

REGULAR MEETING, BOARD OF SANITARY DISTRICT COMMISSIONERS
WEDNESDAY, AUGUST 19, 2009 – 1:00 P.M. – 1100 E. EIGHTH STREET

The Regular 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
Tina M. Tabisz, Administrative Assistant
Attorney William J. Nelson, Jr., Braje, Nelson & Janes, LLP

Also present for the meeting:

John Schaefer, City Controller
Ron Meer, Third Ward Councilman
Angie Nelson, At Large Councilperson
Dennis Metheny, Coolspring Township Trustee
John Doyle, John A. Doyle & Associates
John Pavy, Haas & Associates
Mike Edinger, Woodruff & Sons
Walter Creutzburg, 5801 N – 450 W, La Porte
Laurie Wink, News-Dispatch
Andre Steele, ALCO-TV

Mr. Phelps entertained a motion in reference to the minutes of the Regular Meeting of July 22, 2009.

Mr. Strauss made a motion to approve the minutes of the Regular Meeting of July 22, 2009, as submitted– seconded by Dr. Jones. No discussion or comment on the matter. Motion carried 4 – 0 in favor.

In reference to the Financial Report, City Controller John Schaefer advised that the Operating Fund has a profit so far this year of approximately \$340,000 after adding in depreciation, compared to a profit of approximately \$169,000 at the same time last year. Therefore, the District is approximately \$170,000 ahead.

We are still waiting for property tax distributions from the County from 2008 and the billing for 2009. Mr. Schaefer understands that the County is talking about mailing a provisional tax bill for 2009 sometime next month. We may possibly see some money before the end of the year.

Mr. Phelps asked if there were any questions on the report. There were none.

Mr. Schaefer then advised that the Board has been provided with copies of the proposed tax levy budgets. There will be a special meeting next Wednesday (August 26th) at 9:00 a.m. to hold a public hearing on those budgets.

Mr. Schaefer explained that the budgets are a little less than last year. Some of the line items, such as fuel, have been cut a little bit. Mr. Schaefer advised that the Board is welcome to call or email him if they have any questions and/or concerns between now and the special meeting.

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

Mr. Phelps thanked Mr. Schaefer for his report.

The financial status of the District as follows:

**FINANCIAL STATUS – SANITARY DISTRICT
August 14, 2009**

| | |
|---|---------------------|
| OPERATION & MAINTENANCE FUND #6201 | \$455,642.97 |
| SEWAGE WORKS SINKING FUND #6207 | \$939,775.71 |
| SEWAGE WORKS IMPROVEMENT FUND #6208 | \$75,364.17 |

Public Comment

Mr. Phelps called for public comment.

Angie Nelson of 714 Minnie Street introduced herself as a City Councilmember, advising that she is also a member of the Utility Committee for the City Council.

Ms. Nelson explained that the Utility Committee consists of herself, Councilman Phil Jankowski and Councilman Rich Murphy. Ms. Nelson explained that the Utility Committee met last week and advised that there will be a letter coming to the Board and to Mr. Walus in reference to some issues that they discussed at their meeting relating to the IOSHA (Indiana Occupational Safety & Health Administration) and the IDEM (Indiana Department of Environmental Management) reports.

Ms. Nelson advised that the issues are mostly in reference to some of the training records, safety issues, the response to those reports and some questions that the Committee has. Ms. Nelson anticipates that this letter will be coming forth within the next or two so that some of these matters can be resolved.

Ms. Nelson also advised that the Board's attorney was present at the Utility Committee meeting.

Ms. Nelson explained that, for the most part, the Utility Committee has some recommendations and requests that they want to follow up with.

Mr. Phelps welcomed Ms. Nelson to the meeting. He added that the Board will be glad to receive the Committee's report and will respond back as well. Mr. Phelps thanked Ms. Nelson for her comments.

Mr. Phelps then asked if there was any other comment from the public.

(Commissioner Linda Simmons entered the meeting at this point.)

Walter Creutzburg, of 5801 N – 450 W, La Porte, introduced himself advising that he has a question regarding the Springfield Regional Sewer District (SRSD) pertaining to the Renaissance Academy getting ready to put the sewer line in from the Academy to the sewer on U.S. 35.

Mr. Creutzburg stated that it is his understanding that his charge would be \$71 per month and he would like the breakdown on that amount as far as how much is charged for sewage and how much is charged for the line maintenance.

Mr. Phelps asked Mr. Walus to respond.

Mr. Walus advised that these questions would have to be addressed to the SRSD Board because they will be the entity that actually sends bills to any customers on that line.

Mr. Walus explained that the wastewater that the SRSD will be collecting in the U.S. Highway 20 Sewer Corridor will be conveyed to the Sanitary District of Michigan City at a single point near our lift station and Highways 20 & 35. He explained that this point will be metered and the SRSD will be sent a monthly bill for whatever wastewater they convey to the Sanitary District. The SRSD itself will then be responsible to bill their customers.

Therefore, the SRSD will be the entity preparing those bills and they will be the entity that can respond to Mr. Creutzburg's question.

Mr. Walus explained that, part of the response back to Mr. Creutzburg, would be the charges from the Sanitary District to the SRSD. Certainly the Sanitary District would work with the SRSD to provide whatever information to answer the question. However, the Sanitary District does not know what other charges or what components the SRSD would have to include in their billings to their customers.

Mr. Creutzburg advised that he went to the SRSD meeting and they could not break it down. They told him that he would have to see the Sanitary District because the Sanitary District has the breakdown and the total charges for sewage and maintenance of lines.

Mr. Walus advised that the SRSD has not requested that information but the Sanitary District can provide that information to the SRSD and make sure that they forward that information to Mr. Creutzburg.

Mr. Creutzburg asked what the Sanitary District considers maintenance to the line. Mr. Walus explained that the maintenance, in the Sanitary District's part of the equation, would be from the lift station back to the wastewater treatment plant. Mr. Walus advised that he is not sure what maintenance fee that the SRSD is going to put on their line within their own district.

Mr. Creutzburg commented that he is referring to the Sanitary District's charges from the pickup point (SRSD connection to the Sanitary District) to wherever it empties into the "city sewer". He is unsure where that is. Mr. Creutzburg asked if this runs from the "pickup point" to Meer Road. Is that the maintenance of the line that is being charged? Mr. Walus explained that maintenance of the line would run from Highway 35 all the way back to the wastewater treatment plant.

Mr. Creutzburg stated that the SRSD advised that this amount would be "stepped down" as time goes by. However, he did not know what the step-down fee was going to be. They said that it would be nothing when it was paid off.

Mr. Walus stated that the debt service fee is different from a maintenance fee. Mr. Walus advised that he can meet with the SRSD to help them break apart those fees.

Mr. Walus explained that there are different components to those fees. He can work with the SRSD to put together a summary to show what those fees are.

Mr. Creutzburg asked if Mr. Walus has that information at this time. Mr. Walus explained that the Sanitary District has a standard fee that is charged. As an example, Mr. Walus explained what the residents of Indian Springs Subdivision are charged. However, the Sanitary District has no control over the final bill from the SRSD to all of the people connected to that line. Therefore, the Sanitary District's component bill will be provided to the SRSD and they will have to add on any charges that they have to come up with a final bill.

Mr. Creutzburg asked if Mr. Walus has the fee that the Sanitary District is going to charge the SRSD. Mr. Walus advised that we do have that and we can provide a copy of that to Mr. Creutzburg. However, this will not be the final bill.

Mr. Creutzburg understood asking that he be provided with the information of the Sanitary District's charge along with a breakdown of the different fees that are added into this amount. Mr. Walus advised that he would do so.

Dr. Jones clarified that Mr. Creutzburg also was asking about the debt service, which is the amount to pay for the new line. Mr. Creutzburg stated that Dr. Jones was correct.

Dr. Jones clarified that this is the SRSD's obligation. Mr. Walus advised that this is correct.

Mr. Walus further explained that there will be two different debt service components. The one that is currently being paid off now for the lift station and one that the SRSD may possibly add on, however, Mr. Walus is not aware of their rate structure.

Dr. Jones stated that the amortization of the construction of the new line is the SRSD's responsibility. Mr. Walus advised that this is correct.

Mr. Creutzburg stated that he is being told that he will be charged the same amount that Indian Springs is being charged, not including whatever the SRSD adds on. He just wants to know that this fee will be and how it is broken down for things such as sewage and maintenance.

Mr. Walus stated that he can provide that information to Mr. Creutzburg. Mr. Creutzburg thanked Mr. Walus.

Mr. Phelps then asked if there was any other public comment.

Dennis Metheny introduced himself as the Coolspring Township Trustee, residing at 6757 W – 450 N.

Mr. Metheny stated that he has some difficulty with the agreement that the Sanitary District Board has with the SRSD.

Mr. Metheny advised that he has attended a meeting with INDOT (Indiana Department of Transportation) with regards to running a sewer line along Highway 20. He stated that this is a private sewer line and it is against state law to run a private sewer line against a state highway.

Mr. Metheny advised that he has another meeting with INDOT tomorrow at 10:00 a.m. and invited the Board to attend if they wished. Mr. Metheny explained that Mr. Walus has been informed of the meeting and he just spoke with Mr. McFadden of INDOT today.

Mr. Creutzburg interjected stating the meeting is to be held on Friday (August 21st). Mr. Metheny apologized.

Mr. Metheny stated that he has some difficulty with the sewage that the Sanitary District wants to accept because the SRSD is now a county-wide sewer district that is running under the name of SRSD, but it includes Coolspring Township. Therefore, he feels that he can come to speak on the matter as the Trustee.

Mr. Metheny stated that he has problems with the SRSD. He stated that he has their drawings. Their drawings started on the south side of the road and then went to the

north side of the road. Now it is extended past the school and past County Road 400 East.

Mr. Metheny stated that this thing has never been complete for them to apply for a project. It has always been actively changing, even at the last meeting he attended last week. Therefore, he does not understand how we can have something continually changing, applying for a permit, and then grant them anything.

Mr. Metheny advised that he received the sanitary sewer extension agreement. Mr. Metheny took the opportunity to thank Mr. Walus for the information that was provided to him yesterday.

Mr. Metheny advised that Exhibits 1 and 2 were left out of this Sewer District's agreement. They just so happen to be missing. Mr. Walus was kind enough to provide one of the exhibits to Mr. Metheny, which he appreciates.

Mr. Metheny stated that even the information that Mr. Walus provided shows that the drawing is not correct.

Mr. Metheny advised that, at the INDOT meeting, Mr. Radtke (Radtke & Associates) was saying that 180 people will, or can possibly, be connecting to the sewer, which is a four inch line. This is not what was stated at other meetings, such as 86.

Mr. Metheny stated that there is nobody that says that want to hook into the private sewer. This is the whole purpose for him trying to stop this because Michigan City seems to have a problem with their sewage treatment, as far as flowing out of manholes and sewage coming up in basements.

Mr. Metheny stated that his personal opinion is that there are several people in Coolspring Township that have had a sewage problem. He has not come before the Board to express his views on that. His sister-in-law is one of the people on south Ohio Street that had a problem. However, he wasn't here complaining about that.

Mr. Metheny is here complaining now that the Regional Sewer District, which is a joke, because the paperwork indicates a U.S. Highway 20 Corridor Sewer District and there is no such application for that sewer district.

Mr. Metheny stated that they are trying to play a game with a sewer district within a sewer district. This is wrong and we should not allow this to happen.

Mr. Metheny stated that the sewer district should get their "ducks in order" before they come to the Sanitary District with some agreement that they want the Board to agree to and sign.

Mr. Metheny advised that the agreement that he received from Mr. Radtke, the engineer, does not contain any signatures from anyone. Mr. Metheny stated that INDOT told them to give him the information to review.

Mr. Phelps asked the status of the Springfield Regional Sewer District Agreement at this point. Mr. Walus advised that it is on the agenda to discuss later in the meeting.

Mr. Metheny stated that he was unsure if he could speak at that time on that item or if he had to speak under public comment.

Mr. Phelps suggested that Mr. Metheny hold his comments until the matter comes up later in the meeting.

Mr. Metheny understood explaining that he wanted to give the Board a little run down so that they could see where he has been at for months with this matter.

Mr. Metheny stated that this matter is out of line and he does not know what is going to be involved with this Board and Mr. Walus but he believes that there should be a little bit more investigation.

Mr. Metheny thanked the Board for their time. Mr. Phelps thanked Mr. Metheny for his comments.

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

The following status reports were given:

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

Springland Avenue Alley Sewer (Porter Street to Grace Street)

Mr. Walus prefaced Mr. Doyle's report explaining that the Collection System management team meets on a weekly basis to review different areas of the city where they may begin running into problems from a maintenance prospective. As a result of those meetings, the staff brought up a small diameter alley line in the alley south of Springland Avenue between Porter and Grace Streets.

Mr. Walus advised that Collection System Superintendent Mike Hoffman then met with Mr. Doyle to initiate a field survey of that alley. Mr. Doyle was then asked to develop some different options if we were to look at some type of sewer upgrade in that alley.

Mr. Walus advised that Mr. Doyle has completed some drawings and design work to bring before the Board to review the status of that project.

Mr. Doyle presented the Board with some plans explaining that the project begins a bit west of Porter Street in the east/west alley behind the south side of Springland Avenue and proceeds easterly to within 75 to 80 feet of Grace Street.

Mr. Doyle advised that the existing sewer has been extended a couple of different times explaining that the sewer starts out as a ten inch line, goes to an eight inch somewhere and goes to a six inch somewhere, however he is unable to find out exactly where those reductions in pipe size took place.

Mr. Doyle explained that, as things progressed and homes were built, smaller diameter pipe was just put inside the larger one. There are a couple of manholes in that stretch but they are quite hard to get into. They tried to videotape the line but they were unable to get a camera through the line. They cannot determine where the lines change sizes and where residential taps actually are, so they are somewhat guessing what to do with the line.

Mr. Doyle advised that his proposal is to remove the line in its entirety and replace it with an eight inch sewer at a somewhat deeper depth for assurance in the case of crossing a residential tap. He explained that most of the homes on the Springland Avenue side of the alley are most likely connected to this line. The homes on the Fir Street side, which is the south side of the alley line, are somewhat unknown because there is a sewer in the middle of Fir Street.

Mr. Doyle advised the proposal is to replace the line in its entirety and to connect those residences. Additionally, on the far eastern end, there are three homes that appear to be connected to the same tap. The tap would have to be extended from the alley to, in essence, the back of the house so that they could have their own individual taps.

Mr. Doyle explained that there has apparently been any number of problems with residential portions of that sewer becoming inoperative as well as the portion that would be under the Sanitary District's jurisdiction.

Mr. Doyle commented that Mr. Hoffman has indicated that perhaps 20 to 25% of the calls that are made in the city for service are made regarding this particular sewer because of blockages and so forth. (After the meeting, Mr. Hoffman clarified that perhaps 25% of the city plug reports are due to problems in that line, not overall calls.)

Mr. Doyle advised that it will be a little difficult to replace this sewer line because of the confined area and the fact that it will be necessary to keep the sewers going that the residents are using while building the new one. This creates a bypass problem for that type of thing.

Mr. Phelps commented that the drawing appears to be following the existing grade somewhat closely. Mr. Doyle agreed but pointed out that the eastern end is roughly 12 feet deep in the alley to help out the last two houses. Mr. Doyle commented that it will be a bit of a challenge to build it.

Mr. Doyle explained that there are details on the last page of the drawings showing the connections to those two individual houses as well as the connection as it currently exists.

Mr. Phelps asked if the current connection is a private sewer. Mr. Doyle stated that it is as private as three houses can be.

Mr. Phelps asked if the current connection on the District's right-of-way. Mr. Doyle stated that it is not.

Mr. Doyle explained that, looking at the terrain, the alley is quite high there and the homes are quite a bit lower. He explained that the back of the homes are at the toe of that alley/hill. Therefore, they took the path of least resistance when they connected to sanitary sewer.

Mr. Phelps asked if Mr. Doyle has a rough estimate of the cost of this work. Mr. Doyle stated that he "roughed out" a price but was not sure if he could give it to the Board at this point.

Mr. Phelps asked for Mr. Doyle's rough estimate. Mr. Doyle stated that it would be approximately \$170,000, commenting that it was not cheap because it is going to be difficult to build. Mr. Doyle pointed out, however, that it is his understanding that it is something that is needed.

Mr. Walus added that, as Mr. Doyle explained on the detail, there are three homes that are connected on private lines on private property and the pipe sizes get smaller and smaller. Mr. Walus explained that most public sewers in the public right-of-way are eight inches in diameter and larger.

Mr. Walus pointed out that there are some sewers that are six inches explaining that the District's equipment cannot clean six inch pipes so we would have to hire local private contractors to perform some of this work. Therefore, in an attempt to eliminate some of the frustrations in dealing with trying to keep some of these sewer lines open, the District asked Mr. Doyle to review the area to see what we need to do to fix this once and for all and bring it up to current standards.

The sewer lines were extended over time with various methods. Mr. Walus stated that the goal was to review the area and see what it would cost to upgrade the line to current standards and then work with the City Administration for possible funding the perform the project.

Dr. Jones asked if we have any idea how old this sewer is. Mr. Doyle stated that he believed that the newest part of the sewer is at least 50 years old. He explained that all of the homes are of fairly decent age.

Dr. Jones asked about the length of the sewer line. Mr. Doyle advised that it is a little over 700 feet.

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

Mr. Phelps thanked Mr. Doyle for his report.

John Pavy of Haas & Associates reported on the following projects:

Pine School Sanitary Sewer

Mr. Walus explained that plant staff, working with Haas & Associates, went out for a performance test on the lift station. All of the equipment has been installed as well as the backup generator and is up and running.

Mr. Walus reminded the Board that this project was managed by the Water Department so all of the pay requests and payments to the contractor are being handled by the Water Department. However, we felt that it was appropriate for the Board to officially go on record to accept the sanitary sewer portion of the project as complete.

Mr. Phelps asked if this was the recommendation of Mr. Walus. Mr. Walus advised that this is correct.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to accept the project as complete – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Mr. Pavy added that there will be a ribbon cutting ceremony for the new Pine School in the middle of September.

Ohio Street Lift Station-Sanitary Sewer and Force Main Replacement

Mr. Pavy submitted Pay Request #2 of Woodruff & Sons and recommended approval of same. He advised that this pay request is approximately 39.7% complete of the \$798,298 total project

Mr. Phelps entertained a motion on the matter.

Ms. Simmons made a motion to approve Pay Request #2 of Woodruff & Sons, in the amount of \$73,235.16, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Mr. Phelps thanked Mr. Pavy for his report.

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

The following departmental status reports were given:

Al Walus

In reference to the Trail Creek Watershed, Mr. Walus advised that he was invited by Mayor Oberlie to join him in attending a meeting in Merrillville regarding funding opportunities through a federal grant program for the Great Lakes Restoration Initiative.

As a result of that meeting, Mayor Oberlie asked the Sanitary District to continue to be the lead agency on the Watershed Plan and look to see what type of grants we can apply for to perform restoration projects. Mr. Walus directed the Board to a display of a working document of what we are trying to pursue along those lines.

Mr. Walus explained that the document displays a list of the many different projects that are contained in the Trail Creek Watershed Management Plan approved in 2007. There are seven different categories: New Development Planning; Human Waste; Animal Waste; Stormwater Drainage; Human Impact; and Preservation. These are all of the things that the Trail Creek Management Plan stated that we would need to do in order to improve water quality and try to meet *E.coli* standards for Trail Creek and the sediment standards that were included in the plan.

The display also showed a copy of the funding guide issued by the EPA and other agencies identifying what particular agency has grant programs and overall dollar values that would address various issues.

Mr. Walus gave an example of the NRCS (National Resources Conservation Service) that has their EQIP programs that help with runoff in rural areas. There are different programs run by the Great Lakes Basin Soil Erosion & Sediment Control, etc. There are 16 federal agencies that have additional funding for Fiscal Year 2010, strictly for Great Lakes water enhancement.

Mr. Walus explained that the yellow-highlighted projects are projects that are already in progress. Therefore, we tried to see what projects we need to get going on and we matched those particular projects with a funding source and with a location throughout the watershed where we could target some of the needs such as stream bank restoration. We then looked at what particular branch or sub-branch had the most needs, trying to find a federal funding source to obtain dollars to fund the project.

Mr. Walus advised that the Committee is working cooperatively with Save The Dunes, the Soil & Water Conservation District, NRCS, IDEM, the DNR and the Parks & Recreation Department on different projects.

Mr. Walus then directed the Board to an enlarged aerial photo of the municipal golf course explaining that the stream of Trail Creek runs through Karwick Nature Park, with Deer Creek branching off and ends up meandering all the way out to the golf course. There is an official DNR-monitored dam on the golf course that creates some ponding areas on the golf course that are used for irrigation of the course.

Mr. Walus advised that we have looked at this particular dam and we will be applying for funding to construct fish ladders, fish passages or potential dam removal to be able to allow for fish migration through the creek further upstream. There has already been an on-site meeting with some engineers along with Park Department staff.

Mr. Walus advised that the DNR is going to try to assess a wooded area on the golf course to see what type of fish habitat is there now. We will then be able to review before and after conditions if we are able to construct a fish passage, to see if potentially more fish can get further upstream.

Mr. Walus advised that some of the deadlines are coming up in October to begin submitting applications for some of these projects.

Mr. Walus explained that, as a whole, the U.S. House of Representatives approved \$440,000,000 in funding for Fiscal Year 2010. The U.S. Senate appropriated \$400,000,000. As they agree to whatever the final number will be, there will be at least \$400,000,000 specifically for the Great Lakes.

Mr. Walus advised that, at the meeting in Merrillville, the EPA was very thankful to get funding to try to improve Great Lakes water quality. The speaker said that, if you took all of the water from the Great Lakes and spread it out evenly over the lower 48 states, the water depth would be ten feet deep. This gives us a picture of how much water volume is included in the Great Lakes.

Therefore, we are working with all of our partners to try to develop some projects and apply for some grants to hopefully being the projects.

Mr. Walus stated that, if successful, it seems that the program will be funded for subsequent years. The focus now on the original grant cycle for 2010 is to find projects that can be built right away to demonstrate movement and improvement in the Great Lakes water quality so that we can continue to get federal funding for those programs.

In reference to the Springfield Regional Sewer District Agreement, Mr. Walus advised that the Board packets included the final version of the agreement, which was the same version that we have been working on since 2004, and that the Board had tentatively approved in the past.

Mr. Walus explained that, since our last meeting, Attorney Nelson reviewed the documents one last time. Additionally, there were a few items that Plant Superintendent Dan Olson reviewed as well.

Mr. Walus advised that the staff believes that the wastewater conveyance and treatment agreement between the Sanitary District of Michigan City and the Springfield Regional Sewer District is in final form. Additionally, there are two attachments to the agreement.

Mr. Walus advised that we did not have time to include the first attachment in the Board packet mailing. He distributed the attachment to the Board explaining that this attachment speaks to the U.S. Highway 20 Corridor Sewer District as well as its connection point to the Sanitary District.

As some Commissioners may recall, when the Sanitary District was working with the Indian Springs Subdivision residents on U.S. Highway 35, they were able to secure a loan from the State Budget Agency to build the lift station and the gravity line along Highway 35. In subsequent years, individuals have approached the Sanitary District about trying to connect to this line and those requests have been entertained.

Mr. Walus explained that, once that lift station was up and running, the SRSD was created in a defined area near this location. Subsequently, actions were taken to extend the area of the original SRSD to cover much of unincorporated La Porte County.

For this particular project, this only applies to the U.S. Highway 20 Corridor Sanitary Sewer District boundary as identified on the drawing within the larger SRSD, which encompasses most of unincorporated La Porte County.

Mr. Walus explained that this would be the territory that we would agree to accept wastewater from. It is the SRSD's responsibility, by whatever means they can put together, to obtain financing, funding, construct the line and maintain the line. The Sanitary District's involvement comes at the connection point at our sanitary sewer lift station. If the SRSD conveys the wastewater to the lift station, we will have a meter there. The flow will be metered in order to send a monthly bill to the SRSD.

Mr. Walus explained that this is a consistent principle of what had been discussed years ago with the SRSD.

Mr. Walus advised that the other attachment speaks to the financial part of the agreement and what the Sanitary District would charge the entity.

Mr. Walus advised that, all along in the discussions with the SRSD, we would charge the SRSD using the same rate structure that we have charged the Indian Springs residents.

Mr. Walus explained that, within the Indian Springs residents' agreement, there were a few different methods of calculating a bill. The agreement spoke to a residential home that was treated as an equivalent dwelling unit (EDU) and calculation of equivalency factors were also addressed. There was also a provision for metered users and multiple family dwelling units.

Mr. Walus explained that, for this particular proposed between the Sanitary District of Michigan City and the Springfield Regional Sewer District for the U.S. Highway 20 Corridor Sewer District, the only billing method we are proposing is a metered user. This consists of measuring the flow from a flow meter and a monthly bill is sent based on that metered flow.

Therefore, Item 3 includes the Sanitary District's current rate schedule that went into effect in 2005 for the outside corporation flow charge per 100 cubic feet for each

customer charge and the local capital charge for each EDU that goes back to the State to repay the loan.

The replacement charge per EDU per month, at \$2.73, is to be able to collect up to \$2,000 per year to place in a separate account for improvements at the U.S. 20/35 lift station.

Mr. Walus proposed that Exhibit C portion of the agreement be retyped only to include the metered user portion for the rate structure. This is our proposed Exhibit B that addresses the rate that we would charge the SRSD.

Mr. Phelps asked if the rate is the total of the four items. Mr. Walus stated that some are based on flow and others are a per-charge customer per month. He explained that part of it is a flow calculation and then the \$3.35 per customer per month would be added on. He further explained that these are the same financial arrangements that were established back in 2004 for the original agreement, as amended in 2005 based on our new rate schedule.

Mr. Phelps commented that he is aware that the Sanitary District has no say as far as the actual location of the sanitary sewer line because they are bringing it to us. However, it seemed to him, that the previous Indian Springs sewer was in state highway right-of-way. Mr. Walus stated that this is correct.

Mr. Walus advised that the construction of the line within the U.S. Highway 20 Corridor Sewer District falls under the responsibility of Radtke & Associates because they performed that engineering. They submitted plans to IDEM for construction permits to construct the line within the Corridor. Mr. Walus understands that they received an IDEM permit for construction of the line. The last permit they need is a permit from INDOT. Mr. Hoffman attended a meeting with INDOT last week on those issues.

Mr. Walus advised that the actual construction permitting of the line is entirely the responsibility of the Regional Sewer District and the SRSD is working with Radtke & Associates as their consulting engineer for that work.

Mr. Walus commented that the SRSD has gone out for bids, has received bids and the SRSD is ready to execute a contract to potentially begin building the line.

Mr. Walus explained that, earlier this year, we identified a schedule where we would review the draft agreement we had in place for several years with the SRSD, trying to get that finalized by the end of the summer. This is why it is being brought to the Board today.

Mr. Walus advised that staff recommendation is approval of the agreement that was mailed to the Board. Attachment 1 will be finalized as the map and Attachment 2 will be the typed version of the metered users that was distributed today.

Mr. Phelps asked Attorney Nelson if he is satisfied with the proposed agreement. Attorney Nelson stated that, a few weeks ago, he and Mr. Walus discussed some of the issues that Attorney Nelson had brought up. However, he is satisfied with the agreement in its current state.

Attorney Nelson advised that obviously the Springfield Regional Sewer District can only enter into the agreement if they fulfill all of the prerequisites, such as obtaining permits, completing construction and getting their funding in order. The Sanitary District is only obligated if they do all of those things. To the extent that they fail in those or if any of the issues that were discussed by Mr. Metheny earlier cause them to fail to be able to complete their construction process, the agreement is null and void.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve the proposed agreement, as submitted – seconded by Ms. Paul.

Mr. Metheny stated that the problem has been that the SRSD has not abided by what IDEM states, which is to keep everyone informed. The SRSD is not keeping everyone informed. They are circumventing open door meetings and providing incomplete information. Mr. Metheny stated that the Board is now going to make a decision on their incomplete information.

Mr. Metheny advised that he has a letter from Radtke & Associates that states that it is a private line.

Mr. Metheny stated that Mr. Hoffman was at the same meeting that Mr. Metheny attended, in which it was also stated that it was a private line. INDOT's state law says that you cannot run a private line parallel to a state highway.

Mr. Metheny stated that he has talked to Mr. McFadden (INDOT) as well as Mr. McFadden's supervisor who was also at the meeting. Mr. Metheny stated that these people are trying to do everything they can to circumvent what has to be done by not cooperating with the public and the people that live along the Highway 20 Corridor.

Mr. Metheny stated that there is no Highway 20 Corridor Sewer District. He stated that he spoke with IDEM.

Mr. Metheny stated that he would very much appreciate if Mr. Walus would call IDEM and ask them to see where the Highway 20 Corridor Sewer District is located.

Mr. Metheny stated that he also spoke with Ms. Newlon from IDEM, who is the one that issues the permits. They have been issued a permit.

Mr. Metheny stated that this thing changes like day and night.

Mr. Metheny stated that we have to stop playing this game where people don't have to follow the rules. He understands what Attorney Nelson said about only accepting it if they get all of the permits and everything and he respects that.

Mr. Metheny thanked the Board for letting him speak on this issue because he and Mr. Creutzburg have been involved for months on this matter trying to get this thing done the right way.

Mr. Metheny pointed out that he doesn't have a problem with somebody doing it right. He just has a problem with somebody that wants to say that they are doing it right and circumventing the Indiana guidelines on open door meetings, closed door meetings, only come if you want to hook in. That's not what the law says. It says open to the public.

Mr. Metheny referenced correspondence he has from Mr. Radtke that states it is all about money they want to recoup.

Mr. Metheny stated that this is a Ponzi scheme. He stated that it is a Ponzi scheme because it is over \$400,000 that they want to recoup on a line that is going to cost \$137,000 to put in. Additionally, they are putting it in Highway 20's right-of-way.

Mr. Metheny requested that, if no one believes him, the Sanitary District call Mr. McFadden at INDOT. They cannot put a private sewer along a state highway.

Mr. Phelps stated that if they can't get the permit, they can't build the sewer.

Mr. Metheny commented that the Board has made a motion on something that the Board wants to give them even if they don't have the permits.

Mr. Phelps stated that the Sanitary District's responsibility is at the lift station back to the treatment plant. They have to get the wastewater to us. If they can get it to us, we will accept it. If they can't, we can't.

Mr. Metheny asked why there would be an agreement before they have a permit. Mr. Phelps stated that the agreement doesn't hurt anything because they still have to have all of the permits. Mr. Phelps stated that they have to build it and get it to us.

Mr. Metheny then stated that, in reference to the conveyance treatment agreement that the Board will be voting on, the SRSD was told to provide this information to Mr. Metheny. He stated that he doesn't even have a copy of Exhibit B. He has no idea of what it is.

Mr. Phelps gave Mr. Metheny his copy of the exhibit.

Dr. Jones pointed out that the Board's copy labels it as Exhibit C. Attorney Nelson clarified that it will be Section 3 only that will be included in Exhibit B.

Mr. Phelps thanked Mr. Metheny for his comments.

Mr. Creutzburg asked if they could get a copy of the map that the SRSD issued to the Sanitary District because they haven't seen what was issued. Mr. Walus provided a copy to Mr. Creutzburg.

Attorney Nelson stated that Mr. Metheny raises very good points. There is no doubt that it sounds as if there is a lot of reason for he, and the people he has been working with, to be frustrated. Unfortunately, today the frustration is being told to a Board that cannot change those things. However this Board can make a decision as to, if the SRSD can accomplish their goals involving this project and actually complete the project, all this agreement does is say that the Sanitary District is willing to take the wastewater.

Attorney Nelson stated that it doesn't do anything to say that what they are doing is accurate. It doesn't ratify that their process is free of any flaw or error. Those are certainly issues that the SRSD will have to take up with INDOT. This is between INDOT and the SRSD.

Attorney Nelson stated that this agreement solely says one thing; if you can do this; this is the agreement under which we will service what you bring to the lift station. That is all that it does.

Attorney Nelson stated that Mr. Metheny raises a good point and hopefully the SRSD Board will address those concerns that he, Mr. Creutzburg and anybody else out there who are raising those issues.

Dr. Jones wanted to make sure that everyone understands the position of this Board. Dr. Jones stated that the Sanitary District has a neighbor, by the name of the Renaissance Academy, that came to us by representation stating that they were in dire straights and that, if they cannot get their sewage removed from their location, they will not be able to build their expansion.

Dr. Jones stated that he drives by that location every day and he sees that they are under construction for their addition. The SRSD, which has had some level of authorization from the County Council, has basically stated that this is what they want to do and they are investing at least some dollars into this project.

Dr. Jones commented that he does not blame the Renaissance Academy for not pursuing that without having some agreement because they can build all they want; if nobody is willing to accept the sewage at the end, they are stuck.

Dr. Jones stated that the Renaissance Academy came to the Sanitary District. With that in mind, the Sanitary District is willing to do that so that they can proceed with whatever permit processes are necessary.

Dr. Jones continued stating that one of our motivations is the example that Mr. Walus

was previously discussing regarding the Trail Creek Watershed. We know that we have water quality problems and our larger strategy is to try to accept waste from people who are currently using septic systems. Dr. Jones stated that, if this is ultimately for the good of all of us in future years, then so be it.

Dr. Jones stated that he believes that the motivation of this Board is that we are only trying to help out those people who came to us advising that they needed help.

Dr. Jones agreed with Attorney Nelson in that, if this is not a viable project, the Sanitary District's agreement is null and void. All we are saying is, if the sewage can be brought to the District's line and everybody is happy with the construction, then we will accept the sewage. Dr. Jones added that he believes that we owe it to them to allow it to happen from our perspective so that they can proceed in good faith.

Mr. Metheny stated that his concern, as Coolspring Township Trustee, is that the Sanitary District fix the sewers of Coolspring Township before they accept any more sewage on from anywhere else. Dr. Jones commented that this is another subject.

Mr. Phelps called for a vote on the matter.

Attorney Nelson interjected suggesting that another possibility would be to approve the agreement contingent upon the SRSD obtaining permits and completing construction.

Dr. Jones amended his motion to approve the agreement, contingent upon proper permits and completion of construction – seconded by Ms. Paul. There being no further question or comment on the matter, motion carried 5 – 0 in favor.

Mr. Walus continued his report.

Mr. Walus advised that the Board was provided copies of a letter from the Indiana Department of Labor (INDOL) on July 24, 2009 to the Sanitary District regarding recommendations from the INDOL on some corrective action items.

Mr. Walus stated that their letter of July 24th included some language that stated that the District would be eligible to take advantage of an expedited informal settlement agreement. Subsequent to receiving that letter, the District received revised verbal instructions from the INDOL which stated that the District should respond to the offer of expedited informal settlement agreement.

The INDOL also advised, through their verbal conversation with the District, to not submit any payments regarding the July 24th letter. The INDOL did ask that the District submit, by August 19th, the status of whatever measures we have taken and completed with regard to the corrective action recommendation.

Mr. Walus advised that the District sent out a summary of our Letter of Abatement on August 18th pursuant to those verbal instructions and the Board was provided a copy of same.

Mr. Walus summarized the District's Letter of Abatement advising that we have documented that, for Safety Order 1-1, employees have been trained about hazards in working in areas with vehicles present.

The second Safety Order 1-1 spoke to providing employees with ANSI (American National Standards Institute) compliant safety apparel. That was also completed.

The next item was ordering appropriate traffic control devices. That was completed with an order of additional signs and traffic cones.

The next item, Safety Order 1-2-A talks about training employees in permit required confined space entry. This was also completed.

Safety Order 1-2-B speaks to having some staff trained in First Aid and CPR. The District had six individuals in both First Aid and CPR.

The final item, Safety Order 1-2-C, was about affected employees practicing confined space permit rescue. This was completed on August 17th.

Mr. Walus advised that we followed the verbal recommendations of the INDOL and officially submitted our Letter of Abatement yesterday (August 18th). We will then wait to see what type of response they have with regard to the steps that we have taken and documented to them.

Mr. Walus then advised that there have been a few items in the newspaper lately regarding the Sanitary District. Mr. Walus explained that Board President Phelps asked that these be discussed with staff to review those items. Mr. Walus has two items he is ready to discuss today.

Mr. Walus distributed a packet of information regarding 109 Washington Park Boulevard and explained that the cover sheet of the packet is an aerial view of the location from the La Porte County GIS (Geographic Information System) website showing that this address is on the south side of Washington Park Boulevard immediately east of Krueger Avenue and a bit south of Lake Shore Drive.

The next sheet of the packet contained the information that was presented to the District, via e-mail from the City Action website, on August 6, 2009 at 6:26 a.m., whereby the resident of 109 Washington Park Boulevard asked for some assistance to look at a probable tile collapse at this address.

The next sheet is the documentation that was completed in-house at 7:00 a.m. that same morning regarding the request for service at 109 Washington Park Boulevard.

The next sheet indicates that the District crew arrived at 109 Washington Park Boulevard that same day at 7:14 a.m. The crew looked at the public sewer in the street under Washington Park Boulevard. They jetted and cleaned the line even though the line was down and running when they arrived at the location. The crew notified the party that the public sewer in front of the residence at 109 Washington Park Boulevard was in working order and that the resident would need to work with a private contractor to see what issues were occurring with their lateral from their house to the District's sewer.

The next sheet is a copy the letter in the Anvil Chorus on August 7th from this particular area and the author of the letter states that *"The problem I am encountering is not on my property, according to the sewer service that routed out 110 feet from my property."*

Mr. Walus explained that Mr. Phelps asked that we investigate this issue.

The next sheet contains a history of the calls going back several years received by the District for the 100 block of Washington Park Boulevard.

The first call was from 107 Washington Park Boulevard on April 15, 2004 and was a call for service. The District crew went out to this location and discovered that the public sewer was down and running and this was a private matter.

That same residence (107 Washington Park Boulevard), later that year in August, determined that their service lateral from their house was connected with others on a private line. Therefore, they decided they wanted to take advantage of a direct connection from their house to the public sewer. Therefore, on August 5, 2004, they called the District again for a tap inspection because the owner at 107 disconnected their house from the private line and connected directly to the public sewer.

The next call received was from a resident at 111 Washington Park Boulevard who also decided to be removed from a private line and connect directly to the public sewer on Washington Park Boulevard. Therefore, we received a call for a tap inspection on June 30, 2005, for the home at 111 Washington Park Boulevard.

There was then a call for the home at 109 Washington Park Boulevard on August 6, 2009, wherein the District went to the location and found that the public sewer was down and running and working and the issue was a private matter.

The next few pages are the detail sheets for each of those calls for service.

The second to last page is a copy of map of the District's sewer network. The location of where 109 Washington Park Boulevard has been identified on the sewer network map. There is a 10 inch public sewer in front of this address.

The last sheet is a copy an actual detailed drawing that was prepared many years ago for that area of the city. This drawing shows the 10 inch public sewer under Washington Park Boulevard.

On the north side of the line, there are stubs that go to Lots 15, 16 and 17 on the north side of the street. Apparently, when they constructed the sewer, they put individual tap lines for those homes.

Rather than running sanitary sewer laterals several times across to the south side of the street, since the sewer is on the north side of the street, they apparently placed two pipes under the roadway at two locations. They then stubbed off each of those pipes to the different residences. Therefore, at some point, the homes on the south side of Washington Park Boulevard had some private lines that then went under the roadway to the 10 inch pipe.

Mr. Hoffman went out and talked to the person who authored the Anvil Chorus letter to make sure she understood where the public sewer was and where the problem was. It appeared that she did understand that. The difficulty, however, is that the owner does not currently have funds to be able to hire a private contractor to get her house off of a private line that is having problems in order to be able to make the connection to the public sewer.

Mr. Phelps thanked Mr. Walus for the information and asked if there were any questions by the Board.

Dr. Jones commented that it appears that the only contact that the District has had from those residences in question, prior to August 6, 2009, was 2005. Mr. Walus stated that this is correct.

Dr. Jones pointed out that the District has not had a deluge of citizens complaining about that area. Mr. Walus agreed.

Mr. Phelps commented that the 10 inch sewer in Washington Park Boulevard is on a steep grade. He stated that, when he saw the letter in the paper, he could not imagine how the sewer was being held up.

Mr. Walus then distributed a second packet regarding 219 May Avenue.

Again, the first page of the packet is the La Porte County GIS map displaying the location of 219 May Avenue. Mr. Walus explained that it is an interesting block where the fronts of the houses face May Avenue to the south and the backyards of the homes abut Tillotson Street, and is a very narrow block.

The second page is a copy of letter to the Anvil Chorus published on August 9, 2009. Within the body of that letter, there were statements that said *"I was told by the Sanitary District I had to reroute my lines due to the original line being too full."* and *"Two years*

later new storm and sewage lines were put in. Now every time it rains I get water in my basement.”

The next sheet contains a history of the calls going back several years received by the District for the 200 block of May Avenue. There is only a small number of homes in that 200 block and all of the calls contained in the database pertain to 219 May Avenue.

The calls go back approximately five years to June 28, 2004. The District received a call for service regarding backup. There was a plug in the public sanitary sewer line which was cleaned so that the public sewer was working again.

Subsequently there were additional calls in July 2004 and February 2005 where, in our response to those calls, we found our public sewer line running and in working order.

On February 24, 2005, the District was given information that the private lateral from the home had been run under a garage and had collapsed. Therefore, the property owner's sewer contractor contacted the District to find out where they could construct and connect a new private lateral since the lateral on the private line had collapsed. District crews went out and provided the contractor with options to be able to connect a new lateral from the home to the sewer line.

On February 25, 2005, the District performed a tap inspection of the new lateral that was installed.

The next couple of pages contained a detailed summary for each of the different calls. Included is a copy of the locate request that we received on February 23, 2005, for 219 May Avenue wherein the District went out and located all of the sewer lines. The District identified three different lines.

The final page of the packet is a copy of the sewer map of the area showing the location of 219 May Avenue, which also shows that there are homes are between May Avenue to the south and Tillotson Street to the north.

Mr. Walus explained that there is a main sanitary sewer trunk line of 42 inches in diameter under Tillotson Street on the north side of the street. We believe that this is where the original private lateral ran from the back of the house underneath the garage and under Tillotson Street, connecting to the 42 inch line on Tillotson Street.

Mr. Walus further explained that, immediately in front of the house to the south on May Avenue, there is an 8 inch public sanitary sewer line that runs in the tree lawn that could potentially serve four homes there. Additionally, there is a 10 inch line under May Avenue that flows from the west to the east.

When the District was contacted to provide guidance on where to reconstruct a lateral, our guidance was to connect the house at 219 May Avenue to the closest sanitary sewer line in the tree lawn on May Avenue. Mr. Walus explained that the District

traditionally does not prefer service laterals connecting directly into large diameter sanitary sewer trunk lines.

Mr. Walus explained that the reference to them being told to go to a different sewer because it was too full speaks to the District's recommendation to the homeowner to connect to the 8 inch immediately in front of their house rather than the 42 inch sanitary sewer trunk line. Mr. Walus advised that this work was completed back in 2005.

There were some statements in the letter referencing subsequent to that work being done *"Two years later new storm and sewage lines were put in. Now every time it rains I get water in my basement."* and that they talk to neighbors who also get water in their basement. Mr. Walus stated that we believe those comments speak toward groundwater infiltration in the basements due to the high groundwater table and not necessarily due to issues related to the operation of the sewer.

Mr. Phelps asked if the District has viewed the basement while out on a call to this address to see what was there. Mr. Walus explained that we do not have records subsequent to the February 25, 2005 call.

Mr. Phelps stated that this was interesting.

Mr. Walus believed that the District has been to some other homes in that area within the past six months. Traditionally, the District does not have jurisdiction or control over groundwater. However, if we do have a resident that calls and says that they some type of water in their basement, the only way we can verify if it appears to be groundwater or some type of a sewer problem is to go out and inspect it.

Mr. Walus stated that, rather than assume it is groundwater or sewer water, we traditionally will do an inspection and then provide the results of our inspection.

Mr. Phelps recommended that, if the District receives another call on this, that we do contact her for permission to enter the basement to take a look at it.

Mr. Phelps commented that this is the same thing that occurred at Village Green. Mr. Phelps explained that he and Mr. Hoffman went out responding to a call about sewage. However, it was very obvious that it was groundwater.

Mr. Walus advised that we err on the side of caution if someone calls about water in the basement, we will typically go out and do an inspection to document what we find.

Mr. Phelps stated that he would like the District to do this type of review with these types of matters in the future because there has been much misinformation put out as well and it is a good time to clarify what is going on.

Mr. Phelps referenced a man who used to be a reporter in Chicago who would say *"Now for the rest of the story."*

Mr. Walus advised that he had the pleasure of speaking before the Michigan City Exchange Club yesterday after their invitation to speak on whatever topic he wished and he distributed a copy of the handout that he used during his presentation to the Exchange Club.

Mr. Walus explained that he took a copy of our 1927 sewer atlas that showed all of the sanitary sewers in Michigan City running directly to Trail Creek and then into Lake Michigan. He also provided the history where the City of Michigan City received a letter from the Division of Public Health in 1933 mandating that a wastewater treatment plant be built, which then was constructed and went into operation in 1936.

Mr. Walus then reviewed the history of the Sanitary District and all of the different improvements over time as well as some of the leaders who have done outstanding work for the City such as J.B. Gifford and Jim McCarty. Additionally, he reviewed the improvements and how the plant has been expanded.

Mr. Walus advised that our 1974 NPDES (National Pollutant Discharge Elimination System) Permit stated that *"The Indiana Stream Pollution Control Board will require that the Sanitary District of Michigan City provide for the regionalization of sewage treatment facilities, when feasible, with the following municipalities: Pottawattomie Park, Long Beach, Michiana Shores, Town of Pines, Beverly Shores."*

Therefore, some of the actions taken today to conditionally approve our agreement with the SRSD is manifested from that November 12, 1974 permit that told the District to work with our neighboring communities, including unincorporated La Porte County on a regional approach to wastewater treatment.

This was followed up in the mid 1980's with a \$30 million grant from the US EPA to upgrade our plant to our current capacity of 12 MGD (million gallons per day).

Mr. Walus explained that the handout also included all of the different watershed projects that we are working on as well. He prepared a historical prospective of what has been done as well as a look forward that speaks clearly to a more of a regional approach with regard to both wastewater treatment and, more importantly, trying to improve water quality in general, whether it is in our streams or tributaries of our watershed or Lake Michigan itself.

Mr. Walus stated that the Exchange Club was very receptive of the ideas and he wanted to share this information with the Board.

Mr. Phelps thanked Mr. Walus for his report.

Dan Olson

Mr. Olson advised that a WWTP Bypass Incident Report was faxed to IDEM July 15th concerning an internal bypass in the treatment plant and a potential for a discharge to Trail Creek.

He explained that the shift operators, at 1:45 a.m., discovered that there was a leak in the influent pipe to Aeration Tank #6, which is on the west bank. The operator then proceeded to call out maintenance crews who came in, checked out the leak, looked at all of the valving arrangements, closed off valves to all of the aeration tanks on the west bank and, at 2:29 a.m., instructed the operator to redirect all of the flow from the treatment plant to the storm basins.

Mr. Olson was called at home immediately after that happened, as is standard protocol for the Operations staff.

Mr. Olson spoke with Maintenance Mechanic Bill McNeill at 3:30 a.m. and he updated Mr. Olson that he had found that there were no segregation valves to this line at all and that they needed to shut off the flow to the west bank aeration tanks. The only way to do that was at a splitter box by the primary clarifiers.

Mr. Olson made a decision to come into the plant. While in route, Mr. Olson spoke with Mr. McNeill again, who advised that they found a sheet of plywood and they were proceeding with getting all of the equipment they needed to shut off that west bank.

At 5:30 a.m., Mr. Olson changed the programming in the headworks so that only half of the plant, which was going to shortly be put back into service, would receive half of the maximum capacity of the plant. Therefore, instead of 12 MGD being able to go through the plant, it was set for 6 MGD, as well as the peak flow being set for 7.5 MGD rather than 15 MGD.

The plant flow was returned to that portion of the plant at 7:15 a.m. because there was a major storm bearing down on Michigan City which appeared to be coming fairly rapidly. Mr. Olson sent in the Incident Report to IDEM anticipating that the basins would fill almost immediately and that we would have an overflow to Trail Creek.

Additionally, when initially speaking with Mr. McNeill, Mr. Olson suggested that Mr. McNeill call Delco, a local piping contractor, to see if they could come out to perform emergency repairs on this pipe. Delco showed up at the plant at 7:45 a.m. and mobilized immediately.

As soon as the line was drained, Delco inspected the pipe and determined that a repair could be made. They were then authorized to immediately proceed on an emergency basis. The repairs were completed at 8:20 p.m.

It took most of the day to complete this repair. The new welds were inspected, flow was returned to the treatment plant and we began bringing back the water from the storm basins as soon as the flows allowed.

On July 16th, the basins were empty and no overflow actually occurred from the storm basins to Trail Creek because we were very fortunate that the storm blew right over the city and hit farther to the east.

A written report was submitted to the State, in accordance with the regulations on, July 20th, outlining all of these facts.

Mr. Olson then advised that, during the week of July 20th to July 24th, there were five days where we took *E.coli* samples on the effluent to the treatment plant. All of those *E.coli* samples exceeded the daily maximum of 235. Of the five samples, three of them are considered violations of our permit and two of them are eliminated because the new change in water quality rules allow 10% of daily maximum values to be discarded. The violations were reported to the IDEM Compliance Section.

Mr. Olson advised that, in that five-day period, we were consistently making changes to the disinfection quantity of chlorine and then adjusting sulfur dioxide accordingly. The Lab was taking additional samples so that we could try to determine exactly where the problem was.

Ultimately, we determined that the problem was not in the amount of chlorine being fed or the constituency of the sewage itself, it was in the sulfur dioxide post-aeration tanks.

Mr. Olson explained that was evidently happening that there was no longer any chlorine residual because the sulfur dioxide would reduce the residual chlorine and there were some algae attached to the sides of the tank. Algae have been known to act as a sump for *E.coli* on beaches. This is what we expect was happening here. Those tanks were super-chlorinated that solved the problem.

Prior to, and immediately after, that week, we had not had any *E.coli* violations all season and we haven't had any since. Additionally, there were no wastewater characteristics that have changed before or after that.

Mr. Olson explained that this is one of those situations that you just can really get a good explanation. However, our hypothesis was that the *E.coli* were growing in the algae and we seemed to have proven it.

Mr. Olson advised that a letter was sent to the State, as required, to further explain the matter.

As the Board is aware, Mr. Olson advised that an Investigation Summary and Violation Letter was received from IDEM on June 24th regarding the May 5, 2009 overflow on Lake Shore Drive.

Mr. Olson advised that, when he returned to work in early July, he drafted a response letter pursuant to instruction by Mr. Walus. The response letter was reviewed by staff and then sent out to IDEM on July 23rd.

Part of that letter was that the District agreed that we would put in early warning systems made by Mission Communications in two of the manholes along the sewer at B&E Marina that runs along Trail Creek.

Mr. Olson advised that the M80 Mission units consist of a completely sealed battery pack and two floats.

Mr. Olson explained that the lower float is normally set at the surcharge point, which is when the pipe is full of wastewater. However, because of the shallow nature of that sewer as well as the unknown actual slope of the sewer, we have set this float a little bit higher. The second float is a switch that will trigger when the water is about ready to flow out of the manhole. Therefore, it is a secondary urgent warning.

Both of these floats trigger an alarm which then goes into the alarm log of Mission Communications computers, which is accessible through our password protected website.

Additionally, each one of these alarms will trigger a telephone call to whoever is designated. The District has designated five levels of notification, beginning with the Collection System Foreman, then to the Field Supervisor, then to the Collection System Superintendent. After that, the call will go to the Receptionist, during normal work hours, or to the operators on duty after hours. Finally, the call would then come to Mr. Olson. Whoever takes the call has to acknowledge the alarm and then take appropriate action.

Mr. Olson advised that we had a test of this system last week when the Water Department was performing daily discharge of sediment from their sedimentation tanks and they put a little too much into the sewer. The surcharge alarm went off at the manhole by Dock 24. The District happened to have a crew on-site observing. They went to the Water Department advising them to turn down their flow, which then eventually turned off the alarm.

Mr. Olson stated that the system is working very well and that we will be able to monitor situations very closely.

Mr. Phelps asked if the manhole was surcharged. Mr. Olson advised that the manhole was surcharged and then actually went to the overflow alarm as well. However, the crew happened to be there on-site.

Mr. Phelps asked if there was overflow. Mr. Olson advised that we did not have an overflow.

Mr. Olson advised that the letter to the State additionally stated that we would install flow meters in that system. One was installed in mid-July upstream of the Dock 24 manhole and we were able to capture information for the July 28th storm. Level did increase when the rain occurred. The second flow meter is being installed today near the B&E Marina building, which is also where we have the second M80 Mission unit.

Mr. Olson advised that a flow meter will be installed in the future somewhere further downstream so that we can try to catch the branches that enter in downstream of this area.

Mr. Olson advised that the State Inspector, whose inspection resulted in the investigation summary and violation report, was at the WWTP on August 13th and was taken out to look at the two M80 units. A demonstration was done on how they worked and his inspection report for that day gave us a Satisfactory on sewer system maintenance.

Mr. Olson advised that, since he happened to be gone that afternoon, he called the State Inspector and spoke with him regarding his findings. The Inspector told Mr. Olson on the phone that he was satisfied with the progress that the Sanitary District had made regarding the Notice of Violation Letter and that, in his opinion, all he wanted to do was move forward at this time.

Mr. Olson then advised that, on July 28th, we had a storm that hit Michigan City. We have rain gauges in five different locations in the city. The rainfall for that storm ranged from 1.77 inches to 4.71 inches. There seems to have been a corridor from Evergreen Plaza going south toward Pahs Road and the Meadowdale Lift Station. It seemed to be concentrated in that area. The 4.71 inches of rain was actually measured at the Meadowdale Lift Station.

The storm was rated at 50 years/2 hour storm using the system that he must use for CSO events. This was a fairly decent storm for that particular small area in the city. However, near the marina, it was just a 1 year/1 hour storm, which is of little significance.

Mr. Olson advised that the treatment plant peaked very rapidly at a 31 MGD rate from approximately 12 MGD. The CSO basin began to fill. We had a discharge that occurred at 9:00 p.m. on July 28th and ended at 8:00 a.m. on July 30th, which was approximately 30 hours. The total volume of discharge was 1.13 million gallons so it was a relatively small volume for the amount of rainfall we received. However, we did have a discharge.

Mr. Olson explained that the duration was long as well because, once the basin gets full and the flows are elevated to the plant, you really cannot bring it back to the plant fast enough to stop the discharge. Things just have to work themselves out.

Mr. Olson advised that, other than the things he mentioned, there were no violations of the NPDES Permit in the plant during the month of July and things were fairly normal.

Mr. Phelps asked if there were any questions.

Attorney Nelson asked for clarification from Mr. Olson regarding the satisfactory rating that was given on the NPDES Facility Notice of Inspection. He asked if it is accurate

that this is the highest or best rating you can get. Mr. Olson advised that this is correct, explaining that they only indicate Satisfactory, Non-satisfactory or Not Inspected. Therefore it is the best rating that you can get.

Mr. Olson then advised that the State of Indiana has adopted a new set of Streamlined Pretreatment Regulations. In those set of regulations, they have required that all communities with an approved pretreatment program either have a Chief Executive of Principle Officer sign the reports for the pretreatment program, such as quarterly and annual reports, or designate an employee to be able to sign those reports on behalf of the organization.

Mr. Olson advised that Pretreatment Coordinators generally handle those activities and send in the reports and that is what has happened in the past. Sue Claussen is the District's Pollution Prevention Coordinator

Mr. Olson advised that he told Ms. Claussen that he would look into and he sent an e-mail and draft letter to Mr. Phelps and Attorney Nelson. On their advice, he is bringing to the Board today, a letter that states that Sue Claussen, as the Pollution Prevention Coordinator, is a duly authorized employee to sign any and all reports required by 40 CFR 403.12, which is the federal pretreatment regulation, or Part 3 of the Sanitary District's NPDES Permit referenced above.

Mr. Olson goes on to state that the Board previously authorized the position of General Manager and the position of Plant Superintendent to be signatories for the Board regarding permit issues and that this designation of Ms. Claussen as a signatory for pretreatment issues only would not preclude the other designations.

Mr. Olson asked the Board to consider designating Sue Claussen as the employee of the District to sign pretreatment issues. There are only two requirements; that the employee have the responsibility of pretreatment issues for the organization and that this person will actually sign and submit the reports.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to approve the designation of Sue Claussen as a signatory for pretreatment issue reports and matters – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Mr. Olson then advised that the District's current NPDES Permit expires on October 31, 2009. Pursuant to the rules and regulations of IDEM, we submitted an application at least six months before the expiration date.

Mr. Olson has been conversing with the permit writer and we received a pre-publication draft copy of the renewed permit just yesterday. There have been some reductions proposed for monitoring, which are good things. We will be reviewing the draft copy in-house and submitting comments back to them by next week so that they can proceed

with the public notice of the permit. The public will then have an opportunity to review that permit and make any comments they wish. The permit should then be issued to us well before the expiration date of our current permit.

Mr. Olson reminded the Board that, if the permit should expire on October 31st, there is a clause in Indiana rules that allows it to be administratively continued so that we would still operate under the existing permit under those conditions. We would not lose our ability to discharge to Trail Creek.

Mr. Olson then advised that we had Part 1 of an inspection of our CSO (Combined Sewer Overflow) activities, mainly the Long Term Control Plan that was approved by IDEM back in 2004. The second part of that inspection will take place later this year but within this calendar year. This will be on the Combined Sewer Overflow Operational Plan (CSOOP), the latest version of which was submitted last February. The District is required to update this on an annual basis.

Mr. Olson and Mr. Hoffman sat in on the inspection and the inspectors were very pleased with their findings and we passed that portion of the inspection. Mr. Olson does not anticipate that we will have any problems with the second part of the inspection as well.

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

Mr. Phelps thanked Mr. Olson for his report.

Mike Hoffman

In reference to the Safety Report for the Refuse Department, Mr. Hoffman advised that there was one reported injury with no lost time. This is the first month for the Refuse Department with no lost time injuries. Prior to the one lost time injury, they had gone from the beginning of the year with no lost time. Therefore, the Refuse Department is doing an excellent job on the lost time injuries.

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

Mr. Hoffman advised that the Davis Drive Drainage Project is complete. He stated that he spoke with D&M Excavating and he landscaping and seeding has been completed as well.

Mr. Phelps asked when this work was completed. Mr. Hoffman advised that the cleanup was done this last week. They had done the pipe installation the previous week.

Mr. Hoffman advised that this work was pursuant to a quotation that we received. When the District obtained the easement, the contractor began the work.

Mr. Hoffman then advised that the Tulip Tree Drive Project is out for quotations and there were some changes in some paperwork that might cause it to be a little bit delayed after we receive the quotations and work on the funding. However this is moving along as well.

In reference to MS4, Mr. Hoffman advised that walk around inspection has been completed in Michigan City, Long Beach and Trail Creek. The City of La Porte and La Porte County will be done this Friday (August 21st) as well as the program review.

Central Services, Central Maintenance, Park Maintenance and the Wastewater Treatment Collection Garage have SWPPP's completed, which are Storm Water Pollution Prevention Plans.

Mr. Hoffman explained that part of the inspection was a walk around that showed the proper storage of oils, greases and chemicals and general housekeeping pursuant to the MS4 program ordinance that deals with housekeeping. Part of the audit process is the inspection of the municipal buildings.

Mr. Hoffman also advised that the MS4 Coordinator is reviewing plans and inspecting sites for compliance.

Mr. Phelps thanked Mr. Hoffman for his report.

Jim Kintzele

Mr. Kintzele was unable to attend.

Attorney Nelson

Attorney Nelson advised that the Board packets included a copy of a letter received dated August 13th which is for informational purposes today only, explaining that this is a mobile home park on the west side of town on Highway 20 that has been there for quite a while. The project developers are interested in expanding it apparently involving some land acquisition issues and are interested in establishing a conservancy district there to the extent that there is a petition, in the Circuit Court of our county, to establish that conservancy district. Attorney Nelson advised that this petition remains pending and is not yet complete.

Attorney Nelson advised that counsel for the proposed conservancy district has submitted some documents for review to the Water Department as well as to Mr. Walus on behalf of the Sanitary District. Shortly after this, Mr. Walus and Attorney Nelson, along with Randy Russell from the Water Department and their counsel Attorney Jerry Winski, met to discuss the issues proposed to both the Water Department and the Sanitary District.

Both Mr. Walus and Mr. Russell expressed some concerns regarding the developers' plans and intentions in how they want to involve the Water Department and Sanitary District. It seems that the Sanitary District and Water Department are aligned in their approach and their concerns.

Attorney Nelson advised that the August 13th letter was sent to the attorney for the proposed conservancy district to let him know that the two departments have met with counsel and there were some concerns that we had such that the documents presented just were not appropriate at that time for the departments to execute and inviting further conversation.

Attorney Nelson advised that he also had a phone conversation with Ethan Lowe, the attorney for the conservancy district, letting him know that we would be more than willing to meet with him and his client and their engineers. Apparently, that type of meeting might be in the works in the near future, where the engineers would be a part of this to allow for a better dialogue with respect to the concerns and issues as well as exploring some possible better ways to service that area in this expansion project.

Attorney Nelson advised that there are 11 delinquent accounts to be recorded as liens, in the total amount of \$1,535.19, which requires Board action.

Mr. Phelps entertained a motion on the matter.

Mr. Strauss made a motion to approve the delinquent accounts to be recorded as liens, in the total amount of \$1,535.19 as submitted – seconded by Ms. Simmons. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Attorney Nelson then submitted four liens to be released due to satisfaction of the liens, in the total amount of \$657.93 and advised Board action was necessary.

Mr. Phelps entertained a motion on the matter.

Ms. Simmons made a motion to approve the Releases of Lien, in the total amount of \$657.93, as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 5 – 0 in favor.

Attorney Nelson then advised that there were three accounts to declare as bad debts this month totaling \$509.21. He explained that one account was due to bankruptcy and the other two were due to change of title owner prior to recording the liens.

Mr. Phelps entertained a motion on the matter.

Dr. Jones made a motion to allow and write off the bad debts totaling \$509.21 as uncollectible – seconded by Mr. Strauss. 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.

Ms. Paul 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 to be paid by the Board of Public Works & Safety.

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

New Business

There was none.

Old Business

There was none.

There will be a special meeting of the Board of Sanitary District Commissioners –
August 26, 2009 – 9:00 a.m. – 1100 E. Eighth Street
Public Hearing on Tax Levy Budgets

The next regular monthly meeting of the Board of Sanitary District Commissioners –
September 23, 2009 – 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.

/ J. Jeffrey Jones /
J. Jeffrey Jones, Ph.D., Vice President