

CITY OF EAST CHICAGO
BOARD OF SANITARY COMMISSIONERS

BOARD MEMBERS

Miguel (Mike) Rivera, President
Tia Cauley, Member
Loreto Gonzales, Member
Alojzy (Ben) Moricz, Member

Regular Meeting Minutes
Thursday, November 7, 2019, at 4:30 p.m.

Reported for Fissinger & Associates, Ltd
By: Peggy S. LaLonde, CSR, RPR

Call to Order: 4:30 p.m.

Roll Call: Present: Miguel Rivera
Tia Cauley
Loreto Gonzales
Ben Moricz

Also Present: Anthony Herrera
Doug Cunningham
Keith Selvie
Bill Biller
Anthony DeBonis
Dr. Abdul Zehraoui

MR. RIVERA: The next item is approval of minutes held October 17, 2019.

Motion to approve minutes of October 17, 2019, as written, made by Loreto Gonzalez. Second by Ben Moricz.

Comments/Questions: None

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

MR. RIVERA: Motion carries.
Next item is Warrants for Sanitary District/Wastewater Division.

WARRANT 110719 SW, in the amount of \$25,908.95.

Motion to approve Warrant 110719 SW, in the amount of

1 \$25,908.95 made by Loreto Gonzalez. Second by Ben
Moricz.

2 Comments/Questions: None

3 Roll Call: "All in Favor": All Abstain: None
4 Opposed: None

5 MR. RIVERA: Motion carries.

6 Next Warrant 110719 SR, in the
amount of \$22,191.45.

7 Motion to approve Warrant 110719 SR, in the amount of
\$22,191.45 made by Loreto Gonzalez. Second by Ben
8 Moricz.

9 Comments/Questions: None

10 Roll Call: "All in Favor": All Abstain: None
Opposed: None

11 MR. RIVERA; Motion carries.

12 Next, Warrant 101819, Sanitary Board
Payroll, dates of 9-28-19 to 10-11-19.

13 Motion to approve Warrant 101819, Sanitary Board
14 Payroll, made by Loreto Gonzalez. Second by Ben Moricz.

15 Comments/Questions: None

16 Roll Call: "All in Favor": All Abstain: None
Opposed: None

17 MR. RIVERA: Motion carries.

18 Next, Warrant 110119, Sanitary Board
Payroll, dates of 10-12-19 to 10-25-19.

19 Motion to approve Warrant 110119, Sanitary Board
20 Payroll, made by Loreto Gonzalez. Second by Ben Moricz.

21 Comments/Questions: None

22 Roll Call: "All in Favor": All Abstain: None
Opposed: None

23 MR. RIVERA: Motion carries.

24 Warrant 101819, Utilities Board
Payroll, dates of 9-28-19 to 10-11-19.

25

1 Motion to approve Warrant 101819, Utilities Board
Payroll, made by Loreto Gonzalez. Second by Ben Moricz.

2 MR. RIVERA: Motion carries.

3 Next, Warrant 110119, Utilities
Board Payroll, dates of 10-12-19 to 10-25-19.

4 Motion to approve Warrant 110119, Utilities Board
5 Payroll, made by Tia Cauley, Second by Ben Moricz.

6 Comments/Questions: None

7 Roll Call: "All in Favor": All Abstain: None
Opposed: None

8 MR. RIVERA: Motion carries.

9 Warrant 101819, Wastewater Payroll,
10 dates of 9-28-19 to 10-11-19.

11 Motion to approve Warrant 101819. Wastewater Payroll,
made by Tia Cauley. Second by Loreto Gonzalez.

12 Comments/Questions: None

13 Roll Call: "All in Favor": All Abstain: None
Opposed: None

14 MR. RIVERA: Motion carries.

15 Warrant 110119, Wastewater Payroll,
16 dates of 10-12-19 to 10-25-19.

17 Motion to approve Warrant 110119, Wastewater Payroll,
made by Tia Cauley. Second by Ben Moricz.

18 Comments/Questions: None

19 Roll Call: "All in Favor": All Abstain: None
Opposed: None

20 MR. RIVERA: Motion carries.

21 Next is Warrants for Sanitary
22 District/Solid Waste Division. Warrant 110719 SS, in
the amount of \$9,861.12.

23 Motion to approve Warrant 110719 SS, in the amount of
\$9,861.12, made by Tia Cauley. Second by Ben Moricz.

24 Comments/Questions: None

25

1 Roll Call: "All in Favor": All Abstain: None
Opposed: None

2 MR. RIVERA: Motion carries.
3 Warrant 101819, Solids Payroll,
4 dates of 9-28-19 to 10-11-19.

5 Motion to approve Warrant 101819, Solids Payroll, made
6 by Tia Cauley. Second by Ben Moricz.

7 Comments/Questions: None

8 Roll Call: "All in Favor": All Abstain: None
Opposed: None

9 MR. RIVERA: Motion carries.
10 Warrant 110119, Solids Payroll,
11 10-12-19 to 10-25-19.

12 Motion to approve Warrant 110119, Solids Payroll, made
13 by Tia Cauley. Second by Ben Moricz.

14 Comments/Questions: None

15 Roll Call: "All in Favor": All Abstain: None
Opposed: None

16 MR. RIVERA: Motion carries.
17 Next item is report from Director of
18 Utilities, Dr. Zehraoui.

19 DR. ZEHRAOUI: I don't have anything.

20 MR. RIVERA: Thank you.
21 Next item, report from Solids Waste,
22 Keith Selvie.

23 MR. SELVIE: No report at this time.

24 MR. RIVERA: Next report from Financial
25 Consultant, Bill Biller.

MR. BILLER: No report for this meeting.

MR. RIVERA: Next is report from Legal
Counsel, Anthony DeBonis.

MR. DeBONIS: Mr. President, the nature
of a report, I just want to inform the Board that the

1 volume of the bond has actually gone down since we last
2 talked to you. There's been a very detailed re-scoping
3 of the project going on these last few weeks and looks
4 like we are going to be borrowing, \$7,750,000 rather
5 than the \$8.3 million we discussed before. I thought
6 you'd like to know that.

7 I have no other report right now,
8 but I'd like to introduce some of these people who
9 traveled to answer the public's questions. And I
10 suppose I'm relieved, but also disappointed we didn't
11 have more public participation. I think we are going to
12 certainly have that at the City Council time.

13 MS. CAULEY: Are you going to be there?

14 MR. DeBONIS: At the Council meeting?
15 Oh, yes. In fact many of the people here are going to
16 be there. Let me introduce them.

17 You have Jack Dramler, Butler, our
18 consulting engineers; Cameron Wright, who's a
19 professional engineer; project engineers, I think Dr.
20 Zehraoui and Doug Cunningham do not need an
21 introduction, but who are overseeing this project for
22 the City administration. We have Eric Walsh, of Baker
23 Tilly, who's one of the financial advisers, and his
24 partner Andrian Riley, who couldn't be with us last
25 time, but is with us tonight. We have Brook Dunne,
she's an associate of our Bond Counsel, Baker Daniels;
and they are the people who actually get the bond issued
and have to write a very important opinion saying that
the proceeds of the bond are tax exempt.

I want to thank them for turning
out, even though we did not have to confront the
residents of East Chicago tonight. That's all. Thank
you.

MR. RIVERA: Are we going to have to
change the resolution since you said the amount came
down on the bond?

MR. DeBONIS: We don't need to change the
resolution, that was a "not to exceed" number.

MR. RIVERA: Also, the question I have
for you, why are these resolutions appearing again on
the agenda? These are the same numbers we just
approved.

MR. DeBONIS: I can't tell you that.

1 You have to ask Anthony. I don't think he realized we
2 were going to adopt the resolutions right after public
comment and they were put down again.

3 MR. HERRERA: Resolutions were referenced
4 as new business. You still have Resolution SD 19-19 to
act on.

5 MR. DeBONIS: You still have Resolution
6 SD 19-19, which is write off bad debt. That's coming up
shortly. There is nothing else.

7 MR. RIVERA: We did that before.

8 MR. DeBONIS: We had that with the
9 bankruptcy and tax sales. I think this is other
uncollectibles.

10 MR. BILLER: That's correct.

11 MR. RIVERA: So this is the same as the
12 others?

13 MR. BILLER: Yes. And what we are doing,
14 we are cleaning up the books so that when they show up
early next year to audit, everything is in order.

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

16 Motion to adopt Resolution SD 19-19, authorizing the
17 write off of certain unpaid sewer bills by the East
Chicago Sanitary District, made by Tia Cauley. Second
18 by Ben Moricz.

19 Comments/Questions: None

20 Roll Call: "All in Favor": All Abstain: None
Opposed: None

21 MR. RIVERA: Motion carries.
22 Next three have already been done,
correct?

23 MR. DeBONIS: That's correct.

24 MR. RIVERA: The next item is emergency
25 Xylam Water Solutions.

1 MR. DeBONIS: You have got two
2 engineering agreements, one is a supplemental agreement;
3 that's for the first one.

4 MR. HERRERA: Mr. President, we would
5 remove Xylam Water Solutions off the agenda. That was
6 previously approved.

7 MR. RIVERA: The next item, Supplemental
8 Agreement No. 2, on Call Services.

9 MR. DeBONIS: Well, you have before you
10 the On Call Services Agreement that needs to be
11 approved.

12 DR. ZEHRAOUI: There is two agreements,
13 the pump station is the next one. This one is for On
14 Call Services for First Group.

15 Right now we are -- Engineering
16 Department -- doing much more work that they are doing
17 for the City. So we are needing First Group to help us
18 whenever we need them. So previously we don't use them
19 too much, we used like 25,000. But the project that is
20 going right now in the City, we need them for more help.
21 So this is why the first agreement.

22 Second agreement was 25,000. Then
23 we need another \$25,000 that we work with them until the
24 end of the year, or maybe once we achieve that 25,000.

25 MR. RIVERA: Motion to accept
26 supplemental agreement?

27 MS. CAULEY: I have a question. Dr.
28 Zehraoui, is this still based on rotation? Is this the
29 only contractor that can do it?

30 DR. ZEHRAOUI: No, just contractor
31 whenever, as needed.

32 MS. CAULEY: That didn't answer my
33 question. Is it based on rotation, like the next
34 company, or is it based on --

35 DR. ZEHRAOUI: No, because experience
36 with them. So whenever we need them, this is the best
37 engineer. Because previously they work with the City
38 for long time. So the guy that helping us, he is the
39 one -- he did most of previous projects, so this is why
40 we need the same company.

1 MS. CAULEY: They have completed already
what has been started?

2 DR. ZEHRAOUI: Yes.

3 MR. BILLER: This is supplemental. They
4 had a \$50,000 contract and this is extending it for
another 25,000 additional to get this work done.

5 DR. ZEHRAOUI: In case we need them.

6 MR. BILLER: This is utility, on street
7 projects. We are paying for the engineering fees.

8 MS. CAULEY: We are?

9 MR. BILLER: That's my understanding,
10 yes, ma'am.

11 MR. CUNNINGHAM: I reviewed the cost and
also reviewed the scope of work. The utility
12 coordination and the locates are -- they are part of the
major project and it is needed, so that when we go into
13 the project, we do have coordination with utilities,
which would be Nipsco, in a timely manner. And there is
14 a lot of planning stages to that and that's what this
contract covers. It also covers the coordination with
15 the railroads, which are pretty meticulous as to what we
are doing here.

16 MS. CAULEY: The only thing I am asking,
this was the company that we have already used, so we
17 have to continue. Other than that, we should be going
to the rotation instead of -- like he says he likes that
18 company. I don't want nobody to like nobody. I want us
to make sure --

19 MR. CUNNINGHAM: He's familiar with the
20 project, the learning curve is there. We don't want to
bring somebody in and have to redo it.

21 MS. CAULEY: That's all. Just so we are
22 on the right page.

23 Motion to approve Supplement Agreement No. 2, On Call
Services, made by Tia Cauley. Second by Loreto
24 Gonzalez.

25 Comments/Questions: None

1 Roll Call: "All in Favor": All Abstain: None
Opposed: None

2 MR. RIVERA: Motion carries.

3 Next item is Change Order number 1,
4 Precision Painting.

5 MR. DeBONIS: You have 145th and Alder
6 Street, Pump Station, which is Supplemental Agreement
number 1.

7 DR. ZEHRAOUI: Agreement number 1, so
8 maybe what happened -- it should be separate. So maybe
9 should have space between them. So there is two
10 agreements, one with Butler, and this is the first one
11 we talked previously, First Group is separate.

12 The Engineer, when we started, we
13 started with intention that we'd be like bidding
14 documents. So right now we change completely the game.
15 We are going to different firm and they have more
16 meetings that they have to come in for us, many
17 meetings, that cause this. They say we need more fees
18 for our services because, as I said previously, the
19 bidding, they are done. Right now they would be part of
20 the meetings. So we take more time, more meetings, more
21 engineering.

22 Motion to approve Supplemental Agreement number 1 made
23 by Tia Cauley. Second by Loreto Gonzales.

24 DR. ZEHRAOUI: This is fees, around like
25 7,000.

Comments/Questions: None

26 Roll Call: "All in Favor": All Abstain: None
27 Opposed: None

28 MR. RIVERA: Motion carries.

29 Next item is Change Order number --
30 sorry -- Mechanical Concepts.

31 DR. ZEHRAOUI: You have got Mechanical
32 Concepts. Exchange was not working at the Sanitary, so
33 we called Mechanical Concepts.

34 MR. DeBONIS: Maybe this needs to be
35 spaced better. Take it up with the Secretary.

1 MS. CAULEY: The Secretary does a good
2 job keeping it straight.

3 DR. ZEHRAOUI: So didn't work for two
4 days, so we called the company to fix it for us. It was
5 heat exchanger, so they fix it for us. This is just
6 emergency.

7 Motion to approve emergency for Mechanical Concepts made
8 by Tia Cauley. Second by Loreto Gonzalez.

9 Comments/Questions: None

10 Roll Call: "All in Favor": All Abstain: None
11 Opposed: None

12 MR. RIVERA: Motion carries.

13 Now we go to change order,
14 Precision Painting AMF.

15 MR. SELVIE: Keith Selvie, Director of
16 Public Works. Mine is simple. As you remember, the
17 Board approved some remodeling over at the Public Works
18 Department. Once they opened up the actual walls, there
19 was some damage in there and we are asking this change
20 order be paid for \$3,336.15 for some work that was
21 outside the scope outlined. There was some additional
22 stud replacement, removing of drywall and also
23 installing some vanities, as well as some restroom
24 toilets.

25 MS. CAULEY: I have a question. Keith,
the contract asking for new vanities?

MR. SELVIE: What happened was, once they
removed the vanities, there was damage beneath it. So
they basically put the vanities back in and repainted.
Same thing with the toilets. They were back in, but
there was some wax rings and all that stuff in the very
bottom to be replaced. So it wasn't a brand new toilet
per se, it wasn't brand new vanity. It was work around
the actual area to actually reinstall correctly because
they raised the floor up and they had to redo some
things.

MS. CAULEY: They knew that when they did
all that, when they changed the tile.

MR. SELVIE: I agree, but we wanted to

1 make sure it was done right when it was reinstalled.

2 MS. CAULEY: Let me say, don't come with
3 no more change orders for Precision. He knows better.
4 Housing deals with them as well, they never would have
5 given Housing a change order. They took it out, you put
6 it back in. How much did they charge for a wax ring? I
7 got it right here. I'm saying -- you know what I'm
8 speaking about.

6 MR. SELVIE: I understand.

7 MS. CAULEY: He's making enough money.

8 MR. SELVIE: I agree.

9 Motion to approve Change Order for Precision Painting
10 AMF, made by Tia Cauley. Second by Loreto Gonzalez.

11 Comments/Questions: None

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

14 MR. RIVERA: Motion carries.
15 Next, Winna Guzman.

16 MS. GUZMAN: Good evening, Commissioners.
17 Winna Guzman, Water Department Director. Just to
18 advise, all these items that are coming before you under
19 billing adjustments, they have been approved by the
20 Waterworks Board, and I just need approval from this
21 Board in order to do the full adjustments.

22 So the first one is 4143 Dearborn.
23 Owner's daughter is requesting adjustment to this
24 account. The owner passed away in March of 2017. They
25 did provide a death certificate, also verified through
obituaries and the property has been vacant from
3-29-2017 through 7-27-2017. Thereafter a new master
meter was installed, on August 21, 2017. And we are
asking five months adjustments to reflect the no usage,
from March 29th through July 27th, of 2017. There is
very, very little usage currently at that location.
Thereafter, when we installed the master meter, which
directs readings to our office, very little readings,
and it was verified the property was vacant as well, by
my staff.

I'm requesting that this Board
approve the adjustments on the side of the sewer.

1 MS. CAULEY: I have a question. So if
2 the daughter was actually -- the mother is deceased and
3 the daughter was there or not there?

4 MS. GUZMAN: On these couple of months we
5 estimated it, we weren't able to get readings; so that
6 was the reason why. So now we get actual readings and
7 it's coming back at very low usage. And we also had
8 documentation back then, during that time, that it was
9 vacant.

10 Motion to approve adjustment at 4143 Dearborn, made by
11 Tia Cauley. Second by Loreto Gonzalez.

12 Comments/Questions: None

13 Roll Call: "All in Favor": All Abstain: None
14 Opposed: None

15 MR. RIVERA: Motion carries.

16 MS. GUZMAN: Next is 1912 East Columbus
17 Drive. This property -- we are asking adjustment to the
18 bill as there was an error in the final billing process
19 and it caused an over charge on the bill, in the amount
20 of \$148.14. So once we adjust that final bill, that
21 should correct that bill under 12-19-14. We are asking
22 that the Board approve that or allow the adjustment to
23 correct the final reading. I am also providing the
24 Board with the correction error on our part and they
25 didn't input the correct readings on there, and it
didn't give them any reading. So it came out on the
next bill and kind of jumped higher than what it should
have been.

Motion to approve bill adjustment on 1912 East Columbus
Drive, made by Tia Cauley. Second by Loreto Gonzalez.

Comments/Questions: None

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

MR. RIVERA: Motion carries.

Next, we have 3901 Fern.

MS. GUZMAN: Again, owners requesting
adjustment. This property is vacant and under
construction. It's also gutted. My staff has gone into

1 the property and has verified the water is off at this
2 time and there is no connection to the interior lines as
3 well. The master meter was installed on 10-25-2019 and
4 the bill that we were requesting to be estimated is
5 7-23-19 through 10-12-19, and again due to the fact that
6 we were estimating them. We weren't able to get
7 readings. We verified it is under construction and has
8 been vacant, and that's why we are requesting an
9 adjustment to those time periods.

10 Motion to approve bill adjustment for 3901 Fern, made by
11 Tia Cauley. Second by Loreto Gonzalez.

12 Comments/Questions: None

13 Roll Call: "All in Favor": All Abstain: None
14 Opposed: None

15 MR. RIVERA: Motion carries.
16 Next item is 4806 Ivy Street.

17 MS. GUZMAN: Okay. This again is another
18 one that was being estimated, we are unable to obtain
19 readings. We are recommending that the owners' bill be
20 averaged out for 12 months, which reflects estimated
21 readings from 3-12-2018 to 2-11-2019. The average bill
22 through this period was \$83.34. So currently the
23 average is -- we installed new master meter, so now we
24 start getting readings and the average is \$31.45, with
25 new master meter installed. So we were asking that the
Board allow me to make adjustments to this account to
correct or to adjust those 12 months, previous
12 months.

MS. CAULEY: I have a question. Is this
going to be an ongoing problem since they put the new
meters in?

MS. GUZMAN: No, this is a previous
issue. These were estimated readings. They were unable
to read it, so the customer -- she was requesting that
we to look into it to see if we were able to make that
adjustment. We went back one year. She was actually
being estimated for longer period than that, but we went
back 12 years and discussed with her, she agreed. We
went before the Board and they approved it on the
Waterworks side and that's why I'm here today, to see if
we can get that done from this point on that we changed
out that meter.

1 MR. RIVERA: 12 months, I believe you
said 12 years.

2 MS. GUZMAN: Yes, 12 months.

3 Motion to approve adjustment to bill for 4806 Ivy
4 Street, and averaging out for the next 12 months, made
by Tia Cauley. Second by Loreto Gonzalez.

5 MR. RIVERA: Motion carries.

6 Next item is Unfinished Business?
(None) Public Comment? (None)

7 Our next meeting date is
8 November 21, 2019, at 4:30 p.m., at the East Chicago
City Hall Council Chambers. Is there a motion for
adjournment?

9 Motion to adjourn meeting made by Loreto Gonzalez.
10 Second by Ben Moricz.


11 Roll Call: "All in Favor": All Abstain: None
Opposed: None


12 MR. RIVERA: Motion carried. Meeting
13 adjourned.


14 ***** Meeting adjourned *****
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Approval of the Regular Meeting Minutes of Thursday
November 7, 2019

Approved and signed _____


Miguel Rivera, President


Tia Cauley


Loreto Gonzalez


Alojzy (Ben) Moricz


Anthony Herrera

C E R T I F I C A T E

I, Peggy S. LaLonde, 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 the said proceedings taken at said time and place, so ordered to be transcribed.

Dated at Munster, Indiana, this 11th day of November, 2019.

Peggy S. LaLonde



Peggy S. LaLonde, CSR, RPR