

MINUTES
HAMMOND SANITARY DISTRICT
BOARD OF COMMISSISONERS MEETING
JANUARY 15, 2019
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
Donald Woodard, HSD
Rick Sutton, HSD
Becky McKinley, GIS
Jack Smith, Sewer Department
Kaleigh Boyle, HSD

Others Present: Mike Hickey, AB&H Donohue
David Nellans, Munster Town Council

The meeting started with the Pledge of Allegiance.

President Dimopoulos stated that the first order of business is the election of officers.

Button **moved** and Dye **seconded** to appoint Sam Dimopoulos as President of the Board for the year 2019.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0.

Button **moved** and Moore **seconded** to appoint Michael Dye as Vice-President of the Board for the year 2019.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0.

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Button **moved** and Dye **seconded** to appoint Rachel Montes as Board Secretary for the year 2019.

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

Button **moved** and Moore **seconded** to appoint Kaleigh Boyle as Assistant Board Secretary for the year 2019.

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

President Dimopoulos stated that the next order of business was the consideration of the December 11, 2018 Board Meeting Minutes.

Dye **moved** and Button **seconded** to approve the December 11, 2018 Board Meeting Minutes.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore
Nays: None
Motion **carried** 5-0. A copy of the December 11, 2018 Board Meeting Minutes are attached to and made a part of these minutes.

District Manager's Report

District Manager, Marty Wielgos, stated that we have a lot going on that started this week, so he will try to go through it and stop to ask if there are any questions and then continue on. As everybody knows our construction project for Headworks is about to begin as far as the race is on for bids that would be accepted on the 22nd of this month. He is going to turn it over to Rick for a little bit, but before he does that he just wanted to say that he was impressed with the amount of bidders that came out to get information at the pre-bid meeting that Rick held. That was very exciting and shows that this project has a lot of interest which is normally good for the District and that he really wishes that Rick would be able to stay for the eighteen months from start to finish but he has made it very clear to him that he is pointing us in the right direction and just follow the lead of the path. He asked Rick to talk about it a little bit.

Rick explained that on January 8th they held a pre-bid meeting and there were 25 plus or minus contractors from all over Northwest Indiana and a couple from Michigan that showed up. They had some good questions and there has been some follow-up interest in it also. They have gotten requests and he is hoping that the Board will consider delaying bid openings from the currently scheduled date of January 22nd at 11 am and delaying one week to January 29th at 11 am. The reason being is that there is a lot of interest and the contractors are all busy working right now, so

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it is not an isolated request from one- there is more than one requesting this- and particularly the ones who have put forward the most effort to this point are requesting a little more time. So, that would be his request to the Board to consider delaying the bid opening from January 22nd at 11 am when it is currently scheduled to January 29th at 11 am.

Attorney Allegretti asked if he wanted to do it at 4 o'clock at the regularly scheduled board meeting.

Rick replied that he wanted to check with Joe and Marty to see if they could still do it in the morning ahead of the board meeting. He thought that would give time to present something to the Board regarding the finances.

Attorney Allegretti asked if he wanted to do a bid tabulation and recommendation that day to the Board.

Rick stated that it is possible that they could come to that fast of a conclusion depending on the bids and stuff. He said it is just something to consider. Obviously, if the preference is for 4 o'clock at board meeting that is fine, but 11 am would give District Manager time to review the bids and speak to the Board during executive session before meeting.

Marty stated that he is going to go to the Board on see their thought on that. He actually thinks about it both ways. He stated that Dean has done a lot of these and he can be open to either one (at 11 am or 4 pm), but his gut and he understands why Rick would want to do that, but his gut tells him why wouldn't they wait until 4 because he does not know if he will make a decision from 11 am to 4 pm.

Rick stated that he thought tabulations could be done and a summary, but—

Commissioner Button commented not knowing what the bid form looks like if there is a lot of items on the bid then Marty is not going to have a recommendation. He may have an indication. He liked to open bids outside of the regular board meeting interval because it gave time to give a bid recommendation together and then award could be made at board meeting, but that window is really short. He supports what Rick is saying at 11 am so there is a little time for review before meeting.

Marty replied that he surely wants to hear from the other board members and he gets that too, but if it is done at 11 o'clock (and he does not have a problem with that), but he would expect the Board to understand that he will probably not have a recommendation to make at that board meeting. They want to have staff really dig in before a recommendation is made.

President Dimopoulos agreed and added that he thinks there should just be a tabulation sheet put together for the board meeting at 4 that way they do not have to physically open up every bid during meeting when there could possibly be twenty eight bid packages—

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Attorney Allegretti stated that there will probably be three or four bids.

President Dimopoulos reiterated that if they want to open at 11 and come up with a tally sheet for board meeting that would work.

Attorney Allegretti commented that because the bid opening has been advertised as required by Public Works statute for January 22nd at 11 o'clock. Statute says that the bid can be delayed if the bids can be opened after the time designated by the bud advertisement if both of the following apply: the Board makes a written determination which is by motion and contained in the minutes that it is in the best interest of the Board to delay the opening and the day, time and place of the rescheduled opening are announced at the original day, time and place of the regularly scheduled opening. He is asking the Board for someone to pass a motion stating the reason that it is in the best interest that the bid opening be delayed and then that written determination by the Board will then be announced at the 22nd at 11 am the day that the opening was advertised. They will also do their best (Rick and consultants) to advise all potential bidders of the change of the date, but they still need to make the determination and motion and appear at originally advertised time and place of bid opening and make that announcement. That is what the statute says.

Commissioner Button asked if he makes that motion who will be here for that originally scheduled time.

Attorney Allegretti stated that he will be here and there will be minutes of those proceedings.

Marty asked if Joe will have to readvertise.

Joe answered no. If you follow this statutory provision you do not have to go through the three or four weeks required for advertising.

Button **moved** that it is in the best interest to delay the Headworks improvement project bid opening because it is in the best interest of the Sanitary District to do so for the simple fact that they expect to see more favorable bid pricing and that the District be present at the bid opening location on January 22nd at 11 am to announce that the bid opening has been delayed one week and declare the new bid opening January 29th at 11 am Dye **seconded**.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0.

Rick thanked the Board.

Marty stated that moving on they obviously hate to see Rick retire, but he is going to be retiring and he has announced previously that he has placed some national ads in a couple of major

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publications advertising Rick's position hoping that they can catch somebody with some of the qualifications that Rick has. He knows he will not find anybody with all of them because Rick does have quite a few and that is why he has been such a great asset, but he is hoping to find somebody. In the interim, his backup plan has been to use Dyer Construction's Dan Zander who is the Superintendent for Dyer Construction and has been onsite here for the last two years almost every day working with Rick and doing other projects. He's a perfect candidate so he thinks that he briefly talked about it before because of the fact that he and Rick have worked side by side on various things in the Plant, he is familiar with the entire Plant and operation, he's even more in line in the fact that he knows some of the major players here as employees in the Plant which he thinks are all major pluses. They are going to use this as an interim kind of gap so that he can continue to search nationally for Rick's permanent replacement. Dan Zander started yesterday working with Rick every day and will do that until Rick retires and then will fully assume those responsibilities on an interim basis. He had a meeting yesterday with the employees- Rick's employees along with the laborers- to formally introduce Dan as the guy to take Rick's place and to make sure that everybody understood how things were going to work and that went very well. He will stop there and see if anyone has any questions.

Commissioner Dye questioned if Dan is going to still be an employee of Dyer Construction.

Marty replied that under their agreement, Dan will still be an employee and will be a consultant here and as he understands after conferring with Rachel and Joe that they will continue to pay the rate that Dyer charges us for him to be here on a daily basis, but the thing that we will be saving is because obviously they are not making him a salary position so they are not paying any of the matching benefits that goes with that which is a big plus for the interim. He does not see this being something permanent because he does not think he wants it to be a permanent situation, but for the interim until he can find his permanent replacement gives him enough time to really pick and choose and spend time with potential candidates that are really going to fit the bill for this job. The other thing he will say which is a part of our resolution that he thinks when he was on the Board that he introduced it and it was passed is that that individual could either live in Hammond or the Town of Munster as with all employees of the District. It is the only place in the City- the only entity in the City- that offers that other option so he just wanted that to be clear with our Board. He asked if there were any other questions.

Commissioner Button commented that he has known Rick for fifteen plus years and he has appreciated every moment or chance that he has had to work with Rick. He is an incredible individual, very knowledgeable and wise and he sought his counsel on a number of issues so it is really going to be hard to see Rick go, but he wishes him the best in his future and hopefully they can still stay in touch. Thank you for your many, many, many years of service.

Rick thanked Commissioner Button.

Commissioner Hawkins added that he has come to appreciate Rick's expertise and efforts in 2018 when they had all of the problems with the force main in Munster. He is the guy that will

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say get out of my way and I am going to get this job done and Mike I need you to do this and if he did not have it done in two days' time then he would come back and say what is taking so long. He appreciates all of Rick's efforts and he is a gem. Thank you.

Marty wanted to add that Rick has been gracious enough to say that anytime we need to call him about anything, that he is always available by phone so we thank Rick for that. He thinks that is the end of his report.

PERSONNEL REPORT

President Dimopoulos stated that they did receive a Personnel Report during the executive session today.

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

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. A copy of the Personnel Report is attached to and made a part of these minutes.

FINANCIAL REPORT

Business Manager, Rachel Montes, stated that she want to notate that the Sewer Maintenance budget did have a positive cash balance of about 1.6 million dollars. She mentioned this because our 2019 budget was reduced by 1.5 million so she will be attending the City Council meeting to go for an additional appropriation to see if they could increase their budget by the cash balance or at least the expenses that they did not spend in 2018.

Marty stated that one of the key things in there is that Jack needs a new utility truck. He asked Jack to talk about that for a second.

Jack explained that he started with Marty and Rachel last year about August-September about the purchase of a new service truck. Their service truck that they have now is about fifteen years old and it is not doing too hot. Due to funding per Rachel and Marty they said to wait until the beginning of 2019. So as 2019 came about, he approached them about it looking for a new service truck and in the process of him doing that he got a couple bids from Ford, Monroe, and another company in Merrillville that makes the beds for trucks and he approached Marty and Rachel of the price on it. It was \$90,328 and that is what they are looking for for a service truck.

Rachel added that they did a budget for it originally, but since they received 1782 Notice and they did see that cut so they are going to try and work their way around it.

Commissioner Button commented that a lot of times they do leases for vactor trucks, but this one is probably too small—

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Rachel responded that this one being \$100,000 or less so it would just be paid out. In 2020 and not knowing where the budget is going to be at, they figured they would pay for that and just have to pay for repairs. They have one more lease coming this year for his last vactor.

Marty added that they have always and Jack has been good at running his budget, they are always very conservative on how he spends his money because the fact just like Columbia Avenue. That was an emergency repair, a major repair and now it tallies up to about \$400,000 when it is all said and done and that is why they are conservative and save. Thinking in advance and not knowing what could happen, but those funds come out of that fund or that money so that they are paid for and there is a little bit of cushion. Not a lot because if you look across the entire City there are a lot of old mains out there, but it is just the way that they have to operate. Jack is very good monitoring his budget, Rachel does something for him every quarter –

Rachel said once a month. It is the same report that the Board receives for the Sewer Maintenance.

Marty concluded with he knows all of the Board and the Mayor talked about it last night at the Council meeting about funding for not only the City in 2020, but also for Sewer Department. The sad part about the Sewer Department is that 3.5- he calls it four million dollars vanishes in 2020. We cannot be without a Sewer Department so they have to be creative here and figure out a way to fund that. They have had a few meetings on that and they have a million dollars they have been using out of Storm Water for the last several years so it takes that number down to three million and we still need to figure out where that money is going to come from in 2020. They have a meeting scheduled in the Mayor's office in a couple weeks and he knows Dean is included in that to talk specifically about this. He knows like all municipalities, the Town of Munster is going to get hit hard too like the City of Hammond. We are going to have to figure out where to make up that gap and it is large. City of Hammond's was close to seven or eight million dollars. The Town of Munster from what he is told is a big one too, so it is not easy. He asked if anybody had any questions on any of that.

DEPARTMENT REPORTS

Safety Report

No highlights or questions on the Safety Report.

GIS Report

No highlights or questions on the GIS Report.

Sewer Maintenance Report

No highlights or questions on the Sewer Maintenance Report.

Commissioner Button asked about the problem on Kennedy Avenue and 175th Street. Gatlin had made a flume repair

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Jack said that is correct Alabama and 175th.

Commissioner Button said that they have identified that as a problem and it has been about almost a year now. If they do not pull the trigger in the next twelve months—

Marty asked what is wrong.

Commissioner Button replied that during the course of construction on the Kennedy Avenue project, Gatlin made a repair on a sewer pipe but they put one smaller pipe inside of another pipe and they matched the crowns and not the inverts and is causing a backup problem that Jack has. He is sorry to catch him cold on this, but they have made contact with the contractor and they have offered to make some kind of reparations to correct the problem, but if they do not do something in the next twelve months than they are going to lose that as he understands with some other issue that they had with the City when they recognized that there is a defect, but if they do not do something within twenty-four months we are out.

Marty asked if they had that conversation with Gatlin and they know.

Commissioner Button answered that he and Jack interacted with Gatlin and they made an offer and he suggested a counter offer but he does not know where that went, but that is an issue that needs to be resolved.

Marty recommended that we hold payment. He asked Jack if he submitted requisition for payment of Columbia Avenue yet.

Jack replied that is two different companies.

Rachel added that he is talking about Kennedy Avenue- a project that was done years ago.

Marty stated that he probably needs to be involved in that conversation. He thinks a meeting needs to be set up including Dean and whoever else he thinks needs to be there and he is going to want them to tell him when they are going to do this repair based on what Dean is saying.

Dean commented that there was a little bit of an offer made and they agreed that there was a problem and he thinks they need the engineer on the project there also. He just wants this dealt with within the time.

Marty agreed.

Jack said that if he is not mistaken the alley going west to the tie-in to the manhole he is just throwing a number of about 125 feet to where Gatlin did their repair back in the past it was 25-30 feet of 24-inch pipe that they flumed into a 36-inch pipe which is causing a problem. That is what needs to be addressed. When they televised the line, the line is shot. Regardless, what has

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to be done from the alley to Kennedy Avenue that part of the sewer has to be replaced back with 36-inch pipe.

Commissioner Button added that part of that is correcting their defect and part of that is Sanitary District costs to replace a failed pipe.

Marty asked how much of this pipe is failed.

Commissioner Button answered about 150 feet.

Marty said they definitely need to talk

Commissioner Button stated that they have an offer on the table from the contractor and we do not want to lose that.

Marty said well the offer is to correct the problem. That does not go away no matter what.

Commissioner Button replied that it does.

Marty said that what the Sanitary District has is what this cost is going to be for the District.

Commissioner Button responded that he thought it was pretty reasonable.

Jack added that Gatlin Plumbing said that they will eat the price to replace their defect, but we still have to come up with the portion for our half.

Marty said and that is his question- what is the portion of our half.

Jack answered if he is not mistaken he thought it was right around \$55,000-60,000.

Marty said alright. That is more reasonable.

Commissioner Button agreed and said that it is not a big deal, but the fact is they had a similar issue with a different contractor and they told them and then two years expired and now they cannot go after them. That is what they were told by their City Counsel.

Marty disagreed and said that he would be to differ. If you give a notice to the contractor that there is a defect he does not think that rule applies because he thinks that he has been through this before.

Commissioner Button said they can work that out later.

Marty said because this is the first he is hearing of it.

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Jack and Commissioner Button stated that there were emails sent out.

Jack added that it is a good thing because the Kube (the ice rink) will probably be finished by that time so if you know where he is coming from with that. He knows they are dumping a lot of money into that property and it would be nice if at the same time we can try to do our repair while that is going on and before they actually open up full swing.

Commissioner Button asked Jack about Grimmer project. If it turned out okay.

Jack answered that it is all completed. \$391,000.

Marty said and just for the record he had a little bit of a problem with that. Jack presented him with a bill saying this is what the total is. Then, a week or so later, Jack comes back and says that Grimmer forgot the guy who put up the signs that say detour. Today, he gets another one from Grimmer and Jack says he forgot about the electrician. He made it very clear to Jack that is a problem because of the fact that yes it was T&M because it was an emergency, but don't be turning in bills that say final and then all of a sudden say oh I forgot this or I forgot that. Major, major problem for him as he made it clear to Jack today.

Commissioner Button added that not to mention early there was a big time problem with traffic control.

Marty agreed and said exactly and he made that clear so Jack knows and told Jack if he has any problem with that to let him know and he will take care of it.

Jack responded that he can take care of that.

CONSULTANTS REPORTS

The Board considered the AB&H Consultant Report

Mike Hickey stated that everybody should have a copy of his status report. In regards to the Long Term Control Plan, last month EPA had submitted some questions on the Long Term Control Plan. They responded to the questions in December and are now in the process of incorporating. They told them what they were going to do in December and are in the process of doing that now. The pilot study equipment was delivered today which is also part of the Long Term Control Plan and hopefully they will get the pilot study started next week. They need to build a shelter and some other things first. He is happy to take any questions.

RESOLUTIONS

The Board considered Resolution No. 1-2019: RE: A Resolution by the Board of Sanitary Commissioners of the Sanitary District of Hammond, Lake County, Indiana Amending Salaries and Wage Rates for the Hammond Sanitary District for the Year 2019.

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Button **moved** and Dye **seconded** to approve Resolution No. 1-2019.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. A copy of Resolution 1-2019 is attached to and made a part of these minutes.

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

Button **moved** and Hawkins **seconded** to approve the Bank Reconciliation for December 31, 2018.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

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

The Board considered the Claims Approval Docket 01-15-19.

Button **moved** and Dye **seconded** for the approval of the Claims Approval Docket 01-15-19.

Commissioner Button referred the Board to page 8 where there is a discrepancy on the vendor paid. It should change from First Group Engineering to the Indiana Harbor Belt Railroad. That claim is PO number 19-0113 in the amount of \$237,270.

Button **moved** and Dye **seconded** to amend Claims Approval Docket 01-15-19.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. Claims Approval Docket 01-15-19 has been amended.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion **carried** 5-0. A copy of the Amended Claims Approval Docket 01-15-19 is attached to and made a part of these minutes.

President Dimopoulos called for Old Business

There was no old business.

President Dimopoulos called for New Business

Marty announced that as he had indicated early in this year or the beginning of last year that he had a meeting with the Mayor in regards to he had found out that the Sanitary District was giving non-union employees a wellness benefit. He had found out in a meeting with the Mayor and he

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believes Dean was in one of them that when he was his Mayor's chief of staff in 2005-2006 and he introduced the wellness benefit that was only for police and fire and then over the years unbeknownst to either Mayor or Marty that it had somehow gotten passed union to the non-union and that had carried on for many, many years. When he became District Manager he had found out that wasn't the intention of the Mayor and so he felt obligated to let the Mayor know that the District was receiving that and get his recommendation on what he wanted to do. Initially he had indicated back in 2017 going into 2018 well you already had it in the budget finish out that year, but that is it. He brought it back up to him several months ago prior to the end of the year and revisited that with him and he said to put it in writing for him so he could see what the cost was. He said that Kaleigh did give him the numbers and then he met with the Mayor again. Mayor gave it some thought and said to give him a couple of weeks and he was gracious enough to allow the Sanitary District to continue for non-union employees the wellness benefit. It was important because that is like \$1200 a year above and beyond a salary amount if the employee does not have any sick days in each of those quarters. That is a lot of money. He was very gracious and allowed the District to continue with that so he just wanted to say that the District is the only department in the City other than union departments including ours here that actually receive that. He just wanted to point that out to the Board.

President Dimopoulos called for Reports from Commissioners

Commissioner Dye wanted to wish Rick good luck in retirement. He told him to enjoy it and enjoy his new journey in life.

Rick said he is not retiring from life; just on to a new adventure.

President Dimopoulos called for Public Expression

There was no public expression.

President Dimopoulos called for a motion to adjourn the meeting

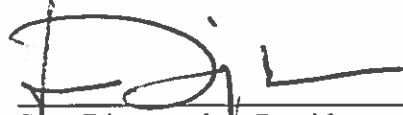
Button moved and Dye seconded for adjournment.

Ayes: Button, Dimopoulos, Dye, Hawkins, Moore

Nays: None

Motion carried 5-0. The meeting was adjourned at 4:33 p.m.

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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