse Department would have the right to use it in case of an emergency.

Mr. Kintzele advised that it is a 1994 Dresser loader that has almost 7,500 hours on the equipment but it is still usable. Rather than scrap it or use it for a trade-in, Mr. Kintzele believes that Vector Control would be able to get much more use out of it. This would also remove the equipment from the Refuse Department's insurance and maintenance requirements.

Mr. Walus stated that staff is then officially asking the Board to allow the transfer of Refuse Dresser 520C Payloader with vehicle identification number P176 and a serial number of 10582 from the Refuse Department to Central Services.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to transfer the Refuse Dresser 520C Payloader, serial number 10582 to the Central Services Department – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Attorney Bill Nelson

Attorney Nelson advised that the proposed ordinance concerning transfer ability for employees is still being discussed with District personnel and will probably be ready for formal action at next month's meeting.

Attorney Nelson advised there are twelve delinquent accounts to record as liens, totaling \$1,320.55 which requires Board action.

Mr. Phelps entertained a motion on the matter.

Ms. Simmons made a motion to approve the list of delinquent accounts to record as liens, as submitted – seconded by Ms. Paul.

Dr. Jones commented that he is sure that we track these at some point. Dr. Jones asked if there is any indication that there have been more delinquencies or defaults than have been in the past. He asked if these seem to be going hand-in-hand with other issues such as foreclosures or if it is routine. Administrative Director Doretha Sanders stated that she believes that there have been more than normal.

Attorney Nelson commented, however, that they do not appear to be substantial and no huge increase. Ms Sanders agreed.

There being no further question or comment on the matter, motion carried 5 – 0 in favor.

Attorney Nelson advised that there are two liens to be released due to satisfaction of the liens, totaling \$152.97, and advised Board action is necessary.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve the two Releases of Lien, as submitted – seconded by Ms. Paul and Mr. Strauss. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Attorney Nelson then submitted four bad debts to be declared as uncollectible advising that Board action is required. He explained that one of the bad debts was due to the filing of bankruptcy and the other three were due to new title owner prior to recording of the lien, in to the total amount of \$1,071.11. He advised that this requires Board action.

Mr. Phelps entertained a motion on the matter.

Mr. Strauss made a motion to declare the bad debts as uncollectible, in the amount of \$1,071.11, as submitted – seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

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

Dr. Jones made such a motion – seconded by Mr. Strauss. 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.

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

Old Business

Mr. Walus advised that the Board packets included information on the proposed vehicle fuel reimbursement issue that was sent to the Board of Commissioners by the Mayor last month.

Mr. Walus explained that he prepared a chart that identifies that there are currently seven staff members who are assigned take home vehicles; General Manager, Plant

Superintendent, Collection System Superintendent, Refuse Superintendent, Assistant Plant Superintendent, the Collection System Foreman as well as the Assistant Refuse Superintendent.

Mr. Walus then advised that packets also included a copy of the District's current vehicle policy, identified as Section 3.06, Vehicle Use and Licensure and Section 3.07, Vehicle Maintenance.

Mr. Walus explained that, after reviewing the current policy with staff and Attorney Nelson, the recommendation is to delete these two policies in their entirety and replacing it with the policy recently approved by the Board of Public Works & Safety entitled "Use of Equipment and Vehicles".

Mr. Walus explained that some of the language within the new Board of Works policy is the exact language that the Sanitary District had from 1994 which the City has since expanded upon.

The most recent change by the Board of Works included the second and third paragraphs of City Policy 218 that talks about a fuel reimbursement rate of \$15.00 per month for employees residing in the Civil City of Michigan City and \$25.00 per month for employees residing outside the Civil City of Michigan City. Mr. Walus stated that the City's policy has excluded police, fire and emergency management personnel.

Mr. Walus stated that management staff of the District is recommending adopting City Policy 218 basically in kind with the exception of changing references of City vehicles to District vehicles.

Additionally, the second change would be the exclusion of the District's emergency first responding individuals, which have been identified by the positions of Assistant Plant Superintendent, Assistant Refuse Superintendent and Collection System Foreman.

Mr. Walus referenced the summary flow chart and stated that all superintendent level and above positions would be applicable for the fuel reimbursement at \$15.00 per month for those residing within the Civil City and \$25.00 per month for those residing outside the Civil City.

Therefore, the Assistant Plant Superintendent, Collection System Foreman and Assistant Refuse Superintendent would be excluded from that fuel reimbursement. The reasoning for that is those three individuals below the superintendent level are responsible to report directly from their home to wherever the emergency is within the District that they are responding to. It is then similar to what police and emergency management personnel do.

Mr. Walus advised that the recommendation is to eliminate current Sanitary District Section 3.06 and 3.07 and replacing it with the minor changes as described with City Policy 218.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve repealing current District Handbook Sections 3.06 and 3.07 in their entirety and replacing it with the new section as proposed and submitted – seconded by Ms. Paul.

Dr. Jones asked how many of the seven individuals listed with take home vehicles live within the Civil City. Mr. Walus advised that the Collection System Superintendent, Refuse Superintendent, Collection System Foreman and the Assistant Refuse Superintendent live within the Civil City. Therefore, four of the seven live within the Civil City.

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

In reference to the status of the equipment purchased earlier, Mr. Walus advised that Mr. Cate provided the following:

As Mr. Kintzele stated earlier in the meeting, the Refuse Loader was delivered today. The loader for the Sanitary District is scheduled for delivery next week. The pickup truck for the Collection System Foreman Bob Sutherlin has been delivered and we are currently having the radio and lighting installed on the truck.

Additionally, three new refuse trucks were purchased. The Freightliner cab and chassis models will be delivered to Wisconsin to have the Leach compactors installed on them.

Therefore, the equipment purchases are moving along.

New Business

There was none.

The next regular monthly meeting of the Board of Sanitary District Commissioners –
June 25, 2008 – 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