

REGULAR MEETING, BOARD OF SANITARY DISTRICT COMMISSIONERS
WEDNESDAY, AUGUST 22, 2007 – 1:00 P.M. – 1100 E. EIGHTH STREET

The meeting was called to order at 1:00 p.m. in the Board Room of the Administration Building, 1100 E. Eighth Street, by the President Pro-Tem of the Board, J. Jeffrey Jones, Ph.D.

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

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
Attorney William J. Nelson, Jr., Braje, Nelson & Janes, LLP

Also present for the meeting were:

John Schaefer, City Controller
John Doyle, John A. Doyle & Associates
Jim Maurer, Haas & Associates
Warren Thiede, Haas & Associates
Dave McCormick, Christopher Burke Engineering
Todd Bell, Woodruff & Sons
Andre Steele, ALCO TV

In reference to the scheduled Public Hearing concerning the 2008 Tax Levy Budgets of the Sanitary District's Operating, Refuse and Bond Funds, City Controller John Schaefer advised that he had tried his best this year to avoid any special meetings for these matters.

Mr. Schaefer advised, however, that the News-Dispatch failed to publish the Public Hearing Notice and the budgetary amounts properly. He explained that the notices have to be published twice, seven days apart and at least three days before the public meeting. The News-Dispatch however published the notices a week ago Friday (August 17th) and Saturday (August 18th) after apologizing to the Controller's Office that they couldn't publish it on a Friday and then did not post it the following week. Mr. Schaefer advised that they also failed to publish the City's budget notice this week as well.

Mr. Schaefer stated that the News-Dispatch has promised that the notices will be published this Friday (August 24th) and next Friday (August 31st). Therefore, he suggested that a special meeting be set for possibly the Wednesday before the next

regular meeting for the public hearing. The budget could then be adopted at the regular meeting in September.

Dr. Jones asked Mr. Walus if there is a date in mind. Mr. Walus advised that the Wednesday before the next regular meeting would be September 19th and suggested the meeting be held at 1:00 p.m.

Mr. Schaefer advised that he requested Assistant City Controller Yvonne Hoffmaster to also advertise the budgets in the La Porte Herald Argus in case the News-Dispatch makes the same mistake twice.

Dr. Jones advised that he would not be able to attend a meeting at 1:00 p.m. on September 19th and asked if there was some flexibility with time for a possible 11:00 a.m. meeting. He stated that he was also unsure about the availability of the other Board Members. Mr. Walus commented that the meeting could be scheduled for a different time.

Mr. Strauss commented that he would not be available at 11:00 a.m. on that day. Dr. Jones then commented that the meeting could be held at 1:00 p.m. and he just would not be able to attend. He would, however, be available on Thursday, September 20th.

Mr. Walus suggested leaving the meeting to be set for Wednesday, September 19th at 1:00 p.m. and he will confirm with the other Board Members to make sure that they can attend.

Dr. Jones thanked Mr. Schaefer for the information.

Dr. Jones entertained a motion in reference to the minutes of the Regular Meeting of July 25, 2007.

Ms. Paul made a motion to approve the minutes of the Regular Meeting of July 25, 2007 – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Dr. Jones then entertained a motion to approve the minutes of the Special Meeting of August 10, 2007.

Mr. Strauss made a motion to approve the minutes of the Special Meeting of August 10, 2007, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

In reference to the Financial Status of the District, City Controller John Schaefer advised that, through July, the net operating loss for the Sewage Wastewater Operations is

approximately \$913,000. However, there is approximately \$1.1 million in depreciation causing that loss so it is not an actual cash loss.

Mr. Schaefer then advised that, since there has been no property tax funds received yet, the City is loaning money to the Refuse Fund so that it can continue to operate. This money will be reimbursed to the City when the tax funds are received.

Mr. Schaefer stated that Mr. Strauss had previously suggested an executive summary of the monthly financial reports. Mr. Schaefer stated that, once he gets through the budget season he will go through the reports to review the most important information to include in a summary report. Mr. Schaefer stated that he would be happy to include any specific items that any Board Member might want included.

Dr. Jones asked if there were any questions by the Board. There were none.

Dr. Jones read the Financial Status into the minutes, as follows:

**FINANCIAL STATUS – SANITARY DISTRICT
August 17, 2007**

| | |
|---|-----------------------|
| OPERATION & MAINTENANCE FUND #6201 | \$595,344.03 |
| SEWAGE WORKS SINKING FUND #6207 | \$1,186,045.98 |
| SEWAGE WORKS IMPROVEMENT FUND #6208 | \$446,590.58 |

Dr. Jones thanked Mr. Schaefer for his report.

Public Comment

Dr. Jones called for any comment from the public. There was none.

The following status reports were given:

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

White Oak Drive Storm Sewer

Mr. Doyle advised that the project was shut down for approximately a week and a half to two weeks because of water problems. The contractor was unable to get enough well points installed in order to keep the trench dry.

At this point, Woodruff & Sons has contracted with a contractual de-watering operation and they are in the process of putting in electric submersible wells. This work should be complete Tuesday or Wednesday of next week.

Additionally, NIPSCO is supposed to be in to relocate and install a new gas main, probably some time later this week.

Mr. Doyle anticipated that the contractor will be laying pipe some time next week or at least the first part of the following week.

Dr. Jones asked the projected time line for the project. Mr. Doyle advised that this work will take at least two months to complete the job.

Dr. Jones asked if there were any other questions.

Mr. Strauss asked if there will be an additional cost to the project in this type of case with the unforeseen problems with the de-watering wells. Mr. Doyle advised that this is the contractor's responsibility.

Mr. Doyle stated that it is an unfortunate thing but the contractor just ran into a lot of uplift pressure because of a clay layer. Mr. Doyle explained that once you get into the clay layer, there is a lot of uplift pressure because you are deep into the water table. The contractor was unable to control it with well points.

Mr. Doyle stated that the contractor had as many well points on this job as he has ever seen but it still could not handle it.

Mr. Doyle believed that the contractor will be successful with the new methods.

Meer Road South Sanitary Sewer and Water Main Extension Project

Mr. Doyle advised that the contractor has begun clearing, primarily on the south end of the project. The clearing contractor has not been in the area for a couple of days due to the weather. They need to be careful of getting around wires in the wet weather.

Mr. Doyle advised that NIPSCO has been made aware of the project and they have plans for quite a while. However, NIPSCO has had some change in personnel.

Dr. Jones asked if there were any questions. There were none.

Roeske Avenue Lift Station

Mr. Doyle advised that he is still in the process of trying to get the reports ready but they have been working more on some other projects for the District. He hopes to have something by the next regular meeting.

1000 North Corridor Project

Mr. Doyle advised that the field work has been done and the surface topographic work has been drawn. He should have something on a preliminary basis at the next regular meeting.

212/Willow Springs Drive Project

Mr. Doyle advised that the field work has been done and the surface topographic work has been drawn.

Dr. Jones asked if there were any questions by the Board. There were none.

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

Wabash/Washington Sewer Separation Project, Phase 2A

Mr. Thiede submitted Pay Request #11 of Woodruff & Sons and recommended approval of same.

Mr. Thiede advised that the project is going very well and the contractor is in the final stages of seeding the area. A punch list has been created and things are getting done.

Dr. Jones entertained a motion on the matter.

Mr. Strauss made a motion to approve Pay Request #11 of Woodruff & Sons, in the amount of \$29,909.00, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Wabash/Washington Sewer Separation Project, Phase 2B

Mr. Thiede submitted Pay Request #7 of Woodruff & Sons and recommended approval of same.

Mr. Thiede advised that the contractor is making great headway on the project. There was some pervious concrete pavement poured last Friday (August 17th), which is the first for Michigan City for Best Management Practices (BMPs) and it looks good.

Dr. Jones entertained a motion on the matter.

Ms. Paul made a motion to approve Pay Request #7 of Woodruff & Sons, in the amount of \$326,646.28 as submitted – seconded by Mr. Strauss. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Wabash/Washington Sewer Separation Project, Phase 2C

Mr. Thiede submitted Pay Request #6 of HRP Construction and recommended approval of same.

Mr. Thiede advised that the contractor is doing well and has one more street to construct. The entire sanitary sewer is in place in the last block but they still need to complete work on the storm sewer. At that point, they can reconstruct the street.

Dr. Jones entertained a motion on the matter.

Mr. Strauss made a motion to approve Pay Request #6 of HRP Construction, in the amount of \$195,704.20, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Attorney Nelson told Mr. Thiede that the Partial Waiver of Lien has a very, very small error in the amount. Attorney Nelson asked Mr. Thiede to have HRP Construction correct it. However, this has nothing to do with the pay request. He asked that they forward a modified document. Mr. Thiede commented that he was sorry that he did not catch the error and advised that he would contact HRP.

Lake Hills Stormwater Separation Project

Mr. Maurer submitted Pay Request #1 of H&G Underground Utilities and recommended approval of same.

Mr. Maurer advised that the underground work is progressing, reaching the Washington Park Boulevard and Wayne Street intersection. The contractor is zeroing in on the existing lift station on Washington Park Boulevard and they are making good progress.

Dr. Jones entertained a motion on the matter.

Mr. Strauss made a motion to approve Pay Request #1 of H&G Underground Utilities in the amount of \$192,336.30, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

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

Earl Road Flood Control Facility

Mr. McCormick advised that Tonn & Blank is scheduled to replace some dead trees in the month of September after which time a final inspection will be done on some of the areas that were replanted. Mr. McCormick hoped that he would then be in a situation to recommend release of retainage and finalizing the project.

Dr. Jones commented that there was a reference last month to some reseeding of other plant life. Mr. Walus explained that there is some additional reseeding that needs to be addressed in December.

Dr. Jones asked if there were any questions. There were none.

Mr. Walus reported on behalf of Brierley Associates on the following project:

Lafayette/Barker Tunnel

Mr. Walus reminded the Board that the contract proposal of Brierley Associates was approved at the Special Meeting on August 10, 2007 contingent upon resolution of issues regarding the legal review of the General Terms and Conditions.

Attorney Nelson advised that his office reviewed the final revisions and draft of the contract on August 21, 2007 and has approved it as of that date. Attorney Nelson advised that he has no problem with the contract being executed in its most recent revised form.

Dr. Jones recalled that the question or concern was the indemnification clauses. Attorney Nelson stated that this is correct and advised that all of the indemnification language has been worked out and he is satisfied with the current revised contract.

Dr. Jones asked if action is required at today's meeting. Attorney Nelson advised that no action is necessary because of the prior contingent approval and the contract just requires signatures by the Board.

The following departmental status reports were given:

Al Walus

In reference to the Trail Creek Watershed, Mr. Walus advised that they are working toward the middle of September, during Coastal Week, to have a summary of the different Trail Creek Watershed activities completed to date. The hope is to tie the Annual Coastal Week celebration to an annual report on the Watershed.

In reference to the Personnel Resource Utilization, Mr. Walus asked to table the discussion until next month since Board President Bill Phelps and Commissioner Linda Simmons were not in attendance at today's meeting. He would like to discuss the matter when all Board Members are present. The Board agreed.

Dan Olson

Mr. Olson advised that there was an exceedence of the NPDES Permit on July 9th for maximum daily *E.coli*. Mr. Olson advised that there is really no good explanation for it other than there was a drop in chlorine residual in the chlorine contact tank for unexplained reasons. Mr. Olson advised that sometimes these things just happen.

Mr. Olson explained that the chlorine was increased to get a high chlorine residual out of the chlorine contact tank before de-chlorination and that solved the problem. There has been no violation since and he does not anticipate one.

Mr. Olson stated that this is one of those things that he doesn't like as a chemist because he cannot put a finger on the problem and tell you the answer. However, this is the best we can do.

Mr. Olson advised that the *E.coli* value was 660 and the District's daily maximum limit is 235.

Mr. Walus added that the daily average for the entire month was 7 so the occurrence for that one day was what led to the violation.

Mr. Olson advised that the Indiana Stream Pollution Control Board has preliminarily adopted new rules, which will change for wastewater treatment plants, the need to have a daily maximum *E.coli* limit in their permits and go to a monthly average only geometric mean and then ten percent of the daily samples cannot exceed the daily maximum limit.

Therefore, the State is changing the way the permits are being written for treatment plants. Once this becomes finalized, the District will probably submit a permit modification so that we will fall under the new rules also.

Mr. Olson then advised that there were no CSO events even though there was some considerable rain in July. Additionally, he advised that there has been a considerable amount of rain this month also but we are doing fine.

Mr. Olson reported that he, Mr. Walus and Maintenance Foreman Randy Hocutt traveled to Wisconsin to view the Salsnes Filters that could potentially take the place of a primary clarifier. He advised that the equipment looked promising.

Mr. Olson advised that they also looked at the biosphere process that would take the place of aeration tanks and this equipment also looked promising.

Mr. Olson explained that the main purpose was to go and see the equipment to get a feel for how they operate in an actual situation and to see if there were any major obstacles that would throw it out of consideration right away. There were none.

Mr. Olson advised that a discussion was then held with McMahon Associates at their offices on the progress of the master planning. It was a very good day, not only with the trip to see the equipment, but also the meeting with McMahon.

Dr. Jones asked if the equipment that they viewed was already installed. Mr. Olson advised that the Salsnes Filter was a demonstration unit. It was a fully operational unit that was downsized so that only a portion of the flow went through it.

Mr. Olson explained that they visited a very small wastewater treatment plant in Wisconsin. The biosphere was a full-sized plant install in its shake-down operations. However, there were manufacturer's representatives on site working it through the shake-down period.

Mr. Olson advised that, amazingly, the unit was pretty much the size that the District would need if we decided to go that route here.

Mr. Olson explained that the District has six aeration tanks; two banks of three aeration tanks. This new building and equipment would take the place of two of those tanks which would free up a lot of space for future growth or other considerations.

Mr. Walus added that the Salsnes Filter that they saw was a full demonstration unit. The demonstration unit was approximately the size of the Board's conference table. Mr. Walus stated that they discussed the possibility of trying to get the unit in Michigan City for demonstration purposes. McMahon Associates e-mailed the District the next day stating that the vendor would be willing to bring the unit to Michigan City in October for several weeks to have it on site to see how it works in our plant.

Mr. Walus commented that McMahon Associates has been very responsive in trying to get to the vendor to bring the equipment here to view it.

Mr. Walus then stated that the biosphere for the secondary treatment used at the plant in Wisconsin is the tenth wastewater treatment plant in the United States where this has been installed.

Mr. Walus advised that the District representatives were able to talk to the manufacturer's representatives who were commissioned by the utility. They seemed very well versed in how it works. It is very simple technology with a minimal amount of mechanical moving parts.

Mr. Walus commented that this is very promising for positioning the wastewater treatment plant long term and gives us opportunity for future treatment capabilities. He stated that the District is somewhat limited right now and these two different methods for primary and secondary treatment could really position Michigan City and La Porte County very well for any future growth that may happen.

Mr. Walus stated that the meeting on Monday was very good and the staff is very optimistic.

Mr. Olson added that the District is going to accept the demonstration offer and the unit will be on site for approximately six to eight weeks.

Mike Hoffman

In reference to the Safety Report for the WWTP, Laboratory, Administration and Collection System, Mr. Hoffman advised that there were no reported injuries or lost time during the last month. This makes 14 months with no lost time.

In reference to the Safety Report for the Refuse Department, Mr. Hoffman advised that there was one reported injury, which did not result in lost time and there is one employee who remains off of work on workers' compensation.

In reference to MS4, Mr. Hoffman advised that the MS4 Program, after having received the official letter from IDEM, is up and running.

Mr. Hoffman reminded the Board that the MS4 Program applies to greater than one acre of disturbed land. Therefore, in Michigan City, the new Lake Hills School on Lake Hills Road, the Super Wal-Mart on 400 North and the Walgreens Drug Store, which was a border line call, at Barker Avenue and Franklin Street are affected. Walgreens, however, did submit an MS4 plan and they have been inspected by MS4 Coordinator Rick Brown.

Mr. Hoffman advised that those sites greater than one acre have submitted plans and are being inspected so the program is working.

Additionally, Mr. Brown is also inspecting the construction sites greater than one acre in the City of La Porte, the County of La Porte as well as the other entities that constitute the MS4 group.

Mr. Hoffman advised that there is a separate program not to be confused with the MS4 program that also relates to stormwater. This program does not concern erosion control but it has more to do with stormwater retention/detention. Mr. Hoffman explained that the Sanitary District reviews applications that are greater than 10,000 square feet of impervious surface.

Mr. Hoffman gave the example of the new food court on Michigan Boulevard that will have greater than 10,000 square feet of impervious surface. However, they have not disturbed more than one acre. They will still have to, and in fact do, have a plan for storm water retention/detention because of that greater than 10,000 square feet of impervious surface.

Additionally, the Lake Hills School, the Super Wal-Mart and Walgreens also fall under that program as a requirement under Michigan City's zoning ordinance.

Mr. Hoffman explained that the two programs are similar in that they deal with stormwater but dissimilar in the sense that they have different ends. MS4 deals with erosion control and the 10,000 square feet under the zoning requirement is strictly to deal with stormwater when they lay down an impervious surface, as opposed to where the rain would go if they did not have the impervious surface in place.

Mr. Hoffman explained that this is the reason why, in both programs, we are so interested in the pervious concrete that was recently installed along Barker Avenue. This is a really great future for both programs inasmuch, if it works, it will be a great plus in Michigan City to not trigger these programs and assist in the minimization of stormwater and doing so without eroding soil.

Dr. Jones commented that he was interested in Mr. Thiede's mention of the pervious concrete. Dr. Jones asked the cost comparison between the impervious surface and normal concrete. Mr. Walus advised that the pervious concrete is a little more expensive than regular concrete.

Mr. Walus advised that there will be a media event scheduled in the coming weeks to have an actual demonstration on site on Barker Avenue to show how the water passes through the concrete. Mr. Walus advised that he will have the cost data available at that time.

Mr. Walus explained that the cost for the pervious concrete is more because there is more handling that the contractors have to use during installation.

Jim Kintzele

Mr. Kintzele advised that, for the first time in five months, the loose and compacted tonnage has gone up a little bit. However, for the year, he advised that the department is still almost at 300 tons less than last year. Mr. Kintzele added that there should be a further reduction for the next three months of the year also.

Attorney Bill Nelson

Attorney Nelson advised that there are 3 delinquent accounts, totaling \$494.31, to be recorded as liens requiring Board action.

Dr. Jones entertained a motion on the matter.

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

Attorney Nelson advised that there was one bad debt this month, in the amount of \$109.48, to be declared as uncollectible requiring Board action. This was the result of a change in title ownership prior to a lien being placed.

Dr. Jones entertained a motion on the matter.

Mr. Strauss made a motion to declare the amount of \$109.48 as a bad debt and uncollectible, as submitted – seconded by Ms. Paul. No discussion or comment on the matter. Motion carried 3 – 0 in favor.

Attorney Nelson then submitted a list of two liens to be released due to satisfaction of the liens and advised Board action was necessary.

Dr. Jones entertained a motion on the matter.

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

Dr. Jones entertained a motion to approve and allow Revenue and Tax Levy claims for payment.

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

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

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

Old Business

There was none.

New Business

There was none.

The next regular monthly meeting of the Board of Sanitary District Commissioners –
September 26, 2007 – 1:00 p.m. - 1100 E. Eighth Street

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

Linda G. Simmons, Secretary