

SANITARY/WATERWORKS DISTRICT MEETING
ST. JOHN MUNICIPAL BUILDING MAIN MEETING ROOM
10955 WEST 93RD AVENUE, ST. JOHN, INDIANA
August 17, 2009 - 6:00 P.M.

Comment [ss1]: Spell check and finish editing

Mr. Myers called the meeting to order at 6:00 P.M. and led the Pledge of Allegiance. Roll call was taken with the following members present: Robert Myers, President; Kenneth Gembala, Vice-President; Michael Hanlon, Member; Patricia Sims-Smierciak, Member; Pete Faberbock, Robinson Engineering; Bob Pharazyn, Director of Operations; Randy Wyllie, Attorney; Michael Forbes, Town Council Liaison and Sherry Sury, Clerk-Treasurer.

Approval of the minutes – Special Meeting of July 6, 2009 and Regular Meeting of July 20, 2009 – Mr. Gembala motioned to approve the minutes of the Special Meeting of July 6, 2009 and the Regular Meeting of July 20, 2009. Mr. Hanlon stated that there were three typographical errors in the minutes of the July 20th meeting and referenced the corrections. **Motion amended to the changes mentioned by Mr. Hanlon. Seconded by Mr. Hanlon. Motion unanimously passed.**

Joint Resolution #SD/WD 09-08-17 – Mr. Wyllie read the resolution that acknowledged Alex Monanteras for his dedication and service to the Town, the utility board and citizens. **Ms. Sims-Smierciak motioned to approve the joint resolution. Seconded by Mr. Hanlon. Motion unanimously passed.** Mr. Pharazyn read the plaque that was then presented to Mr. Monanteras.

SANITARY DISTRICT

Old Business

Interceptor to Schererville – update – Mr. Pharazyn stated they have about 3,300 feet of pipe installed – today they are shoring up holes dug on either side of U.S. 30 - tomorrow they plan to start the process of drilling the casing pipe under U.S. 30 – they had about a four week delay in working out exactly how they were going to do the casing work under 30 between the State, Robinson and us trying to come up with an alternative plan, so they would not have to have the pipe as deep as it was originally designed. He stated that they have done that and INDOT has signed off on everything and Robinson is good with what they are doing. The hardest part of the project is basically going to start tomorrow. Mr. Pharazyn stated that he asked Bob from R&R today to guesstimate a completion date since they have lost about a month, as part of their negotiation discussions, they are looking at the early part of December as when they would like to be putting the finishing touches on the project. He stated that the delays they have experienced have been valid delays, has no problems with how they have been working to date as far as the progress they have been making and it has been going pretty well.

Biennial Rate Study Progress – Mr. Myers stated that there is a meeting scheduled this week with Mr. Pharazyn, Steve Carter and Bob Volkmann from Schererville. Mr. Pharazyn stated that the meeting is this Wednesday and that there will not be legal counsel present.

New Business

Request of Martk Homes – Adjustment for Sewer Charges – Mr. Myers reminded everyone of the letter that states they do not give these adjustments to builders. He opened it up for discussion, and no discussion ensued. **Ms. Sims-Smierciak motioned to deny the request of**

Mark Homes for a sewer adjustment. Seconded by Mr. Hanlon. Motion unanimously passed.

PAYMENT OF BILLS - #2065 - #2071 for \$15,824.37 for Sanitary District & WW Utility #6241 - #6275 for \$188,991.19 – Mr. Hanlon motioned to pay bill payment memos #2065 - #2071 for \$15,824.37 for the Sanitary District and for Wastewater Utility #6241 - #6275 for \$188,991.19. Seconded by Ms. Sims-Smierciak. Motion unanimously passed.

Any and all business that may come before the Board

Mr. Pharazyn stated that (for the benefit of Mr. Monanteras) the final tap count for LS #1 is 91.

Public Comment – None

WATERWORKS DISTRICT

Old Business

Lotton – Water Improvements Update – Gates of St. John

Caldwell Tank Discussion – Mr. Wyllie referenced the two letters regarding the settlement amounts, Caldwell offered \$15,000, the Waterworks District is asking for \$248,000. Mr. Wyllie asked for direction from the Board, do they want to go to arbitration, he mentioned each side picks one arbitrator and those two pick a third. Discussion ensued. Mr. Pharazyn suggested they have a conference call before they go to arbitration. Mr. Wyllie stated that they can have witnesses come in like in a trial or get affidavits from the witnesses. **Mr. Gembala motioned that they proceed to arbitration proceedings. Seconded by Ms. Sims-Smierciak. Motion unanimously passed.**

Project update – Water Treatment Plant/Well Bond Status & Proposed Notice to Proceed

– Mr. Myers stated that they did get approved for a \$2.6M bond, got a fairly decent rate that was close to what Karl Cender said. Their bond rating is excellent thanks to Ms. Sury, her staff and Mr. Cender talking to Standard & Poor's. Ms. Sury stated that they did get the 4.58%, they only had two bidders for the bond the other one was City Securities at 4.81%. She added that they anticipate closing tomorrow and will receive \$2,522,028.90 as a deposit into the account. The original bond issue amount is \$2.6M; there was a good faith deposit of \$26,000; and the net original issue discount of \$7,433.10; and the underwriter's discount of \$44,538.00. Once this comes into Standard Bank they will call Ms. Sury who will call Mr. Faccenda who will release the bonds. Ms. Sury asked that they sign the contract book however she will not attest to it until the money is in the bank and she will then contact Mr. Wyllie who will generate a written Notice to Proceed. Mr. Pharazyn mentioned that Ms. Prinz from Robinson Engineering is preparing a Notice to Proceed. **Ms. Sims-Smierciak motioned to issue the Notice to Proceed upon receipt of the funds. Seconded by Mr. Hanlon. Motion unanimously passed.**

Status of easement issue for well on Route 41 – Mr. Wyllie stated that he called Mr. Muenich today and received his voice mail. He received a faxed copy of the signed deed last Friday but not the original document. Mr. Wyllie stated that he would follow up and would have someone pick up the original deed from Mr. Muenich's office. Discussion ensued how to proceed and potential problems with NIPSCO lines.

Status of meter change over program – Mr. Pharazyn reported that to date they have installed 553 meters at an expense of \$120,000; they have 120 meters left to install to reach their goal this year which leaves them slightly under budget of the \$140,000 that was allocated.

New Business

Dixon Engineering – Proposal/Agreement for Gates of St. John – Warranty Inspection – Mr. Pharazyn stated that he signed this agreement after consulting with Jennifer Prinz of Robinson Engineering, they were running up against their deadline of one year warranty inspection although he told Ms. Prinz he feels the warranty doesn't start until all the bills have been paid. But it has been a year since the tank has been in service so he authorized Dixon Engineering to come out; they put a scuba diver inside the tank to do an inspection. Mr. Pharazyn stated that he is waiting for the written report, and they did give him some pictures. Mr. Durham was out there with them. Mr. Pharazyn stated that he did not get any feedback from Mr. Durham if they discovered any problems with the tank. The inspection was done on the 6th and it was \$2,400 for the inspection.

Backflow Prevention Program – Sprinkle Meters – Mr. Pharazyn stated that IDEM has been cracking down on municipalities lately enforcing something that is in the State Plumbing Code. He needs to work with Mr. Wyllie on some of this. This is the first step of something that will take him a month or two to sort through. IDEM is starting to crack down on residential sprinkling systems as being a potential source of contamination for the potable drinking water system. In a nutshell they are required to send notification to all of their customers (Munster and Schererville have already done this) letting them know this is something they are mandated to do. He stated that he is not exactly sure how many sprinkler systems are in town; there are approximately 150 sprinkler meters. They may need to inspect every home to check if they have a sprinkler system. There is double check valve on every sprinkler system and is a testable device and it is required to be tested. The valve prevents backflow into the Town's water system.

He added that they do need to do some work on the backflow in Town. As new businesses come in they require it, they get the inspection report annually from the newer, larger businesses. They have a lot of room to grow on their residential side and stated that he is not sure if the Town has an ordinance in place. He has a copy of Schererville's ordinance which he is giving to Mr. Wyllie to see if St. John has a backflow ordinance that could have been done 10-12 years ago when this first come to pass. If not, an Ordinance needs to be written and passed by the Waterworks Board and the Town Council; followed by educating the public. Discussion ensued.

PAYMENT OF BILLS – #3053 - #3062 for \$19,677.35 for Waterworks District and #4405 - #4466 for \$171,276.78 for Water Utility – Mr. Hanlon motioned to approve payment of vouchers #3053 - #3062 for \$19,677.35 for Waterworks District and #4405 - #4466 for \$171,276.78 for Water Utility, and \$5,500 for Standard & Poor's (this was not in the packet and is for the bond). **Seconded by Ms. Sims-Smierciak. Motion unanimously passed.**

Any and all business that may come before the Board

Mr. Pharazyn mentioned moving some of the bond money when it comes in to pay engineering expenses, (tape inaudible).

He stated that there is a 4-inch water main on 93rd by Patterson & Kielman that he needs to cut and cap that needs replacement. It will cost about \$13,000 in materials and \$32,000 in labor and expects the job will take 11 days. **Ms. Sims-Smierciak motioned to approve the water work on 93rd to replace the 7 water services, cut and cap, and a hydrant not to exceed \$46,000. Seconded by Mr. Hanlon. Motion unanimously passed.**

Mr. Pharazyn also mentioned there was a water main break on Olcott & Northcote. They have made repairs to this pipe in the past and there are still leaks. Tape inaudible. Discussion ensued. **Mr. Hanlon motioned to approve the work on Northcote and Olcott Avenue for the water main replacement not to exceed \$32,000. Seconded by Ms. Sims-Smierciak. Motion unanimously passed.**

Mr. Pharazyn added as an FYI that the Capital Account has approximately \$1.49M in it. He looked at the Capital Improvement Plan and plugged in the existing projects, tape inaudible.

Mr. Pharazyn reported on the progress of the Cannon property water service connection. He stated that by Tuesday of next week the B Box would be installed in front of the pawnshop for one tap (tape inaudible).

Ms. Sury referenced the Red Flag Regulations that are in place to prevent identity theft. She stated that the Town is not at high risk because we do not accept or process charge or debit cards, or access the individual accounts of our customers for payments. However, they are now required to have a copy of the individual's license when they apply for service. She asked the Board how they want to handle the following situation: a resident moves – the final meter reading is done (currently the Town does not turn off the water) a new resident moves into the home and has not made the meter deposit or provide the required identification, and asked if the water could be turned off? Discussion ensued. Ms. Sury also confirmed the procedure in place for a customer that comes in, wants to present his identification for verification, to make a meter deposit for another customer (brother, sister, etc.). A copy of the identification can only be accepted for the actual customer and if he/she merely authorizes by signature on the identification presented that the actual customer gave permission to present his identification and seeks service. Mr. Myers stated that this situation is to be included in the ordinance discussed earlier regarding the sprinkler system inspection to be prepared by Mr. Wyllie. Mr. Wyllie stated that the ordinance will be a generic one where if you fail to take action, whatever that action may be, required by our rules and regulations, that we can shut off your water.

Mr. Myers stated that he would like Ms. Sury to look into debit cards for the bulk water, so a contractor can come in and give the Clerk-Treasurer's office so much money and get a debit card to go use it. He stated that he would also like her to look into on-line bill payments. Discussion ensued.

Mr. Myers stated that he would like to cancel the September Study Session as it falls on Labor Day. **Ms. Sims-Smierciak motioned to cancel the September Study Session. Seconded by Mr. Hanlon. Motion unanimously passed.**

Mr. Pharazyn stated that he provided the wrong number earlier; the amount in the bank is \$1,053,000.

Public Comment

Mr. Monanteras, 9823 E. Oakridge – stated that he looked over the accomplishments of the Boards' through the years and he wanted to applaud them for everything they have done. He expressed his appreciation for all the help and assistance he received while serving as a board member.

Adjournment – Ms. Sims-Smierciak motioned to adjourn the meeting. Seconded by Mr. Hanlon. Motion unanimously passed. Meeting adjourned at 6:57 P.M.

ATTEST:

/s/ Sherry P. Sury, Clerk-Treasurer