

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

The Board of Sanitary Commissioners of the Sanitary District of Hammond, Lake County, Indiana held a regular meeting at 4:00 p.m. in the Conference Room of the Administration Building located at 5143 Columbia Avenue, Hammond, Indiana.

President Dimopoulos called the meeting to order at 4:00 p.m. He stated that the Board held an Executive Session at 3:45 p.m. to discuss personnel and litigation matters in accordance with Indiana Codes.

Commissioners Present: Button, Dimopoulos, Dye, Hawkins, Moore

Commissioners Absent: N/A

District Personnel: Marty Wielgos, District Manager
Matthew Muta, Deputy District Manager
Rachel Montes, Business Manager
Joe Allegretti, Attorney
Jeff Massey, HSD
Rick Sutton, HSD
Becky McKinley, GIS
Jack Smith, Sewer Department
Kaleigh Boyle, HSD

Others Present: Mike Hickey, AB&H Donohue

The meeting started with the Pledge of Allegiance.

President Dimopoulos stated that the first order of business was the consideration of the June 12, 2018 Board Meeting Minutes.

Dye **moved** and Button **seconded** to approve the June 12, 2018 Board Meeting Minutes.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. A copy of the June 12, 2018 Board Meeting Minutes are attached to and made a part of these minutes.

District Manager's Report

District Manager, Marty Wielgos, stated that he had the Monday morning meeting and Dean was there also with the Mayor and he would say that it was quite lively. He explained that Mr. Button helped him with some conversation that they had with the Mayor after their regular meeting concerning where we are headed with our Consent Decree. It was interesting. He just wanted to report on that and thank Dean for helping because he thought he was on a lonely ship there that

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

day, but interesting conversation. We should be closing on the bond for all the upgrades at Columbia Avenue in the next week or two.

Business Manager, Rachel Montes, said that she does not know if it will be that soon because they have their pricing meeting scheduled for tomorrow.

Marty asked when she thought we would get the money.

Rachel answered that she does not know. She thinks within the next couple of weeks because they did already get their S&P rating.

Marty explained that our S&P rating came in at BBB+ and the belief is that next year it should be raised because of financially where we are heading so that is all good. Other than that, he will let Matt report on Linden and where we are there- almost complete there at least with the first phase of having everything acquired and torn down. He asked Matt to jump in and give a quick report on it.

Matt Muta stated that we have evictions scheduled for the two apartment complexes on Linden (7526 and 7536 Linden) are scheduled for July 2nd. So there are a handful of people still living in the apartments and they should all be out. As you all know, we own every property on the block now. Notice to quit has been sent to every property- most are boarded up. There are three or four houses that have not been boarded up yet and that is because the power is not off and there is potentially somebody still living there. That is really where we are at. Just waiting for everybody to be cleared out, the City is aware of which houses are ready to be demolished and there is five on the block that are actually ready to be demolished so at any day he can go out there and there can be an excavator in the ground.

Commissioner Moore asked about the gas station.

Matt answered that the gas station that we have purchased- the funds are in an escrow account. We have paid the County for the gas station. The previous owners disputed the amount that we paid for the gas station- they do not agree with the amount that we already paid for it and they are using a legal precedent which is giving them the right to maintain occupancy until the matter is resolved by the Court and right now it is in litigation. So that is what is going on with it.

Commissioner Moore commented that we paid for the property and they are making money on it.

Marty wanted to clarify and said that he may have to correct some of that. The Court when they disputed the three appraisals that we had, the Court petitioned their own appraisals and the Court's appraisers came back and said that it was worth X, so we paid that. So the money is sitting in the trust account with the Court and his understanding is that the judge has not signed the order yet to have them evicted out of the gas station. From his further understanding, it is just a matter of the judge just wants to wait a little bit, but that is the only thing holding it up. They

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

can take us to court later on if they want, but right now we own it and it is just a matter of the judge signing the order saying 'get out of the gas station because now the Sanitary District owns it.' That has been going on for a few weeks. We know that the Court has cashed the check and has the money sitting in their account and we've had some communication with Westland asking where we were at and his response has been that the judge still has not signed the order. He does not think that there is a problem there. It is just that the judge has not signed the order so that is really how that has come together.

Commissioner Button asked if there is a schedule for the work going to be done here. He asked if we know what the time table is.

Marty replied that his understanding after talking to our engineer and he had indicated to him that he thought by the fall that everything should be ready to go, so hopefully around the fall. He asked Rick if that is right.

Rick said yes that is right.

Marty asked Rick because he said the Mayor asked him, the bond money that we are getting (11.5 million), how much of that is going towards Headworks.

Rick answered that he believes all of it will be spent there. He does not know until we finish the engineer's estimating and get the bids.

Marty explained that he is asking because he believes at the meeting yesterday that the Mayor expressed that is quite a bit of money for just that one project and he explained to him that the whole building has to be redone.

Rick agreed and stated that it is a major electrical upgrade is what it is.

Commissioner Button added that the Water Department are in the process of building theirs and he believes that was about 6.—

Marty said that seven million is what came to him.

Commissioner Button added that it is a little more complicated here from what he understands.

Marty said that is good and hopefully we have the money here shortly.

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

PERSONNEL REPORT

Button **moved** and Dye **seconded** to approve the Personnel Report.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore
Nays: None
Motion **carried** 5-0.

FINANCIAL REPORT

Business Manager, Rachel Montes, stated that she did not have anything to highlight, but will take any questions.

DEPARTMENT REPORTS

Safety Report

No highlights or questions on safety report.

CONSULTANT REPORTS

President Dimopoulos stated that under Consultant Reports we have the update on the Cost of Service Study with Diana Hamilton.

Marty stated that was a misinterpretation so that is why it came on to the agenda. He can tell the Board a little about that though. We are putting parameters together for the Cost of Service study- nothing has been agreed to yet. We got a last minute call on Friday from Max asking if they could chime in on the staff meeting that they had today and it lasted about 10-15 minutes. She is going to be sending some drafts for us to look at. We will forward all of that to the Town of Munster at the same time for everybody to review and have input. Today it was only ten minutes so he is not really sure why they even had the call to be quite frank.

President Dimopoulos asked if we have a timeline of when all of that is going to be over.

Marty answered well, that is an interesting question and the best response he has for it is that John Julian who is working for our customer communities (Highland and Griffith) and he is not the easiest guy to deal with so that is why Diana was highly recommended to us because she knows how to deal with him to protect our interests. To give you an idea, today he sent over through Diana and her people an email to Rachel suggesting that we change—

Rachel stated that it was an accounting scope study.

Marty continued of our accounting- the way we do our financials. Well, why would he do that? They take what we supply them and the State Board of Accounts and draw out of it whatever it is you need to draw. We give the expenses for each department, but he does not like that. So he strongly suggested that we change it and Marty made it very clear that we are not interested in changing it and why would we. He thinks that everybody here knows that we are waiting to

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

upgrade our system, but that is in conjunction when the City is ready so that we can be on the same system. He said three, four or five million comes to his mind for that, so he made it clear that we are not going to do any of that and that is just the way Mr. Julian is. If it is not the way that he wants to see it, then he thinks there is something wrong with it. Well, he thinks this board would be the first to know if there was something wrong with our accounting- we get audited every year. We keep everybody very updated on our financial situation, where we are with cash flows and everything. The answer to your question is that he slows everything down, but Diana Hamilton he has a lot of respect for. This is what she does and she was recommended very highly By Max- one of our attorneys in Indy. So that is good enough for him. He likes her and he thinks the whole staff likes her. It is moving slowly. He has had communication with both the Town of Highland through their attorney Rhett Tauber and through the Town of Griffith through their Board President, Rick Ryfa on where we are. The process is moving, but it is moving a little slow because of the guy that they hired, Mr. Julian. He wants to make sure Dean is on the list when we are having these meetings with Diana, but once again, Friday it was last minute. The problem is they know he has a staff meeting on Mondays so they wait until the very end and he has to put a stop to that because it is impossible for us to get everybody to the table that should be there because as a board member, he should be there and cause it is Friday so we have packets going out. That should not have been on this agenda, but since it was, he figured he would address it.

Commissioner Button thanked him for the update.

RESOLUTIONS

The Board considered Resolution No. 24-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Lake County, Indiana Amending Fixed Salaries and Wage Rates for the Hammond Sanitary District for the Year 2018.

Button **moved** and Moore **seconded** to approve Resolution No. 24-2018.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. Resolution No. 24-2018 is attached to and made a part of these minutes.

The Board considered Resolution No. SW5-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Lake County, Indiana Authorizing the Permanent Transfer of \$823,304 from the Storm Water Fund (425) to the Sewer Maintenance Fund (608).

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

Button **moved** and Dye **seconded** to approve Resolution No. SW5-2018.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. Resolution No. SW5-2018 is attached to and made a part of these minutes.

The Board considered the Bank Reconciliation for May 31, 2018.

Button **moved** and Hawkins **seconded** for the approval of the Bank Reconciliation for May 31, 2018.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. A copy of the May 31, 2018 Bank Reconciliation is attached to and made a part of these minutes.

The Board considered the Claims Approval Docket 06-26-18.

Button **moved** and Moore **seconded** for the approval of the Claims Approval Docket 06-26-18.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. A copy of the Claims Approval Docket 06-26-18 is attached to and made a part of these minutes.

President Dimopoulos called for Old Business

Commissioner Dye asked for an update on Columbia Avenue.

Commissioner Button clarified in Munster for the force main at Twin Creek.

Rick answered that it is going well. They have made it all the way down Columbia one block short of 45th which he believes is Camellia Drive and now we are heading east down Camellia. We are easily over half way done with the project; he thinks about two-thirds done- about 1500 feet left and then there will be one big tie-in at the end of the project. They are getting in about 250 foot a day of new pipe. It is going pretty good. They are running into a lot of utilities right now which is to be expected with such a long run, but there have been no big problems yet. They are anxious to tie it in and abandon that old line.

Commissioner Button asked if there has been anything done about 45th and Calumet.

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSIONERS MEETING
JUNE 26, 2018
www.hammondsd.com

Commissioner Hawkins answered that there was a meeting a couple of days ago with Jeff and Don Woodard and the engineer Craig Hendricks. It was a very good meeting with the guys from the District and we will go from there.

President Dimopoulos called for New Business

There was not any new business.

President Dimopoulos called for Reports from Commissioners

Commissioner Button stated that he had a couple of items. He noticed the article in the paper about the Dyer Road pump station and he got to see Rick's picture in the paper from years and years ago so he thought it was good to see that there was some publicity out there. He thinks everything that the District Manager reported was very well delivered and hopefully we will have a successful resolution to that.

Marty added that Commissioner Hawkins had called him and he thinks he got an email from the Town Manager. We did not initiate that from the District and he was assured from the Town that they did not initiate it and he is glad that it happened, but he thinks there was concern from both sides on who was handing this stuff to the paper. He was assured from the Town that they did not do that, but the article did turn out really well. He can say that the writer was trying to steer it a different way so he was glad that she did listen to what they had to say on both the Town's side and the District's side. On a side note from that, he asked Mike Hickey is to look at people out of the Chicagoland area that specialize in taking a look at the situation that is happening out there and for them to give him a recommendation on hiring somebody to maybe look at it because what we have happening now is what the article said- Jeff is doing his work, we have the new exhaust fans that are going to be installed by the end of next week. We have the holiday Wednesday so he is hoping that will all fit into place. Rick wants to be able to paint the inside of the building so he took off- He asked Rick to answer what he took down.

Rick responded all of the old exhaust fans, the overhead crane, all of the equipment that was crap. We have cleared the building- all of the old conduit that was rotted out, all of the old wires- all of that is out. We are going to paint the first level only so there can be a clean pallet if you will. We got new ventilation equipment being installed- all stainless steel. As we haven't yet resolved the root cause, we have at least bought a lot of time. They got new stainless steel doors. They have made the building somewhat manageable again.

Commissioner Button commented that at the staff meeting Monday, Kaleigh was praised very highly for your board minutes. They were very well received by the Mayor's office and the others that see the packet, so he just wanted to commend me for the work that I do. It was aid that they feel like they can read the minutes and feel like they were actually at the meeting.

Kaleigh thanked him for the acknowledgement and said that she does work very hard on them to make sure that all that is said in meeting is in the minutes.

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com

Commissioner Button commented that the last thing he wanted to say was that he understands our esteemed attorney received an award recently.

Joe Allegretti responded that it was a mistake.

Commissioner Button suggested that we send our appreciation to Joe for all that he does to help us out. Congratulations.

President Dimopoulos questioned what award Joe won.

Commissioner Button answered that he is nor sure, but it did have to do with his length of service.

Marty stated that it actually was for the length of time that he has been serving- not many people go that long and so he was given an award complimenting him that he has come so far.

Joe Allegretti said he does not know what that means either, but he explained that it is kind of like how at Little League all of the kids get a participation trophy. He said if you do not get fired or die, you get one of these awards.

The Board congratulated Joe.

President Dimopoulos called for Public Expression

There was no public expression.

President Dimopoulos called for a motion to adjourn the meeting

Dye moved and Button seconded for adjournment.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

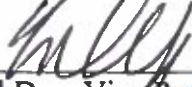
Nays: None

Motion carried 5-0. The meeting was adjourned at 4:19 p.m.

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JUNE 26, 2018
www.hammondsd.com



Sam Dimopoulos, President



Michael Dye, Vice-President



Dean Button, PE, Member



Michael Hawkins, Sr., Member



Patrick D. Moore, Member

ATTEST:



Rachel Montes, Secretary

Kaleigh Boyle, Assistant Secretary

Board Minutes Prepared By: Kaleigh Boyle