

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
OCTOBER 9, 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.

Vice-President Dye 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, Dye, Hawkins, Moore

Commissioners Absent: Dimopoulos

District Personnel: Marty Wielgos, District Manager
Matthew Muta, Deputy District Manager
Joe Allegretti, Attorney
Jeff Massey, HSD
Donald Woodard, HSD
Rick Sutton, HSD
Becky McKinley, GIS
Jack Smith, Sewer Department
Kaleigh Boyle, HSD
Shannon Ferguson, HSD
Jonathan Albers, HSD

Others Present: Mike Hickey, AB&H Donohue

The meeting started with the Pledge of Allegiance.

Vice-President Dye stated that the first order of business was the consideration of the September 25, 2018 Board Meeting Minutes.

Button **moved** and Moore **seconded** to approve the September 25, 2018 Board Meeting Minutes.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. A copy of the September 25, 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 knows Sam said he would not be here all month for the meetings so he would like to thank Vice-President Dye for filling in. They had talked briefly in executive session about the Headworks project which he knows Rick is excited to get

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started on. He asked Rick if he thinks we are still on target for letting the project out maybe January or February.

Rick replied yes. Right now, he believes we are scheduled to give to IDEM in November and then put it out on the streets. IDEM typically takes about eight weeks, sometimes less, but you have to give them that so we are hoping to put it out on the streets and say this project is contingent upon getting approval from IDEM so they do not have to wait those eight weeks and can start planning. That is the plan and then they can open the bids late January or early February and give the contractors thirty days at least.

Marty commented that he knows Rick's communications with Nipsco and supplying the power for the transformers and all that is moving forward because he saw some of the emails.

Rick responded that Nipsco has been really cooperative now because we are essentially doing everything ourselves so they are happy to help because their project is still point to nothing. District Manager decided to that because until we get the brand new, bigger transformer nothing can happen on that job because the old transformers for the Headworks pumps are outside in the way of where the new building and switch gear is going to go. We need the new transformer here to be sit located with temporary power before they can get any equipment here because we are not going to let them purchase all of this new switch gear and have it outside, so we need the building built first. We cannot build a building until we get rid of the old transformers, so we need the new transformer. We will be ordering that this week.

Marty questioned Rick about something he said earlier in the manager's meeting about him having a problem with a current company that he was dealing with so he just told them this is what I want—

Rick explained that they wanted pad mount metering. We want a meter, current and potential transformers with the unit delivered so that they can hook up a meter at the pad. Well, they want to sell us a \$50,000 transformer that they do not even know what to do with and they kind of just melted down- the company that we were going to use, so we gave them a little while and then switched companies and are using somebody else that said they can do that for us no problem.

Marty asked Attorney Allegretti the status of the railroad properties.

Attorney Allegretti answered that one is lined up and ready to close and we are waiting to just get the other one all lined up. There is one minor issue with one of the railroad's having an easement, but for all purposes it is a done deal.

Marty asked Commissioner Button about his bike trail project when we acquire the property when was he thinking of starting that.

Commissioner Button replied that it is an INDOT letting and he believes it will be 2021.

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Marty stated that we have had some inquiries already from some of the property owners on the north side of the land- two that he at least knows of already that have some interest about sitting down and talking to us about acquiring some of that, but he wants to make sure before we do anything that they sit down with Commissioner Button so that he could give them some idea of where he envisions that trail coming across. Rick is using a small piece of that for the new Nipsco power lines that are going to be located on this property. Then, the old Whiteco Industries or whatever they are calling themselves now had approached him two or three years ago (when they knew we were trying to acquire this railroad property) and they want to work out a lease agreement to put an electronic billboard all the way down at the east end of the property next to the toll road and he has already gotten blessings from City Hall on that. It will be good. It will be some money may be recouped right away and maybe producing a little revenue for us from the electronic billboard so that was all good news. In regards to Spohn School, we are kind of just sitting back on that because of our new situation with Cargill. He asked Jeff where we are at with Cargill. He wants to know what they are currently doing.

Jeff answered that they have been averaging about \$100,000/month. This past month they were really low and were down to \$70,000.

Marty asked and what were they in the last year.

Jeff replied that they averaged about \$300,000/month.

Marty commented that we are watching that because obviously it is a loss to our revenue and we just want to make sure that we are moving slowly and watching where we are spending our money and to see where they finally level out at. He asked Jeff if it would be fair to say that he is not sure- they tried doing this once before and were unsuccessful.

Jeff stated that is correct. They tried some years back, but were unable to sustain it and they came back to us so he is not sure what is going to happen with this one.

Vice-President Dye asked Jeff to refresh the board on the topic he is talking about.

Marty explained that when he became District Manager, the District had a contract with Cargill and it was designed where they had these doughnuts built into it where if Cargill stayed within this parameter of one of the doughnuts they would be charged only a certain amount. The number was usually around \$80,000 and they figured out a way to stay within that limit and not go out of it, so they really truly were not paying what he believes that they should have been paying. When the contract ended, they had several meetings with Jeff, him and them and told them that this is now where the rate was going to go and we did that and that is what took it from the \$80,000 to originally about \$175,000 and then \$300,000- not every month, but it would top around \$300,000. They then decided to try and do their own in-house pretreatment.

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Jeff explained that what they are trying to do is do their own dewatering of their waste activated sludge. They did this once before and had trouble with that because it is not a digested sludge. It has a bit of an odor so when they were applying it to farm fields before they had some issues so they stopped doing that and brought the waste back to us. Now, they are trying to do it again- dewatering their own sludge and hauling the solids off rather than sending it to the sewer.

Commissioner Hawkins questioned if any large, commercial customers like the Cargill operation if they can do something to reduce their loads that they are sending to the District.

Jeff responded that he thinks everybody that could already has, Cargill was one of the last to. They have a full wastewater treatment plant and they have reduced what they have been sending to us even prior to what they used to send to us. We used to get loads of solids weighing about 40,000 pounds a day.

Don corrected Jeff saying it was about 100,000 pounds a day.

Jeff went on to say when they were paying the higher rate it was about 20,000-25,000 pounds a day so they had cut back a lot by doing a treatment of their own. They were just using us to treat their waste sludge after they ran it through their treatment plant instead of hauling it off to a landfill or a farm, they would waste it back to us. So they reduced and were using their plant as a pretreatment facility. Most everybody else that has had the opportunity to cut back has. They put in pretreatment systems or put in waste reduction systems so they did not put as much down the sewer that they used to. He explained if you go back and look at some of the other industries like Unilever, they have all reduced over the years.

Marty stated that has caused some interruption to Don because of having that lower loading. He asked Don if that is correct to say.

Don answered that it makes it more difficult.

Marty commented that one thing that he and Jeff have talked about is that they ran \$100,000 and are at \$70,000 this billing, we can approach them and say that they cannot have these big variations of what they are sending us because it causes disruption to the Plant so there are some remedies that they may have and some ways to talk to Cargill. He asked Jeff to kind of fill the Board in on what that may be.

Jeff stated that we may have to come to them and have a chat with them about putting limitations. We can say they can pick a number of where they feel they would like to be and lock them down at that number. Even though the numbers are a lot lower than what they used to be, they vary each month which makes it quite difficult for Don, makes it difficult for us to know what is going on. It comes down to the point that if they do not want the capacity, we are going to find somebody else who does. We can look for other opportunities for other loadings coming into the Plant and we want to make sure before we do anything like that that they are not all of a

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sudden going to come back. We allow them to have a certain amount of capacity and maybe we can have them pay a security for that and say that we want that as our reserve, but in the meantime if they do not use it, we need to find somebody else who will. He is going to have a chat with them and say pick a number and we can go from there.

Marty added one last thing he wanted to talk about was that they did have a meeting with Aqua Aerobics. He actually came down and met with us here and he did get approval on the cost that we are going to pay upfront to do the test that we had talked about several meetings ago. They did agree to credit us to be able to get the information so that ended up working out really well. The money that we are going to spend to do the test which he believes is going to work if we can get with the agencies and get an understanding of where we need to be at for that test, that any of those expenditures that we have to do that they will reimburse us when we actually purchase the equipment so that is about \$60,000;

Mike Hickey commented that they were at \$35,000 most recently.

Marty clarified that those will all be recouped expenses.

PERSONNEL REPORT

There was no personnel report.

FINANCIAL REPORT

Business Manager, Rachel Montes, was not at meeting, so Marty stated that he would take any questions.

DEPARTMENT REPORTS

Vice-President Dye asked if anyone had any highlights or questions on any of the department reports today.

Safety Report

No highlights or questions on the Safety report.

GIS Report

No highlights or questions on GIS report.

Sewer Maintenance Report

No highlights or questions on Sewer report.

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CONSULTANTS REPORTS

The Board considered the AB&H Consultant Report

Mike Hickey stated that the board should all have a copy of his status report and he will talk about the Long Term Control Plan because they are kind of one in the same. Mainly he has been coordinating the pilot study with Aqua Aerobics, HSD and EPA so they are just trying to pull that all together and hoping to have it figured out in the next two-three weeks.

RESOLUTIONS

The Board considered Resolution No. 33-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Lake County, Indiana for Non SRF Eligible Engineering Assistance.

Button **moved** and Moore **seconded** to approve Resolution No. 33-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. Resolution No. 33-2018 is attached to and made a part of these minutes.

The Board considered Resolution No. 34-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Authorizing Permanent Transfers of Money Between Certain Funds.

Button **moved** and Hawkins **seconded** to approve Resolution No. 34-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. Resolution No. 34-2018 is attached to and made a part of these minutes.

The Board considered Resolution No. 35-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Authorizing Permanent Transfers of Money Bewteen Certain Funds.

Button **moved** and Moore **seconded** to approve Resolution No. 35-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. Resolution No. 35-2018 is attached to and made a part of these minutes.

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The Board considered Resolution No. 36-2018: RE: Resolution of the Board of Sanitary Commissioners of the Sanitary District of Hammond Establishing a Fund for Proceeds of Hammond Local Public Improvement Bond Bank Bonds, Series 2018C

Button moved and Hawkins seconded to approve Resolution No. 36-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion carried 4-0. Resolution No. 36-2018 is attached to and made a part of these minutes.

The Board considered Resolution No. 37-2018: RE: Resolution of the Board of Sanitary Commissioners of the Sanitary District of Hammond, Authorizing and Designating Signatories for Sanitary District Deposits.

Button moved and Hawkins seconded to approve Resolution No. 37-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion carried 4-0. Resolution No. 37-2018 is attached to and made a part of these minutes.

The Board considered Resolution No. 38-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of the City of Hammond, Lake County, Indiana Authorizing Permanent Transfers of Money Between Certain Funds

Button moved and Moore seconded to approve Resolution No. 38-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion carried 4-0. Resolution No. 38-2018 is attached to and made a part of these minutes.

The Board considered Resolution No. SW6-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Authorizing Permanent Transfers of Money Between Certain Funds

Button moved and Hawkins seconded to approve Resolution No. SW6-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion carried 4-0. Resolution No. SW6-2018 is attached to and made a part of these minutes.

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The Board considered Resolution No. SW7-2018: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Authorizing Permanent Transfers of Money Between Certain Funds

Button **moved** and Hawkins **seconded** to approve Resolution No. SW7-2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. Resolution No. SW7-2018 is attached to and made a part of these minutes.

The Board considered the Bank Reconciliation for September 30, 2018.

Button **moved** and Hawkins **seconded** for the approval of the Bank Reconciliation for September 30, 2018.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. A copy of the Bank Reconciliation for September 30, 2018 is attached to and made a part of these minutes.

The Board considered the Claims Approval Docket 10-09-18.

Button **moved** and Moore **seconded** for the approval of the Claims Approval Docket 10-09-18.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. A copy of the Claims Approval Docket 10-09-18 is attached to and made a part of these minutes.

Vice-President Dye called for Old Business

There was no old business.

Vice-President Dye called for New Business

There was no new business.

Vice-President Dye called for Reports from Commissioners

There were no reports from Commissioners.

Vice-President Dye called for Public Expression

There was no public expression.

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Vice-President Dye called for a motion to adjourn the meeting

Button **moved** and Moore **seconded** for adjournment.

Ayes: Button, Dye, Hawkins, Moore

Nays: None

Motion **carried** 4-0. The meeting was adjourned at 4:17 p.m.

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