

CITY OF EAST CHICAGO
BOARD OF SANITARY COMMISSIONERS

BOARD MEMBERS

Miguel (Mike) Rivera, President
Anthony Galindo, Vice President
Tia Cauley, Member
Loreto Gonzalez, Member
Alojzy (Ben) Moricz, Member

Regular Meeting Minutes
Thursday, June 6, 2019 @ 4:30 p.m.
Reported for Fissinger & Associates
By: Lisa Pena

CALL TO ORDER: 4:45 p.m.

PLEDGE OF ALLEGIANCE:

ROLL CALL: Present: Miguel Rivera, Tia Cauley, Anthony Galindo, Dr. Abdul Zehraoui, Keith Selvie, Bill Biller, Anthony DeBonis, Anthony Herrera.

APPROVAL OF MINUTES: May 16, 2019.

Motion to approve May 16, 2019 Meeting Minutes made by Tia Cauley. Second by Anthony Galindo.

Questions/Comments: None.

Roll Call: "All in Favor": All Abstain: None.

Opposed: None Motion Carries.

APPROVAL OF CHECK WARRANTS:

Sanitary District, Wastewater Division

MR. RIVERA: Next item is Check Warrants for the Sanitary District, Waste Water Division. Warrant Number 060619 SR for the amount of \$6,704.00.

Motion to approve Check Warrant 060619 SR made by Anthony Galindo. Second by Tia Cauley.

Questions/Comments: None.

1 Roll Call: "All in Favor": All Abstain: None.
Opposed: None Motion Carries.

2 MR. RIVERA: Next is Warrant Number 060619 SW for the
3 amount of \$98,883.56.

4 Motion to approve Check Warrant 060619 SW made by Anthony
Galindo. Second by Tia Cauley.

5 Questions/Comments: None.

6 Roll Call: "All in Favor": All Abstain: None.
7 Opposed: None Motion Carries.

8 MR. RIVERA: Next is Warrant 051719 Sanitary Board
Payroll 4/27/19 to 5/10/19.

9 Motion to approve Check Warrant 051719 Sanitary Board Payroll
10 4/27/19 to 5/10/19 made by Anthony Galindo. Second by Tia
Cauley.

11 Questions/Comments: None.

12 Roll Call: "All in Favor": All Abstain: None.
13 Opposed: None Motion Carries.

14 MR. RIVERA: Next is Warrant Number 053119 Sanitary
Board Payroll 5/11/19 to 5/24/19.

15 Motion to approve Check Warrant 053119 Sanitary Board Payroll
16 5/11/19 to 5/24/19 made by Tia Cauley. Second by Anthony
Galindo.

17 Questions/Comments: None.

18 Roll Call: "All in Favor": All Abstain: None.
19 Opposed: None Motion Carries.

20 MR. RIVERA: Next is Warrant Number 051719 Utilities
Board Payroll 4/27/19 to 5/10/19.

21 Motion to approve Check Warrant 051719 Utilities Board
22 Payroll 4/27/19 to 5/10/19 made by Anthony Galindo. Second
by Tia Cauley.

23 Questions/Comments: None.

24 Roll Call: "All in Favor": All Abstain: None.
25 Opposed: None Motion Carries.

1 MR. RIVERA: Next is Warrant Number 053119 Utilities
Board Payroll 5/11/19 to 5/24/19.

2 Motion to approve Check Warrant 053119 Utilities Board
3 Payroll 5/11/19 to 5/24/19 made by Anthony Galindo. Second
by Tia Cauley.

4 Questions/Comments: None.

5 Roll Call: "All in Favor": All Abstain: None.
6 Opposed: None Motion Carries.

7 MR. RIVERA: Next is Warrant Number 051719 Wastewater
Payroll 4/27/19 to 5/10/19.

8 Motion to approve Check Warrant 051719 Wastewater Payroll
9 4/27/19 to 5/10/19 made by Tia Cauley. Second by Anthony
Galindo.

10 Questions/Comments: None.

11 Roll Call: "All in Favor": All Abstain: None.
12 Opposed: None Motion Carries.

13 MR. RIVERA: Next is Warrant Number 053119 Wastewater
Payroll 5/11/19 to 5/24/19.

14 Motion to approve Check Warrant 053119 Wastewater Payroll
15 5/11/19 to 5/24/19 made by Anthony Galindo. Second by Tia
Cauley.

16 Questions/Comments: None.

17 Roll Call: "All in Favor": All Abstain: None.
18 Opposed: None Motion Carries.

19 Sanitary District, Solid Waste Division

20 MR. RIVERA: Next Warrant is 060619 SS for the amount of
\$42,718.85.

21 Motion to approve Check Warrant 060619 SS made by Tia Cauley.
22 Second by Anthony Galindo.

23 Questions/Comments: None.

24 Roll Call: "All in Favor": All Abstain: None.
Opposed: None Motion Carries.

25

1 MR. RIVERA: Next is Warrant Number 051719 Solids
Payroll 4/27/19 to 5/10/19.

2
3 Motion to approve Check Warrant 051719 Solids Payroll 4/27/19
4 to 5/10/19 made by Anthony Galindo. Second by Tia Cauley.
5 Questions/Comments: None.
6 Roll Call: "All in Favor": All Abstain: None.
Opposed: None Motion Carries.

7 MR. RIVERA: Next is Warrant Number 053119 Solids
8 Payroll 5/11/19 to 5/24/19.
9 Motion to approve Check Warrant 053119 Solids Payroll 5/11/19
10 to 5/24/19 made by Tia Cauley. Second by Anthony Galindo.

11 Questions/Comments: None.

12 Roll Call: "All in Favor": All Abstain: None.
13 Opposed: None Motion Carries.

14 REPORTS FROM WASTEWATER DIVISION: None.

15 REPORT FROM UTILITY DIVISION MATTERS:

16 MR. RIVERA: Next item is Report from Director of
17 Utilities, Dr. A. Zehraoui.

18 DR. ZEHRAOUI: Good afternoon. So what you have is two
19 weeks we ordered furnace from Mechanical Concepts for
20 Chemical Building. We fixed the bent press. It was unusual
21 that we have ice/sledge. Now it's working.

22 The crane is by IDEM, should be inspected. We have
23 done all the requirements as required by IDEM. We will be
24 starting dewatering to remove or to clean the pipes.

25 25 percent second phase has been finished. And we
are doing the third phase and fourth part.

So this is what I have today.

MR. RIVERA: Any questions for Dr. Zehraoui?

DR. ZEHRAOUI: Thank you.

REPORT OF FIELD OPERATIONS: None.

1 REPORT FROM SOLID WASTE:

2 MR. RIVERA: You're stepping in for Rene Cid?

3 MR. SELVIE: Yes. I'm stepping in. Good afternoon,
4 Board, Keith Selvie, Director of Public Works. Just a quick
5 couple of things of what's going on in Sanitary.

6 As this Board probably remembers we actually
7 purchased some garbage trucks last year and we purchased some
8 this year.

9 Some of the trucks will be made and finished and
10 delivered to us by the end of July. So we're looking and
11 anticipating out of the eight trucks I believe we should
12 probably have four of them by the end of July.

13 Just some housekeeping things in terms of the
14 garbage we've actually did some curtailing of some of the
15 routes. We're trying to make them a little bit smaller so
16 our trucks can do a little bit more detail in the alleys.
17 And that's been somewhat very successful actually.

18 As well as we're starting to do compost. The
19 compost and recycling schedule will be posted in the next
20 water bill. So our residents will be able to see what day
21 their actual compost and recycling is picked up.

22 That's all I have.

23 MR. RIVERA: Any questions for Mr. Selvie?

24 MS. CAULEY: I have a question. Is that the trucks that
25 we ordered at the end of the year?

MR. SELVIE: Correct. Of last year. We ordered some
more this year. But the ones ordered at the end of last year
are going to be here around the end of July.

MR. RIVERA: Thank you.

21 REPORT FROM FINANCIAL CONSULTANT:

22 MR. RIVERA: Next is Report from Financial Consultant,
23 Bill Biller.

24 MR. BILLER: Good evening, Board. You have the Report
25 in your packet. Just a couple of highlights, our receipts in
the month of April were 666,000 which was about a 50,000

1 increase over March. Mainly industrial users. I think we
2 collected a couple past due invoices.

3 Expenditures side kind of normal. Expenditures for
4 the month, two things, first quarter payment in lieu of taxes
5 to the Civil City of 220,000.

6 And for the Board's information there's three
7 payrolls in the month. One was the bonuses. Bonuses were
8 approximately 14,000 for the Sanitary District.

9 Ending cash balance 1,744,000. Looking at ending
10 cash balance at the end of the year at approximately
11 \$700,000.

12 MR. RIVERA: Any questions for Mr. Biller?

13 MR. BILLER: Thank you very much.

14 REPORT FROM LEGAL COUNSEL:

15 MR. RIVERA: Next item is Report from Legal Counsel,
16 Anthony DeBonis.

17 MR. DeBONIS: Mr. President, Members of the Board, I'll
18 just take a minute to bring you up to date on a couple of
19 things that relate to what Dr. Zehraoui mentioned.

20 Phase 2, the Long-Term Control Plan, it has been
21 determined that it will require a borrowing from the State
22 Revolving Fund to do the additional work that we have to get
23 done.

24 We have engaged Bankertilly. And you passed that
25 contract at the last meeting as Financial Adviser. They
26 changed their name. They used to be Umbaugh. It's the same
27 folks we're used to.

28 We have sent a letter. I sent a letter to IDEM
29 just about two weeks ago now requesting an extension of the
30 construction commencement date in order for us to obtain the
31 financing.

32 Bankertilly is going to do a Cost of Service Study
33 which will determine the extent of the next rate increase
34 necessary to support the borrowing. We're due for a rate
35 increase anyway because it's been 2015 since the last one.

36 That won't be done until near the end of the year.

1 So there's nothing this Board has to do right now with
2 respect to that situation.

2

3 If there's any questions, I will be glad to answer
4 them.

5 MR. RIVERA: You said they won't meet until the end of
6 the year?

5

6 MR. DeBONIS: Yeah.

6

7 MR. RIVERA: Any questions for Mr. DeBonis?

7

8 MS. CAULEY: With the rate increase, Attorney, how much
9 are we looking at?

10 MR. DeBONIS: I have no idea. That's why they do the
11 study.

10

11 MS. CAULEY: In the past it didn't go up that much. It
12 was more on the Sanitary side.

13 MR. DeBONIS: I don't expect this to be a large increase
14 at all. It's just necessary.

13

14 You'll recall many years went by between rate
15 increases. When we had to do it, it was a little bit of a
16 shock. We're trying to avoid that. A little bit every year
17 is better than a big jump any year.

18 MR. RIVERA: Any more questions?

19 MR. DeBONIS: Thank you.

20 NEW BUSINESS:

21 MR. RIVERA: Next item is New Business. We have
22 Agreement, Precision Painting AMF, LLC, Public Works.

20

21 MR. HERRERA: This is a renovation of offices from the
22 bids that were opened last meeting for Public Works.

23 MS. CAULEY: Precision is a painting company, right?

24 MR. SELVIE: Correct. Again thank you. About two weeks
25 ago I appeared before you to give a recommendation for a
26 company called Spectrum Painting.

25

27 After careful consideration and me going through

1 the three bids again I want to rescind that and actually
2 change my recommendation. I am looking at the most
3 responsible bidder. And the most responsible bidder is going
4 to be Precision Painting.

5 When I say that, they're willing to do two coats in
6 several areas, some more attention to detail on the
7 baseboard. As well as some of the flooring that needs to be
8 replaced is actually inside this bid as well.

9 It was in the other one. And then one time it was
10 not included in those other two bids. So I want to again
11 recommend Precision Painting. The total amount of their
12 actual proposal comes to \$60,717.

13 MS. CAULEY: Could you repeat that?

14 MR. SELVIE: \$60,770.

15 MS. CAULEY: What was the other one?

16 MR. SELVIE: Spectrum's total \$44,500.

17 MR. RIVERA: Have we dealt with this company before?

18 MR. SELVIE: I've dealt with Precision several times
19 before.

20 MR. RIVERA: You've been satisfied?

21 MR. SELVIE: I have.

22 MR. RIVERA: So this company is going to actually do
23 twice the work, two coats?

24 MR. SELVIE: Exactly. And it's not double the price.
25 So again after I went through the actual proposals they're
going to do two coats versus the one coat that the other
company proposed. It's a little bit more. But I think it's
more responsible of a job.

MR. RIVERA: I agree with you.

MR. SELVIE: Any questions?

MS. CAULEY: I dealt with Precision. That's how you got
them.

1 Motion to approve Precision Painting Agreement made by Tia
2 Cauley. Second by Anthony Galindo.

3

Questions/Comments: None.

4

Roll Call: "All in Favor": All Abstain: None.

5

Opposed: None Motion Carries.

6

MR. RIVERA: Next is Agreement with Butler Fairman &
Seufert, Alder Street Pump Station.

7

DR. ZEHRAOUI: In the last meeting it was like 25,000
8 plus 10,000. So this is a reduction by 5,000 today. So we
9 negotiate with them. So last time BFS charged us or they
10 proposed 25,000 to do the Preliminary Engine Report plus
11 10,000 to send the Report.

12

After negotiation they lowered the amount by 5,000.
13 So 25,000 plus 5,000, not 25 and 10,000. So there's like
14 5,000 discount.

15

So I'm asking to adopt this new one.

16

MR. RIVERA: This agreement was okayed?

17

DR. ZEHRAOUI: Yes. It's lower by 5,000. So we
18 negotiate and they reduced the proposal to 25,000 plus 5,000.
19 Previously it was 25,000 plus 10,000. This is 25,000 plus
20 5,000.

21

MS. CAULEY: Instead of 10,000 it's only 5,000?

22

DR. ZEHRAOUI: 5,000.

23

Motion to approve Butler Fairman & Seufert Agreement made by
Tia Cauley. Second by Anthony Galindo.

24

Questions/Comments: None.

25

Roll Call: "All in Favor": All Abstain: None.

26

Opposed: None Motion Carries.

27

MR. RIVERA: Next is Agreement with 610 Auto, LLC,
Vehicle/Equipment Service Policy.

28

Mr. Selvie, are you familiar with the agreement?

29

MR. HERRERA: That's Sanitary.

30

1 MR. SELVIE: I can speak on it. So basically Public
2 Works actually has several different mechanics that we use to
3 actually maintain our vehicles and at which point in time we
4 do it on a rotating basis. I believe it was five. Now
5 there's six.

6 So when there's a flat tire, oil change needs to
7 happen, we send them out to these different various vendors.

8 It's adopted on the Public Works side. And we
9 wanted to do an additional contractor to this particular
10 rotation.

11 One of the gentlemen or actually the son of a
12 gentleman from Actin broke away and actually started his own
13 company. And he does really good work. The name of the
14 company is 610.

15 MR. RIVERA: Auto, LLC.

16 MR. SELVIE: So what we want to do was to ratify it here
17 on the actual Sanitation side so we can actually use it on
18 our side as well using those particular mechanics to do what
19 needs to happen and add this particular vendor as well.

20 MR. RIVERA: Sounds to you like a good agreement?

21 MR. SELVIE: I do. Again this is a per situation. So
22 if something happens to a vehicle, we rotate the different
23 vendors to actually get them done.

24 As well as the particular gentleman that was doing
25 most of the work over at Actin now has his own company. So
26 we want to continue to have him work on some of the vehicles
27 because he's familiar.

28 MR. RIVERA: Any questions for Mr. Selvie?
29 Motion to approve 610 Auto, LLC Agreement made by Tia Cauley.
30 Second by Anthony Galindo.

31 Questions/Comments: None.

32 Roll Call: "All in Favor": All Abstain: None.

33 Opposed: None Motion Carries.

34 MR. RIVERA: Next we have Rate Sheet, Automation &
35 Control Services, Inc.

1 DR. ZEHRAOUI: So I give you like background. So we
2 have Austegen that's working Sanitary and Filtration. But
3 because they are working also with other cities, the guy, he
4 cannot handle our request.

5 So we contact this company which previously was
6 working with Sanitary. So we are bringing them back so we
7 can handle both Filtration and Sanitary at the same time
8 without any delay. This is mostly with PAC and Scale Dust
9 System.

10 So we want to hire them so whenever we call them
11 they can respond to our emergencies.

12 MR. RIVERA: This rate sheet is acceptable, right?

13 DR. ZEHRAOUI: Yeah.

14 MS. CAULEY: Is that going to be an open PO?

15 DR. ZEHRAOUI: Yes.

16 MS. CAULEY: What's the limit?

17 DR. ZEHRAOUI: We cannot be more than 50,000 per year.
18 Motion to approve Automation & Control Services, Inc. Rate
19 Sheet made by Tia Cauley. Second by Anthony Galindo.

20 Questions/Comments: None.

21 Roll Call: "All in Favor": All Abstain: None.

22 Opposed: None Motion Carries.

23 MR. RIVERA: Next item is Quote, Midwestern Electric,
24 Inc., Fiber Optic Installation for the amount of \$26,600.

25 DR. ZEHRAOUI: So this one is to install 6,000 feet of
fiber optics at pumping station. So we have two quotes, one
from Midwestern Electric and HECC.

26 So the first one from Midwestern is 26,600. But
27 for HECC the proposal is 22,498.45. So we go with HECC.

28 MR. DeBONIS: Is the motion to award the low quote?

29 MS. CAULEY: Lowest bidder, yes.

30 MR. DeBONIS: I just want to be clear.

1 Motion to approve HECC Quote made by Tia Cauley. Second by
Anthony Galindo.

2 Questions/Comments: None.

3 Roll Call: "All in Favor": All Abstain: None.

4 Opposed: None Motion Carries.

5 MR. RIVERA: Next item is Rate Sheet for Hernandez
Construction & Communications.

6 MR. HERRERA: That's this one.

7 MR. RIVERA: Now to Past Due Invoices. First one is
8 Hessville Plumbing for the amount of \$5,827. And it states
9 here the reason for the delinquency misplaced invoice at the
end of the year.

10 Motion to approve Hessville Plumbing Past Due Invoice made by
Anthony Galindo. Second by Tia Cauley.

11 Questions/Comments: None.

12 Roll Call: "All in Favor": All Abstain: None.

13 Opposed: None Motion Carries.

14 MR. RIVERA: Next item is Past Due Invoice for HJ
15 Umbaugh. Actually two invoices. One for 12,770 and the
other one for 6,415 amounting to \$19,185. And it states here
16 that the delinquency reason is Dr. Abdul requested report
from vendor, invoice on hold per Dr. Abdul.

17 DR. ZEHAOUI: So they send invoice without report. I
cannot pay something that I didn't see the report. So after
18 they sent us the report then we agree for pay.

19 Motion to approve HJ Umbaugh Past Due Invoice made by Tia
Cauley. Second by Anthony Galindo.

20 Questions/Comments: None.

21 Roll Call: "All in Favor": All Abstain: None.

22 Opposed: None Motion Carries.

23 MS. CAULEY: Mr. President, I have a question. With the
Rate Sheet that we're speaking about we did Automation &
24 Control Services. But even though we did Hernandez shouldn't
we put that on the record?

25

1 Okay. I just wanted to make sure.

2 UNFINISHED BUSINESS:

3 MR. DeBONIS: Mr. President, you'll recall that we had a
4 rather large purchase of multiple pieces of equipment.

5 MR. RIVERA: Yes, we did.

6 MR. DeBONIS: There was an error in that Resolution
7 which I will take responsibility for. There was a vector
8 truck. And I assumed that was going to be a Wastewater item.
9 But it turns out the appropriation came from the City Council
10 for the Solid Waste Division.

11 So you should have received, I've been told you
12 received Resolution Number SD 19-07 which I think was tabled.

13 MR. RIVERA: No, we didn't. Did you get a Resolution?

14 MR. BILLER: You tabled it at the last meeting. That's
15 my understanding because there was nobody here that could
16 explain what the changes were.

17 MR. DeBONIS: I was out of town. So I apologize for
18 that. That's the sole change.

19 MS. CAULEY: So what's the sole change?

20 MR. DeBONIS: Is to pay for the vector truck out of the
21 Solid Waste Division instead of the Wastewater Division.
22 That's where the money is.

23 MR. RIVERA: There is no error in that money or price?

24 MR. DeBONIS: No. No. All of that is fine. It's just
25 that we had it assigned to Wastewater. It should have been
in Solid Waste. That's what this does.

It's 06. I said it as 07. But Mr. Herrera
informed me that it should have been 06.
Motion to approve Resolution SD 19-06 made by Tia Cauley.
Second by Anthony Galindo.

Questions/Comments: None.

Roll Call: "All in Favor": All Abstain: None.

Opposed: None Motion Carries.

1 PUBLIC COMMENT: None.

2 * Next Regular Meeting Date: Thursday, June 20,
2019 @ 4:30 p.m.

3
4 Motion to adjourn was made by Tia Cauley. Second by Anthony
Galindo.

5 * Meeting ended at 5:13 p.m.

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Approval of the Meeting Minutes of
Thursday, June 6, 2019

Approved and Signed _____

Miguel Rivera, President

Anthony Herrera
Anthony ~~Galindo~~, ~~Vice President~~ *Herrera Board Secretary*

Tia Cauley
Tia Cauley, Member

Loreto L. Gonzalez
Loreto Gonzalez, Member

Alojzy Moricz
Alojzy Moricz, Member

Anthony Galindo
Anthony ~~Herrera~~, ~~Board Secretary~~
Galindo Vice President

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C E R T I F I C A T E

I, Lisa Pena, a competent and duly qualified court reporter, do hereby certify that I did report in machine shorthand the foregoing proceedings and that my shorthand notes so taken at said time and place were thereafter reduced to typewriting under my personal direction.

I further certify that the foregoing typewritten transcript constitutes minutes of said proceedings taken at said time and place, so ordered to be transcribed.

Dated at Portage, Indiana, this 18th day of June, 2019.

Lisa Pena
Notary Public Porter County
Certified Shorthand Reporter
License Number 084-003483