



MINUTES OF THE EXECUTIVE SESSION FOR
GARY SANITARY DISTRICT BOARD OF COMMISSIONERS
HELD ON **SEPTEMBER 21, 2020** AT 10:00AM – Via ZOOM Video Conferencing

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:

PRESENT

Maurice G. Mabon, President, *via conference call*
Charles G. Peller, Jr., *via conference call*
Ola V. Morris, Secretary, *via conference call*
Charles W. Jackson, Jr., Member, *via Zoom Video Conferencing*
Tramel Raggs, Member, *via Zoom Video Conferencing*
Daniel F. Vicari, Executive Director, *via Zoom Video Conferencing*
Tony Walker, Attorney, *via conference call*

ABSENT

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

- Collective Bargaining
- The initiation of litigation, pending litigation, or written notice of threatened litigation
- The purchase or lease of real property by the governing body up to the time a contract, or option to purchase or lease is executed by the parties
- Discuss job performance evaluation or individual employees, excluding salary, compensation, or benefits of employees during the budget process

**GARY SANITARY DISTRICT
BOARD OF COMMISSIONERS**

Maurice G. Mabon, President

Ola V. Morris, Secretary



MINUTES OF THE GARY SANITARY DISTRICT BOARD OF COMMISSIONERS
REGULAR MEETING HELD ON **SEPTEMBER 21, 2020**

BOARD OF COMMISSIONERS MEETING

DATE: Monday, September 21, 2020
TIME: 11:30AM
LOCATION: Video / Tele Conferencing

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

BOARD MEMBERS PRESENT via

Video Conferencing	Tele-Conferencing
Tramel Raggs Charles W. Jackson, Jr.	Maurice G. Mabon Charles G. Peller, Jr. Ola V. Morris

ABSENT MEMBERS

OTHERS PRESENT via

Video Conferencing	Tele-Conferencing
Tony Walker Daniel F. Vicari Jerome Foster	

OTHERS ABSENT

Attendee Titling:

Maurice G. Mabon, President
Charles G. Peller, Jr., Vice-President
Ola V. Morris, Secretary/Treasurer
Charles W. Jackson, Jr., Member
Tramel Raggs, Jr., Member

Tony Walker, Attorney
Daniel F. Vicari, Executive Director
Jerome Foster, Acting Finance Manager

ZOOM
<https://us02web.zoom.us/j/6677681093>
Meeting ID: 667 768 1039

Call to Order: 11:03 AM by Commissioner Mabon

As this meeting was conducted via Video/Tele-Conferencing, no action was taken for the Pledge of Allegiance. Commissioner Mabon began the Meeting with Roll Call. He then certified that prior to the September 21, 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 Mabon asked if any Board Member dissented to the certification. Hearing none, he then proceeded with the meeting.



PUBLIC HEARING: Proposed Increase in Trash Collection Fees Charged for the Collection and Disposal of Garbage and Other Non-Regulated Solid Waste in the City of Gary, Indiana.

Executive Director Vicari gave an Overview regarding the Trash Collection Fee:

- The Public Hearing for the Proposed Increase for Trash Collection Fees was advertised, in accordance with State law.
- Said advertisement explained the need for an Increase for Trash Collection Fees as GSD has been running deficiently in revenue collections for the Solid Waste Program.
- The 2018 State Board of Accounts Audit (conducted in 2019) mentioned that GSD is not collecting enough money to pay for the liability of the expense that is incurred year by year.
- In 2020, GSD will have a revenue short-fall of roughly \$1.7 Million in the Solid Waste Program.
- The cost of the Solid Waste Program is approximately \$5.5 Million; with only an estimated \$3.8 Million revenue coming into GSD (hence the \$1.7 Million short-fall).
- The last rate increase proposed to GSD's Board (which was conveyed over to the City of Gary Common Council for Ordinance consideration and approval) was in year 2012.
- In year 2012, the GSD Board passed a Resolution, which was heard and approved by the City of Gary Common Council, approving a five (5) year Rate Schedule (with an increase year after year thru year 2017).
- Year 2018 is when GSD started NOT collecting enough money to pay the vendors (curbside, solid waste fees being charged to GSD) per the contract. Sufficient funds have not been collected to meet the expenses of the program.
- GSD has worked with its Financial Consultant Karl Cender (Cender & Company) in an attempt to find ways to cover the trash collection expenses.
 - Commissioner Jackson asked if the reason for the short-fall relates to GSD's customer-base decreasing.

Executive Director Vicari answered the question asked and continued on with the overview:

- GSD operates at an approximate 82% collection rate, with 18% of the collections/monies NOT being collected year after year. In addition, there is also the fee charged for Solid Waste/Trash Collection; which is \$16.30 per month per household (this fee dates back to year 2017 – this is what was charged to GSD by Republic Services per the contract, which includes a 10 cents Administration Fee).
 - In year 2018, GSD still only charged \$16.30 per month per household for trash collection fees; yet Republic Services charged GSD a fee of \$16.70 per month per household.
 - In year 2019, GSD still only charged \$16.30 per month per household; with Republic Services charging GSD a fee of \$17.19 per month per household.
 - In year 2020, GSD still only charges \$16.30 per month per household; with Republic Services charging GSD a fee of \$17.70 per month per household. Republic Services has continued to charge GSD an escalation of 3% year after year per their contract.



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- The new rate proposed for City Council approval (after a 1st, 2nd and Final Hearing) is \$28.25 per month per household (which will include a “catch-up” for all the years GSD did not additional fees for years 2018, 2019 and 2020).
 - If the proposed amount is approved by the City of Gary City Council, the rate will not take effect until January 2021 for the Residents of the City of Gary.
 - Commissioner Morris asked if trash collection services were once performed via “in-house methods/staffing” and if such a method has been considered going forward.

Executive Director Vicari answered the question asked and continued with the overview:

- At present, it is unknown what the current Administration’s plans are concerning ideas/avenues relative to Trash/Solid Waste Collections. However, the current contract for Trash/Solid Waste Collections is by and between Gary Sanitary District and Republic Services. Hence, the request to approve the proposed new trash collection rate. With a continued revenue short-fall for Solid Waste Collections, GSD has to use an estimated \$2 Million (per year) from other GSD sources/revenues (such as funds to repair sewers/sinkholes) to cover the expense.
 - Commissioner Mabon asked if the rate increase is subsidizing for the customer count/loss of population within the City.

Executive Director Vicari answered the question asked and continued with the overview:

- The GSD customer-count is challenging. At present, GSD and Republic Services have agreed to a customer-count/audit every quarter. GSD is working closely with NIPSCO and Indiana American Water at tracking the customer-count by cross-referencing addresses with the last known service dates.
- In year 2015, GSD and Republic Services worked together to obtain a City of Gary customer-count; which was 22,894 homes. In November 2019, the City of Gary customer-count/audit number was at 20,381 homes.
 - Commissioner Mabon asked if GSD is staff-equipped to handle conducting its own audit/customer count without the assistance of NIPSCO and/or Indiana American Water’s methods of tracking customers.
 - Commissioner Mabon asked what the Alley Auditors responsible were for.
 - Commissioner Mabon asked what will be the next steps for GSD/City of Gary for Trash Collection/Solid Waste Fees.

Executive Director Vicari stated answered the questions asked and continued with the overview:

- GSD is not equipped to handle such an audit/customer counting process. GSD uses its own data when working with NIPSCO and Indiana American Water Company for comparisons.
- The Alley Auditors have been repurposed within GSD, now working within the Compliance Department as the Alley Project is over.



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- If the Board approves the Resolution relative to the proposed rate increase, the Resolution and Ordinance will be forwarded to the City Council for consideration and approval.

Attorney Walker stated Mayor Prince plans to use City of Gary Code Enforcement Officers – in conjunction with GSD – for the purpose of tracking/auditing households within the City.

The Public was allowed to participate at this portion of the meeting. There were NO REQUESTS TO SPEAK from the Public.

1. MINUTES

As per the Minutes of the September 9, 2020 Regular Board Meeting, Commissioner Mabon 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 Board Meeting Minutes of September 9, 2020 with any/all noted corrections; was given by Commissioner Morris. The motion for approval of the minutes was seconded by Commissioner Jackson and passed without dissent.

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

2. NEW BUSINESS

- 2a. **A Motion to Approve GSD's Payroll Earnings for Period Ending: July 20, 2020 through August 2, 2020, in the amount of \$231,193.42.**

Executive Director Vicari recommended approval of GSD Agenda Item 2a.

Commissioner Mabon called for the Board's pleasure with respect to approving GSD Agenda Item 2a. Commissioner Peller gave the motion to approve. The motion to Approve GSD's Payroll Earnings for Period Ending: July 20, 2020 through August 2, 2020 was seconded by Commissioner Jackson and passed/approved.

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

- 2b. **A Motion to Approve GSD's Payroll Earnings for Period Ending: August 3, 2020 through August 16, 2020, in the amount of \$237,440.69.**

Executive Director Vicari recommended approval of GSD Agenda Item 2b.

Commissioner Mabon called for the Board's pleasure with respect to approving GSD Agenda Item 2b. Commissioner Peller gave the motion to approve. The motion to Approve GSD's Payroll Earnings for Period Ending: August 3, 2020 through August 16, 2020 was seconded by Commissioner Jackson and passed/approved.

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



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2c. A Motion to Approve GSD's Payroll Earnings for Period Ending: August 17, 2020 through August 30, 2020, in the amount of \$233,987.67.

Executive Director Vicari recommended approval of GSD Agenda Item 2c.

Commissioner Mabon called for the Board's pleasure with respect to approving GSD Agenda Item 2c. Commissioner Peller gave the motion to approve. A Motion to Approve GSD's Payroll Earnings for Period Ending: August 17, 2020 through August 30, 2020 was seconded by Commissioner Jackson and passed/approved.

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

2d. A Motion to Approve GSD Resolution No. SD20-15, Amending the Garbage Collection Fees for the Collection of Trash, Garbage and Refuse within the City of Gary, Indiana.

Overview: In connection with the Overview provided during the Public Hearing portion of today's meeting, Executive Director Vicari stated the proposed increase amount is \$28.25 per month per household in anticipation of covering all the expenses associated with the Trash Collection contract by and between Gary Sanitary District and Republic Services (which includes the transfer stations (Citizen Drop Program) and the matter delivered to transfer station after City of Gary Clean-up Programs (dumpsters).

Executive Director Vicari recommended approval of GSD Agenda Item 2d.

Commissioner Mabon 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. SD20-15, Amending the Garbage Collection Fees for the Collection of Trash, Garbage and Refuse within the City of Gary, Indiana was seconded by Commissioner Peller and passed/approved.

The vote: Four (4)-Ayes / One (1)-No (Raggs)

2e. A Motion to Approve and Ratify an Award of Bid to Alex Metz Sewers Inc., for Sanitary Sewer Repair at the vicinity of 2058 Broadway, in a not-to-exceed amount of \$29,900.00.

Overview: Executive Director Vicari stated the point repair of a collapsed sewer was deemed an emergency as there is a complete blockage of the sewerage flow within the vicinity (also known as Alley 1 West). Quotes were solicited from 17 Contractors, with two (2) responses; with Gary-based Alex Metz Sewers being the lowest responsive, responsible bidder.

Executive Director Vicari recommended approval of GSD Agenda Item 2e.

Question: Commissioner Jackson asked is GSD was responsible for leveling the street/manholes once such a sewer repair has been complete.



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Response: Executive Director Vicari stated the standard is to keep the Manhole approximately ½ inch lower in such areas as our for the sake of snow plows and the damage the snow plow blade could cause.

Commissioner Mabon called for the Board's pleasure with respect to approving GSD Agenda Item 2e. Commissioner Jackson gave the motion to approve. The motion to Approve and Ratify an Award of Bid to Alex Metz Sewers Inc., for Sanitary Sewer Repair at the vicinity of 2058 Broadway was seconded by Commissioner Peller and passed/approved.

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

2f. A Motion to Approve and Ratify an Award of Bid to Alex Metz Sewers Inc., for a Sanitary Sewer Repair at the vicinity of 1525 Clark Road, in a not-to-exceed amount of \$52,700.00.

Overview: Executive Director Vicari stated Agenda Item 2f was deemed an emergency. Quotes were solicited from 17 Contractors, with two (2) responses; with Gary-based Alex Metz Sewers being the lowest responsive, responsible bidder.

Executive Director Vicari recommended approval of GSD Agenda Item 2f.

Commissioner Mabon called for the Board's pleasure with respect to approving GSD Agenda Item 2f. Commissioner Raggs gave the motion to approve. The motion to Approve and Ratify an Award of Bid to Alex Metz Sewers Inc., for Sanitary Sewer Repair at the vicinity of 1525 Clark Road was seconded by Commissioner Peller and passed/approved.

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

3. CLAIMS

3a. GSD Claims Numbers: 2921 thru 3122, in the amount of \$2,097,653.03

Overview: Executive Director Vicari recommended approval and ratification of the GSD Claims.

Commissioner Mabon called for the Board pleasure with respect to approving GSD Agenda Item 3a. Commissioner Jackson gave the motion to approve. The motion for approval and ratification of GSD Claims Numbers 2921 thru 3122 was seconded by Commissioner Peller and passed/approved.

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

4. INFORMATION UPDATES

There were no Information Updates.

5. DISCUSSION

There were no discussion items.



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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 11:48AM

ADOPTED BY THE BOARD DURING THE MEETING ON:

10/05/2020

Maurice G. Mabon, President

Ola V. Morris, Secretary

BOARD OF COMMISSIONERS

Maurice G. Mabon, President
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