

## **SANITARY DISTRICT BOARD OF COMMISSIONERS REGULAR MEETING**

**WEDNESDAY, JANUARY 22, 2020 4:00 P.M. – 1100 E. EIGHTH STREET**

The meeting was called to order at 4:04 P.M. in the Administration Building, 1100 E. Eighth Street by President Garry L. Mitchell Sr.

Commissioners present for the meeting were: Garry L. Mitchell Sr., Tim Smith, Holt L. Edinger and Jeffery Wright. Frank R. Harris was absent.

Staff present for the meeting were:

Michael P. Kuss, General Manager

Scott Kistler, Financial Manager

Steve Stanford, Operations Manager

Milorad Milatovic, Superintendent of Water Reclamation

Rachel McCline, Receptionist Dispatcher

John Gorczyca, District Engineer

Arber Himaj, District Engineer

Ryan Byers, District Engineer

James B. Meyer, Legal Counsel

Also present for the meeting were:

John Doyle, John A. Doyle & Associates, Inc.

Tim Haas, Haas & Associates LLC

Teddy Blahnik, V3 Companies

Charlie Keen, General insurance Services

Daniel McCoy, Daniel McCloy & Associates, LLC

### **Election of Officers for 2020**

Mr. Edinger made a motion to nominate Garry L. Mitchell Sr. to continue as President – seconded by Mr. Smith. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Mitchell made a motion to nominate Tim Smith as Vice President – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Smith made a motion to nominate Mr. Edinger to continue as Secretary – seconded by Mr. Mitchell. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

### **Minutes**

Mr. Smith made a motion to approve the December 18, 2019 Regular Meeting Minutes as submitted – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

**Public Comment**

None

**Financial Report**

As of December 31, 2019:  
Operating Fund: \$813,312.17  
Improvement Fund: \$842,895.03  
Vehicle Replacement Fund \$119,995.58  
Equipment Replacement Fund: \$670,380.51

Mr. Kistler advised that the Indian Springs Project and Whippoorwill Project Funds had a zero balance because the Sanitary District had paid the quarterly amount due to the State Revolving Fund (SRF).

SRF Debt Reserve: \$497,231.74  
SRF Bond & Interest: \$209,629.88  
Storm Water Fund: \$373,748.00  
Refuse Fund: \$1,287,069.65  
Special Revenue: \$11,355.10  
Levy Excess Fund: \$8,522.14  
Rainy Day Fund: \$81,307.78  
Karwick Remediation: \$826,637.55

Mr. Kistler provided the Board with the 2019 Budget Performance Reports for the Operating, Refuse and Storm Water Funds.

Mr. Kistler advised that the Information Technology Department (I.T.) has been renting a Ditch Witch Plow to install fiber optic throughout the City of Michigan City. Mr. Kistler noted that the monthly leasing fee is \$2,454.00. Mr. Kistler added that Rentals Plus informed the Sanitary District that 90% of the lease payments can be applied towards the purchase of the mentioned equipment. The equipment was originally \$35,000.00 with a credit in the amount of \$15,000.00. Mr. Kistler reported the payoff of the equipment in the amount of \$19,880.00 and recommended approval of the same.

Mr. Smith made a motion to approve the **Ditch Witch Plow Purchase** – seconded by Mr. Edinger. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Regarding the **Asset Inventory/Tyler Technologies Agreement** Mr. Kistler advised that there's a *Fixed Asset* portion of the software in New World. Mr. Kistler reported that Sanitary District officials will need training on how to populate the module in New World.

Mr. Kistler noted that Tyler Technologies provided the Sanitary District with a quote in the amount of \$12,120.00. The quote consists of four (4) days of training in the amount of \$5,120.00. Mr. Kistler added that it will cost \$7,000.00 to convert the current data into a format that can be imported to New World.

Mr. Edinger made a motion to approve the Asset Inventory/Tyler Technologies Agreement as presented – seconded by Mr. Smith. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

**General Insurance Services**

Mr. Keene gave a brief report regarding the Worker’s Compensation Self-Funded Program Renewal.

The Annual Anniversary of the program is January 15, 2020. The Michigan City Sanitary District entered the City’s Self-Funded program on April1, 2010. The program is administered by the following providers:

- Safety National provides the Excess Insurance
- Great American E & S Insurance Company provided the Buffer Layer Insurance
- CompOne provides the Third-Party Administration (TPA)
- The City/Sanitary District Loss Fund

Regarding **Marketing Efforts**, Mr. Keene advised that General Insurance Services has analyzed and compared the self-funded program to the guaranteed cost worker’s compensation market, aka the traditional marketplace. Guaranteed cost options exceed \$180,000 annual premium. So, after careful analysis it is evident that the self-funded worker’s compensation approach has been cost effective for the Sanitary District.

**Summary of Changes**

- No coverage or limit changes in excess and buffer layer insurance coverage.
- Third-Party Administrator Services change form York/Sedgwick to CompOne Administrators.

**Annual Renewal Program Cost Summary**

<b>Sanitary District Totals</b>	<b>Expiring 2019</b>	<b>Renewal 2020</b>	<b>Change</b>
Excess Premium (Safety National)	\$23,061.78	\$26,284.86	\$3,223.08
Buffer Layer Excess (Great American)	\$7,488.81	\$8,499.54	\$1,010.73
TPA Fee	\$9,149.70	\$8,904.00	-\$245.70
<b>Total</b>	<b>\$39,700.29</b>	<b>\$43,688.40</b>	<b>\$3,988.11</b>

- The fees are shared proportionately between the City and the Sanitary District based on payroll.
- The premium split between the City and Sanitary District is approximately 79%/21%

Mr. Edinger made a motion to approve the Worker's Compensation Renewal as presented – seconded by Mr. Smith. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

### **Safety Report**

Mr. McCoy advised that there were no recordable injuries in the month of December 2019. Mr. McCoy noted that the Sanitary District will be required to resubmit its Risk Management Plan to the Environmental Protection Agency (EPA) by June 2021.

Mr. Smith asked if there is a seminar available in reference to lifting things properly. Mr. McCoy stated that General Insurance Services offers e-learning software that focuses on risk management.

### **Weaver Consultants and Engineers**

Regarding Karwick Dumpsite/Nature Park, Mr. Kuss advised that the project is near substantial completion. Mr. Kuss added that Northern Indiana Public Services Company (NIPSCO) has energized the Lift Station power supply.

Mr. Kuss submitted an Invoice from Weaver Consultants in the amount of \$7,194.00 and recommended approval of the same.

Mr. Edinger made such a motion – seconded by Mr. Smith. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Kuss submitted an Invoice from Weaver Consultants in the amount \$1,631.52 and recommended approval of the same.

Mr. Smith made such a motion – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

### **V3 Companies**

Regarding the **Cheney Run Stormwater Project** Mr. Kuss advised that 100% of the design is complete.

Mr. Kuss advised that the Sanitary District obtained a LARE Grant that will fund 80% of the cost up to \$90,000.00.

Mr. Kuss noted that a 10-foot barrier wall was not included in the original bid estimated at \$100,000.00 in addition to a row of trees/shrubs estimated at \$50,000.00. Mr. Kuss mentioned that the engineering and inspection proposal is in the amount of \$65,500.00. The total cost of the project is approximately \$973,500.00. The stormwater separator is an additional \$949,500.00.

Grant Funding: \$570,000.00 from Sustain Our Great Lakes, Great Lakes Restoration Initiative \$293,945.00, LARE Grant for Construction \$100,000.00.

Mr. Kuss advised that the total amount of Grant funding is in the amount of \$963,945.00. Mr. Kuss added that the Sanitary District would need to match the Sustain Our Great Lakes Grant in the amount of \$570,000.00.

Mr. Kuss noted that the Pretreatment unit is too expensive for the Sanitary District to install right now.

Mr. Edinger made a motion to award the Cheney Run Stormwater Project to HRP Construction not to exceed \$758,000.00 pending review of the contract with Sanitary District Staff officials and Sanitary Board Commissioner Jeffery Wright – seconded by Mr. Smith. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Blahnik submitted a **Pay Request from V3 Companies in the amount of \$68.75** and recommended approval of the same.

Mr. Edinger made such a motion – seconded by Mr. Smith. There being no question or comment on the matter, the motion carried 4 – 0 in favor,

Mr. Smith made a motion to approve a **Pay Request from V3 Companies in the amount of \$1,080.00** – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Kuss reported that the Sanitary District continues to negotiate with GAF regarding the 11.79-acre property donation.

Regarding the Striebel Pond Renovation, Mr. Blahnik advised that V3 Companies is working on a plan to remove invasive plant species and replace them with native species.

### **John A. Doyle & Associates**

Regarding the **U.S. Hwy 20 Striebel Arm Ditch Force Main rerouting Project**, Mr. Doyle advised that the Indiana Department of Transportation (INDOT) plans to replace the culvert under U.S. Hwy 20. Mr. Doyle added that a signed contract with Woodruff & Sons Inc. is needed, as well as a Notice of Award.

Mr. Doyle noted that the Sanitary District will be financially responsible for 1/3 of the project and the Water Department will be financially responsible for 2/3 of the project.

Mr. Kuss recommended approval of the mentioned contract.

Mr. Smith made such a motion – seconded by Mr. Edinger. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

### **Haas & Associates**

Regarding the South Gate Neighborhood Stormwater Improvement Project (Village Road/Crestwood Drive), Mr. Haas advised that the project is shut down for the winter. Mr. Haas added that D & M Excavating has completed all the pipe work underneath the streets. The remainder of the work is to restore the streets, which will take place in the spring.

Mr. Edinger made a motion to pay **Haas & Associates for Engineering Construction Oversight in the amount of \$21,978.81** – seconded by Mr. Smith. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Haas submitted a **Pay Request from D & M Excavating in the amount of \$228,782.10** and recommended approval of the same.

Mr. Smith made such a motion – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Attorney Meyer advised that Mr. Kistler submitted a letter to the Redevelopment Commission requesting reimbursement for both invoices pertaining to the Stormwater Improvement Project.

Regarding the **Long Beach Sewer Project**, Mr. Haas advised that Haas & Associates have received the financial analysis from Cender & Company.

Mr. Smith asked if the erosion along Long Beach will affect the current report. Mr. Haas stated that it will be beneficial for Haas & Associates to add some information about the erosion that has taken place in the past couple of weeks.

Mr. Kuss submitted a **Pay Request from Haas & Associates for Engineering Design and the Preliminary Report in the amount of \$2,981.25** and recommended approval of the same.

Mr. Smith made such a motion – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Regarding the **North End Study**, Mr. Kuss asked when the final draft of the report would be complete. Mr. Haas advised that the draft would be complete by April 2020.

### **Sanitary District Reports**

Mr. Kuss reported notification to the Indiana Department of Environmental Management (IDEM) to continue with the **issuance of construction permits** for sewers throughout Michigan City.

Mr. Kuss advised that the Sanitary District received a Volkswagen Mitigation Grant in the amount of \$171,000.00 for **three (3) refuse dump trucks**. Mr. Kuss stated that the Sanitary District will need to hold off on this purchase until funding is available to match the Grant.

Mr. Edinger asked if there was a salvage value of the dump trucks that are being replaced. Mr. Kuss stated that there may be some salvage value.

Regarding the Energy Savings Report, Mr. Kuss advised that the Sanitary District saved \$5,161.00 over the average of the 2 years prior to the Energy Savings installation.

### **Begley/Concord Cleaners Contaminated Ground Water Plume**

Mr. Kuss reported that August Mack is conducting more groundwater monitoring.

### **Ohio Street Reconstruction Project**

Mr. Kuss advised that the project was accepted as final at the last Redevelopment Commissions Meeting.

### **South Shore Oil Release**

Mr. Kuss reported that the \$2,500.00 fine was paid to the Sanitary District by South Shore Freight.

### **Digester Electrical/Gas Project**

Mr. Kuss noted that Marquiss Electric plans to have this project complete by the end of January 2020.

### **White Ditch Cleaning Project**

Mr. Kuss reported that a meeting was held with IDEM on December 27, 2019. Mr. Kuss advised that the Sanitary District may need to resend a Request for Quotes.

### **Sewer Maintenance Letter and Policy**

No Updates.

### **Blue SWAG**

Mr. Kuss provided the Board with a monthly report.

### **U.S. Highway 20/35 Sanitary System Relocation**

Mr. Kuss advised that Butler, Fairman & Seufert have been hired by the Airport Authority to perform work regarding relocation of the utilities for an overpass airway. Mr. Kuss added that there may not be funding for this project at this time.

Mr. Kuss submitted an invoice from Butler, Fairman & Seufert until this project can continue in the amount of \$2,891.50 and recommended approval of the same.

Mr. Edinger made such a motion – seconded by Mr. Smith. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

### **Biosolids Report**

Mr. Kuss advised that this report is due to the EPA by February 19, 2020

### **Updated Agreement – Land Application**

Mr. Kuss advised that Todd Lawrence has taken over the operation of former Lawrence Brothers Farms and changed the name to **Todd Lawrence Farms**. Mr. Kuss noted that the name changed was also changed on the agreement and recommended approval of the same.

Mr. Smith made such a motion – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

### **MCSAN Staff Annual Reports**

Mr. Kuss provided the Board with monthly and annual staff reports.

Mr. Kuss gave a brief summarization regarding the **Information Technology** departments efforts in installing cameras in Washington Park and fiber throughout Michigan City.

Mr. Kuss reported that the Wastewater Treatment Plant had 98.3% removal of Biochemical oxygen demand (BOD). Mr. Kuss added that 2,902,480,000 gallons of wastewater was treated in 2019.

Mr. Kuss advised that there were nine (9) back ups reported to the Indiana Department of Environmental Management (IDEM) in 2019. Also, the Collection Systems Camera truck videoed 12.8 miles of Michigan City's sewer system in 2019.

**Refuse Tonnage Report**

Mr. Kuss reported that the Refuse Department disposed 1,095.5 tons of waste in December 2019. The yearly total for Refuse disposal in 2019 was 10,668 tons of waste.

Mr. Edinger made a motion to approve and allow Revenue and Tax Levy Claims for payment – seconded by Mr. Smith. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

**Old Business**

None

**New Business**

None

Mr. Mitchell made a motion to adjourn the meeting – seconded by Mr. Edinger. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Next Regular Meeting of the Board of Sanitary District Commissioners – **Wednesday, February 26, 2020 – 4:00 P.M. at 1100 E. Eighth Street.**



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Holt L. Edinger, Secretary