



MINUTES OF THE EXECUTIVE SESSION FOR  
GARY SANITARY DISTRICT BOARD OF COMMISSIONERS  
HELD ON FEBRUARY 3, 2020 AT 10:00AM – 3600 W. 3<sup>rd</sup> Ave., Gary, IN

1. The meeting was called to discuss the following, as authorized under Indiana Code Section 5-14-1.5-6:

- The initiation of litigation, pending litigation, or written notice of threatened litigation.

2. The following persons were in attendance at the Executive Session:

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**PRESENT**

Tramel Raggs, President  
Maurice G. Mabon, Vice-President  
Ola V. Morris, Secretary  
Charles W. Jackson, Jr., Member  
Angela E. Jones, Member  
Daniel F. Vicari, Executive Director  
Vern E. White, Director of Administration  
Attorney Jewell Harris, Jr.

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**ABSENT**

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3. The following matters were discussed and information received by the Board during its advertised Executive Session, and NO OFFICIAL ACTION was taken.

- The initiation of litigation, pending litigation, or written notice of threatened litigation.

GARY SANITARY DISTRICT  
BOARD OF COMMISSIONERS



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Tramel Raggs, President



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Ola V. Morris, Secretary

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MINUTES OF THE GARY SANITARY DISTRICT BOARD OF COMMISSIONERS  
REGULAR MEETING HELD ON **FEBRUARY 3, 2020**

**BOARD OF COMMISSIONERS MEETING**

**DATE:** Monday, February 3, 2020  
**TIME:** 11:00AM  
**LOCATION:** GSD, Board Room

**TYPE:** Regular Meeting  
**NOTICE PROVIDED IN ADVANCE:** YES  
**QUORUM:** YES

**BOARD MEMBERS PRESENT**

Tramel Raggs, President  
Maurice G. Mabon, Vice-President  
Ola V. Morris, Secretary  
Charles W. Jackson, Jr., Member  
Angela E. Jones, Member

**ABSENT MEMBERS**

**OTHERS PRESENT**

Daniel F. Vicari, Executive Director  
Vern E. White, Director of Administration  
Jewell Harris, Jr., Attorney

**OTHERS ABSENT**

**Call to Order:** 11:22 AM by Commissioner Raggs

Commissioner Raggs began the Meeting with the Pledge of Allegiance followed by Roll Call. He then certified that prior to the February 3, 2020 Board Meeting, there was an Executive Session held and there was nothing discussed in the Executive Session that was not indicated on the Posted Notice of the Executive Session; and being in compliance with the Indiana Statutes, there were no final votes held during the Executive Session. Commissioner Raggs asked if any Board Member dissented to the certification. Hearing none, he then proceeded with the meeting.

**Bid Opening:** Commissioner Raggs made a final call for the receipt of bids for GSD Project No.: SD19-03 (Boiler Replacement). With there being no responses, Commissioner Raggs requested a close to the receipt of additional bids.

Attorney Harris proceeded to open the three (3) bids received for GSD Project No.: SD19-03 (Boiler Replacement).

The Bids received for GSD Project No. SD19-03 (Boiler Replacement) were submitted from the following:

<b><u>NAME</u></b>	<b><u>ADDRESS</u></b>	<b><u>BID AMOUNT</u></b>
Mechanical Concepts, Inc.	750 S. County Line Road, Gary, IN 46403	\$525,000.00
Thieneman Construction	17219 Foundation Parkway, Westfield, IN 46074	642,000.00
DCR Services & Construction	828 South Dix Street, Detroit, MI 48217	556,000.00



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Attorney Harris recommended the three (3) received bids (for GSD Project No. SD19-03) be referred to GSD Staff for review and recommendation.

**1. MINUTES**

As per the Minutes of the January 22, 2020 Board Meeting, Commissioner Raggs called for the Board's pleasure with respect to approving the minutes. A motion to accept the Minutes of the Executive Session Items and the Regular Meeting Minutes of January 22, 2020 with any/all noted corrections; was given by Commissioner Morris. The motion for approval of the minutes was seconded by Commissioner Mabon and passed without dissent.

The vote: Four (4)-Ayes / One (1)-Abstention (Jones)

Note: Jones was absent from the January 22, 2020 Board Meeting – Hence Jones' abstaining vote.

**SPECIAL VOTE/DISCUSSION:**

Commissioner Jackson asked for the voting for the approval of the January 22, 2020 Minutes to be re-tallied as he, too, was absent from the January 22, 2020 Board Meeting and would like his vote to be recorded as an abstention vote.

Commissioner Raggs called for the Board's pleasure with respect to recalling / tallying for the approval of the January 22, 2020 Board Minutes. A Motion to recall the voting for the Approval of the January 22, 2020 Minutes was given by Commissioner Mabon. The motion for recall the voting for the Approval of the January 22, 2020 Minutes was seconded by Commissioner Morris.

The vote: Five (5)-Ayes / Zero (0)-No

**RE-VOTE - NEW/FINAL VOTE FOR JANUARY 22, 2020 BOARD MINUTES:**

As per the Minutes of the January 22, 2020 Board Meeting, Commissioner Raggs called for the Board's pleasure with respect to approving the minutes. A NEW/FINAL motion to accept the Minutes of the Executive Session Items and the Regular Meeting Minutes of January 22, 2020 with any/all noted corrections; was given by Commissioner Morris. The NEW/FINAL motion for approval of the minutes was seconded by Commissioner Mabon and passed without dissent.

The vote: Three (3)-Ayes / Two (2)-Abstention (Jones/Jackson)

Note: Jackson and Jones were absent from the January 22, 2020 Board Meeting – Hence Jackson's and Jones' abstaining votes.

**2. NEW BUSINESS**

**2a. A Motion to Approve GSD's Payroll Earnings for Period Ending: December 23, 2019 thru January 5, 2020, in the amount of \$246,141.90.**

Overview: Director of Administration Vern White asked for the Board's approval of the GSD Payroll Earnings Report submitted as GSD Agenda Item 2a.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2a. Commissioner Mabon gave the motion to approve. The motion for approval of the GSD's Payroll



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Earnings (December 23, 2019 thru January 5, 2020) was seconded by Commissioner Morris and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2b. A Motion to Approve GSD Resolution No. SD20-02, Approving and Ratifying Repayment of an Interfund Loan from the City of Gary's General Fund to the GSD Equipment Replacement Fund (435).**

Overview: Director of Administration Vern White stated the motion is to approve and ratify the repayment of the existing City of Gary outstanding loan from GSD. The original loan amount was \$15,597,426.61 which was loaned to the City of Gary in Years 2005 and 2006. The current outstanding loan balance is \$4,257,126.61. The City of Gary entered into a repayment schedule per the Gary Sanitary District Consent Decree beginning on September 19, 2018. The City of Gary's most recent payment was made on January 24, 2020 in the amount of \$500,000.00; leaving a remaining loan balance of \$4,257,126.61. The City of Gary is making payments per the established Agreement/Consent Decree.

Director of Administration Vern White recommended approval of Agenda Item 2b.

Question: Commissioner Mabon asked the frequency of the loan payments from the City of Gary.

Response: Director of Administration Vern White stated the loan payments are made once per year per the repayment schedule established.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2b. Commissioner Jackson gave the motion to approve. The Motion to Approve GSD Resolution No. SD20-02, Approving and Ratifying Repayment of an Interfund Loan from the City of Gary's General Fund to the GSD Equipment Replacement Fund (435) was seconded by Commissioner Morris and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2c. A Motion to Approve GSD Resolution No. SD20-03, Approving the Repayment of an Interfund Loan due to GSD's Equipment Replacement Fund (435) from GSD's General Operation Fund (670).**

Overview: Director of Administration Vern White stated due to the influx of unanticipated projects and expenses during Year 2019, an interfund loan was required to supplement GSD's General Operating Fund (670). The interfund loan was made from GSD's Equipment Replacement Fund (435) in September 2019 to GSD's General Operating Fund (670) totaling \$800,000.00. During the December 18, 2019 Board Meeting, Resolution No. SD19-20 was approved to request payment of the loan from GSD's Equipment Replacement Fund. A request was made to reestablish \$400,000.00 of the loan thru June, 2020; and that was repaid last month.



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Director of Administration Vern White recommended approval of Agenda Item 2c.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2c. Commissioner Mabon gave the motion to approve. The Motion to Approve GSD Resolution No. SD20-03, Approving the Repayment of an Interfund Loan due to GSD's Equipment Replacement Fund (435) from GSD's General Operation Fund (670) was seconded by Commissioner Morris and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2d. A Motion to Approve GSD Resolution No. SD20-04, Authorizing Transferring Funds From GSD Equipment Replacement Fund (435) for GSD Series 2020 Revenue Refunding Bond Closing Costs.**

Overview: Director of Administration Vern White stated GSD entered into a Bond Refinance Agreement for its 2020 GSD Bond Series with closing costs totaling \$5.1 Million. Therefore, funds were required from various GSD funds for the Bond Closing Costs. Funds from GSD's Equipment Replacement Fund were required on an emergency basis regarding the Bond Closing Costs. The Closing Costs from the Equipment Replacement Fund totaled \$3,856,400.92; thus an emergency temporary interfund loan. A portion of the funds totaling \$3,133,889.40 will be paid back to GSD's Equipment Replacement Fund (435) from GSD's Debt Service Fund (373) within the next 30 days. The remaining balance of \$722,510.62 will be repaid via of series of adjusted monthly transfers from GSD's General Operating Fund (670).

Director of Administration Vern White recommended approval of Agenda Item 2d.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2d. Commissioner Jackson gave the motion to approve. The Motion to Approve GSD Resolution No. SD20-04, Authorizing Transferring Funds From GSD Equipment Replacement Fund (435) for GSD Series 2020 Revenue Refunding Bond Closing Costs was seconded by Commissioner Mabon and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2e. A Motion to Approve GSD Resolution No. SD20-05, Authorizing Closing Out and Transferring GSD TrustIndiana Debt Service Reserve Fund (373) to GSD Fifth Third Bank Debt Service Reserve Fund (373).**

Overview: Director of Administration Vern White stated funds were required for the 2020 GSD Bond Series Closing Costs, therefore funds were transferred from GSD's TrustIndiana Debt Service Reserve Fund (373) in the amount of \$1,749,633.35 to GSD's Fifth Third Bank Debt Service Reserve Fund (373).

Director of Administration Vern White recommended approval of Agenda Item 2e.



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Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2e. Commissioner Mabon gave the motion to approve. The Motion to Approve GSD Resolution No. SD20-05, Authorizing Closing Out and Transferring GSD TrustIndiana Debt Service Reserve Fund (373) to GSD Fifth Third Bank Debt Service Reserve Fund (373) was seconded by Commissioner Morris and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2f. A Motion to Approve GSD Resolution No. SD20-06, Authorizing Transferring Funds from GSD's Bond & Interest Fund (372) for Bond Closing Costs.**

Overview: Director of Administration Vern White stated Director of Administration Vern White stated funds were required for the 2020 GSD Bond Series Closing Costs, therefore funds were transferred from GSD's Bond & Interest Fund (372) in the amount of \$1,317,581.23.

Director of Administration Vern White recommended approval of Agenda Item 2f.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2f. Commissioner Jackson gave the motion to approve. The Motion to Approve GSD Resolution No. SD20-06, Authorizing Transferring Funds From GSD's Bond & Interest Fund (372) for Bond Closing Costs was seconded by Commissioner Jones and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2g. A Motion to Rescind an Award of Contract to Recycle One, LLC for the Sand and Clay Mining Site Operation Agreement.**

Overview: Executive Director Vicari stated this is a Contract awarded back in Year 2018 and it is being asked of the Board today to rescind the offer of award/contract.

Executive Director Vicari recommended approval of Agenda Item 2g.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2g. Commissioner Jackson gave the motion to approve. The Motion to Rescind an Award of Contract to Recycle One, LLC for the Sand and Clay Mining Site Operation Agreement was seconded by Commissioner Mabon and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**2h. A Motion to Rescind an Award of Contract to Richardson Disposal, Inc. for the Resident Bulk Waste Drop-Off and Alley Waste Removal Contract.**

Overview: Executive Director Vicari stated this award of contract was offered and the contract was never executed, hence the motion to rescind.

Executive Director Vicari recommended approval of Agenda Item 2h.



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Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2h. Commissioner Jackson gave the motion to approve. The Motion to Rescind an Award of Contract to Richardson Disposal, Inc. for the Resident Bulk Waste Drop-Off and Alley Waste Removal Contract was seconded by Commissioner Jones and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

Question: Commissioner Morris ask where are the alternate locations for City of Gary Residents to discard Residential Bulk-Waste.

Response: Executive Director Vicari stated Residents can now use Republic's Transfer Station at 15<sup>th</sup> Avenue & Clay Street; and the East Chicago Transfer Station at 102 West Columbus Drive. Discarded items do not include Yard Waste. All Gary Residents are welcome to use said locations - - identification reflecting a Gary address is required. One visit per week/per resident.

**2i. A Motion to Approve an award of Bid to Spirac for the Sole-Source Purchase of Conveyors, in a not-to exceed amount of \$183,617.00.**

Overview: Executive Director Vicari stated conveyors are needed in our Sludge Building. The augers and liners (in the trough) in the sludge building have been used beyond useful life (at present, the conveyors are 13 years old). The purchase of the new conveyors will be purchased via GSD's Equipment Replacement Fund (435).

Executive Director Vicari recommended approval of Agenda Item 2i.

Commissioner Raggs called for the Board's pleasure with respect to approving GSD Agenda Item 2i. Commissioner Jackson gave the motion to approve. The Motion to Approve an Award of Bid to Spirac for the Sole-Source Purchase of Conveyors was seconded by Commissioner Jones and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No

**3. CLAIMS**

**3a. GSD Claims Numbers: 309 thru 503, in the amount of \$1,141,482.98**

Overview: Director of Administration Vern White recommended approval and ratification of the GSD Claims.

Commissioner Raggs called for the Board pleasure with respect to approving GSD Agenda Item 3a. Commissioner Mabon gave the motion to approve. The motion for approval and ratification of GSD Claims Numbers 309 thru 503 was seconded by Commissioner Jackson and passed/approved.

The vote: Five (5)-Ayes / Zero (0)-No



#### **4. INFORMATION UPDATES**

##### **4a. Plant Superintendent**

Rhonda Anderson, Plant Superintendent, provided the Board with plant updates:

Overview:

- CSOOP Annual Update
  - The Combined Sewer Overflow Operational Plan has been submitted to IDEM/EPA/DOJ.
- Lighting Project Update
  - Project was approved by NIPSCO in January 2020. Incentive/Rebate check is in route to GSD.
- Aeration Improvement Project Update
  - Demolition of Blowers 4 & 5 has started. Demolition will take about 5 weeks.
- Boiler Replacement Project Update
  - Three (3) addendums were made prior to the receipt of bids.
- Grit System Improvement Project Update
  - A 90% Design review will take place on Thursday, January 30<sup>th</sup>. 100% Design is due in March.
- Maintenance
  - Filter #5 has been repaired and is back in service.
  - A new pressate flow meter has been installed.
  - A water heater in the dewatering building has been repaired.
  - The heating unit in the Chemical building was repaired.
- OSHA Form 300A
  - 2019 OSHA reportables have been posted.
- Operator Vacancies
  - We're still looking to fill operator vacancies. Certified operators or degreed candidates are preferred.

##### **4b. Construction Activities**

Eric Tonk provided the Board with an update on GSD Construction Activities:

- Clark Road Improvements
  - All remains for completion is for a section of sidewalk to be redone. This portion cannot be completed until NIPSCO completes a utility repair. Gary Material Supply has made contact with NIPSCO to complete the repair.
- Lake Street Project
  - Project is on-hold due to the weather.



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- Actchen Street Repair
  - Alex Metz Sewers had purchased supplies to start the work.

**5. DISCUSSION**

There were no discussion items.

**6. REQUEST TO SPEAK**

There was no one present requesting to speak.

**7. ADJOURNMENT**

With no further business to discuss, the meeting was adjourned at 11:54AM

ADOPTED BY THE BOARD DURING THE MEETING ON:

02/19/2020



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Tramel Raggs, President



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Ola V. Morris, Secretary

**BOARD OF COMMISSIONERS**

Tramel Raggs, President  
Maurice G. Mabon, Vice-President  
Ola V. Morris, Secretary  
Charles W. Jackson, Jr., Member  
Angela E. Jones, Member