

CITY OF EAST CHICAGO DEPARTMENT OF WATERWORKS
BOARD OF DIRECTORS
Regular Meeting Minutes
March 6, 2023, at 5:00 p.m.

BOARD MEMBERS:

John Bakota, President
Henry Ventura, Vice-President
Joseph Ochoa, Member
Anthony Askounis, Member
Ray Lopez, Member

STAFF:

Joseph Allegretti
Winna Guzman
Allan Lee
Ateria Allen

Reported by: Fissinger & Associates, Ltd.

By: Peggy S. LaLonde

Call to Order: 5:00 p.m.

Pledge of Allegiance

Roll Call: Present in Chambers: John Bakota, Joseph
Ochoa, Ray Lopez, Henry Ventura, Anthony Askounis

STAFF Present in Chambers: Ateria Allen,
Winna Guzman, Joseph Allegretti

MR. BAKOTA: Call to order the meeting of
the East Chicago Board of Waterworks, March 6, 2023.

First item, approval of the minutes
of February 20, 2023. Do I have a motion?

MR. LOPEZ: Motion to approve.

MR. OCHOA: Second.

MR. BAKOTA: Any comments or questions on
the motion? (None) All in favor?

(All signify aye.)

MR. BAKOTA: Motion carries.

Next is Payroll: Warrant 030323,
amount of \$11,980.74, Utilities Payroll, dates of
2-11-23 to 2-24-23.

MR. OCHOA: Make a motion to accept.

MR. VENTURA: Second.

MR. BAKOTA: Any comments or questions on

1 the motion? (None) All in favor?

(All signify aye.)

2 MR. BAKOTA: Motion carries.

3 Warrant 030323, amount of
\$44,297.27, payroll dates of 2-11-23 to 2-24-23.

4 MR. VENTURA: Make a motion to approve.

5 MR. ASKOUNIS: Second.

6 MR. BAKOTA: Any comments or questions on
7 the motion? (None) All in favor?

(All signify aye.)

8 MR. BAKOTA: Motion carries.

9 Accounts Payroll: Warrant 021623
WB, amount of \$21,310.64.

10 MR. OCHOA: Make a motion.

11 MR. LOPEZ: Second.

12 MR. BAKOTA: Any comments or questions on
13 the motion? (None) All in favor?

(All signify aye.)

14 MR. BAKOTA: Motion carries.

15 Warrant 030623 WB, amount of
\$132,274.68.

16 MR. ASKOUNIS: Motion to accept.

17 MR. VENTURA: Second.

18 MR. BAKOTA: Any comments or questions on
19 the motion? (None) All in favor?

(All signify aye.)

20 MR. BAKOTA: Motion carries.

21 Filtration Report, Obed Perez: No
report.

Water Report, Winna Guzman.

22 MS. GUZMAN: No report.

23 MR. BAKOTA: Distribution Report, Allan
Lee: No report.

Legal Counsel, Joe Allegretti.

24 MR. ALLEGRETTI: No report. As I
25 mentioned briefly before the meeting started today, one
hour from now the Indiana Utility Regulatory Commission

1 is holding a remote public hearing today in the Council
2 Chambers following our public meeting, to hear comments,
3 if any, from interested persons, customers, or taxpayers
4 within the City. It's their meeting and we have nothing
5 to do with the organization of it or the operation of
6 it. Winna Guzman and I are going to be in attendance.
7 There is no reason for anyone to attend, but we are
8 there to keep an eye on it. That's just part of our
9 rate case and that's been published, that's part of the
10 procedure. Thank you.

11 MR. BAKOTA: Will they state the amount
12 of rate increase?

13 MR. ALLEGRETTI: It's going to be, as
14 advertised, a small explanation of what the rate case
15 is, what is being asked for, and some different
16 components of the rate, and for enough people to be
17 sufficiently informed as to what the possible
18 consequences are.

19 You know, the bill hasn't been
20 calculated and of course we are a long way from the
21 finish line. That's what the meeting is for. The
22 process requires IURC to come to the jurisdiction
23 seeking the rate increase and hold a public hearing, and
24 that's what they are doing.

25 MR. BAKOTA: Thank you. Financial
report: None

New Business: Resolution WD 23-04.
A Resolution of the Board of Trustees of the East
Chicago Water Department authorizing the transfer of
Appropriations into different budget categories. And
the amount is \$55,000.00.

MR. OCHOA: Make a motion to approve.

MR. LOPEZ: Second.

MR. BAKOTA: Any comments or questions on
the motion? (None) All in favor?

(All signify aye.)

MR. BAKOTA: Motion carries.

Next is a list of Proposals. I will
read them all and then ask for a motion, comments and
questions.

Calumet City Plumbing, emergency
water leak in meter pit at 3109 Dearborn Street,
\$13,225.

1 Calumet City Plumbing, emergency
meter pit repair at 4912 Olcott Avenue, \$10,875.00.

2 Calumet City Plumbing, emergency
3 service line leak repair at 1014 144th Street,
\$5,875.00.

4 Calumet City Plumbing, emergency
meter pit leak repair at 4919 Olcott Avenue, \$5,875.00.

5 Calumet City Plumbing, emergency
water main leak repair at Michigan Avenue and Dickey
Road, \$15,100.00.

6 Calumet City Plumbing, emergency
meter pit leak repair at 1118 145th Street, \$5,625.00.

7 Calumet City Plumbing, emergency
water main leak repair and abandoned service at Riley
8 Road and Dickey Avenue, \$12,050.00.

9 Calumet City Plumbing, emergency
one-inch water main leak repair at 1509 Broadway Avenue,
\$17,900.00.

10 Mechanical Concepts, emergency air
conditioner unit, \$5,000.00.

11 Fisher Scientific, phenylarsine
oxide solution, \$1,021.70.

12 Hatch Company, PhosVer phosphate
reagent powder pillows, \$926.65.

13 Hasse Construction Company, sample
well repair, \$9,400.00.

14 That concludes the proposals.

15 MR. OCHOA: Make a motion to approve all
proposals.

16 MR. VENTURA: Second.

17 MR. BAKOTA: Any comments or questions on
the motion? (None) All in favor?

18 (All signify aye.)

19 MR. BAKOTA: Motion carries.

20 Next is Rate Sheets. Smart Bill
2023 rate increase, Water.

21 MS. GUZMAN: For the record, Smart Bill
is the vendor we use or utilize to send out our bills.
22 So we send them the files and they send them out. So
they are increasing their fees and they sent us a notice
23 and they followed up with an e-mail. They noted the
items that were going to increase or the new rates, and
they are attached to that.

24 MR. BAKOTA: That's not to exceed
25 \$50,000.00.

1 MR. OCHOA: Is there anybody else that we
could have gotten?

2 MS. GUZMAN: We have been utilizing them
3 for some time. I believe they are reasonable and for us
4 to transition to a new company, we would have to do
5 certain things and make sure we transition that period
6 where either we send out the bills or somehow, you know,
7 transition over. I haven't had any problem with them,
8 so they have been real good.

9 MR. OCHOA: Make a motion to approve.

10 MR. VENTURA: Second.

11 MR. BAKOTA: Any comments or questions on
12 the motion? (None) All in favor?
13 (All signify aye.)

14 MR. BAKOTA: Motion carries.
15 Sayler Plumbing Inc., 2023 rate
16 sheet, not-to-exceed \$100,000.00.

17 MR. ASKOUNIS: Motion to accept.

18 MR. VENTURA: Second.

19 MR. BAKOTA: Any comments or questions on
20 the motion? (None) All in favor?
21 (All signify aye.)

22 MR. BAKOTA: Motion carries.
23 Next is past due invoices.
24 Grainger, Filtration. The reason is we just received
25 these invoices. Two of the invoices were sent to Tom
Uran and I never received them.

MS. GUZMAN: He probably was out and they
were directed to him.

MR. VENTURA: Motion to approve.

MR. ASKOUNIS: Second.

MR. BAKOTA: Any comments or questions on
the motion? (None) All in favor?
(All signify aye.)

MR. BAKOTA: Motion carries.
Next is Department of Waterworks,
Filtration. This is just the utility bill for the
Filtration plant. The reason was we were waiting

1 for transfer of appropriations to be completed by the
2 controller's office, in addition to GL account, and they
3 give the number, so that PO can be requested. It's in
4 the amount of \$925.46.

5 MR. VENTURA: Motion to approve.

6 MR. ASKOUNIS: Second.

7 MR. BAKOTA: Any comments or questions on
8 the motion? (None) All in favor?
9 (All signify aye.)

10 MR. BAKOTA: Motion carries.

11 Next is Unifirst. Original invoice
12 states they came when they were closed on Tuesday,
13 12-27-22. Invoice was received on 3-1-23 via an e-mail
14 due to statement being generated by the updated billing
15 system. The bill is \$77.78.

16 MR. OCHOA: Make a motion to approve.

17 MR. VENTURA: Second.

18 MR. BAKOTA: Any comments or questions on
19 the motion? (None) All in favor?
20 (All signify aye.)

21 MR. BAKOTA: Motion carries.

22 Next is NIPSCO, Water. The reason
23 stated, we were waiting transfer of appropriations to be
24 completed by the controller's office and access to the
25 fund 1606, Department 312, so that the PO can be
requested. The cost is \$853.39.

MR. LOPEZ: Motion to approve.

MR. OCHOA: Second.

MR. BAKOTA: Any comments or questions on
the motion? (None) All in favor?
(All signify aye.)

MR. BAKOTA: Motion carries.

Next is Shannon Chemical, Water.
Reason, we were waiting transfer of appropriations to be
completed by the controller's office, in addition of GL
account number they give, so that the PO can be
requested. This bill is \$17,305.20.

MR. OCHOA: Make a motion to approve.

1 MR. VENTURA: Second.

2 MR. BAKOTA: Any comments or questions on
3 the motion? (None) All in favor?
(All signify aye.)

4 MR. BAKOTA: Motion carries.

5 Next is Cintas, Water. Reason we
6 were waiting transfer of appropriations to be completed
7 by the controller's office, in addition of GL account
8 number given so that PO can be requested. Cost is
9 \$340.36.

10 MR. LOPEZ: Motion to approve.

11 MR. OCHOA: Second.

12 MR. BAKOTA: Any comments or questions on
13 the motion? (None) All in favor?
14 (All signify aye.)

15 MR. BAKOTA: Motion carries.

16 Next American Water Works
17 Association, Water. Reason we are awaiting transfer of
18 appropriations to be completed by the controller's
19 office so that PO can be requested. The cost is
20 \$2,900.00.

21 MR. OCHOA: Make a motion to approve.

22 MR. VENTURA: Second.

23 MR. BAKOTA: Any comments or questions on
24 the motion? (None) All in favor?
25 (All signify aye.)

MR. BAKOTA: Motion carries.

Next is Other. Waterworks District
Revenue Bond Anticipation Note Series 2023, Water.

MR. ALLEGRETTI: Miss Allen put that
information in the packet. It's just purely
informational. As usual, the resolution we passed at
the last meeting, the bond resolution and the
confirmatory resolution refer to authorizing a bond
anticipation note to be sold in amount of \$1.9 million,
which will be outstanding for about three-quarters of a
year and then paid off once we issue the underlying
larger revenue bond issue. The use of the bond
anticipates note proceeds will just be paid for the soft
cost, the planning, engineering, expenses for the
projects that are going to be funded with the main major

1 bond issue. Bids have been advertised and bids will be
2 received this Thursday. It's all been authorized by
3 resolution already adopted by the Board. This is just
4 to keep you apprised of what is going on.

5 Our financial advisers will, after
6 the bids are received at 10:00 o'clock on Thursday,
7 Winna and I and all the finance team has a zoom meeting,
8 and they are going to recommend awarding the bond
9 anticipation note to the best bidder. It's a
10 competitive process. They are tax exempt. We are
11 hoping for somewhere in the interest rate of around four
12 percent, something like that, or less than four percent.
13 And as I say it's a short-term borrowing and expect the
14 money will be paid back within a year. That's what is
15 anticipated.

16 MR. BAKOTA: We don't have to take action
17 on this?

18 MR. ALLEGRETTI: No, purely
19 informational.

20 MR. BAKOTA: Are most of the bonds sold
21 locally?

22 MR. ALLEGRETTI: Not necessarily. They
23 are tax exempt so there is, you know, there is interest
24 and it's a sophisticated financial debt. They have
25 sophisticated lenders. The investors are the people
that buy these kind of instruments for short term tax
exempt revenue, and same thing for the bonds. It's the
same kind of marketplace.

MR. OCHOA: What's the interest rates?

MR. ALLEGRETTI: I don't know. We are
going to find out when we open the bids on Thursday at
10:00 o'clock. We are anticipating something under four
percent tax exempt. There should be active, some active
interest, but I guess we'll find out. There's always
some uncertainty. We are doing it on the open market
rather than through the State Revolving Loan Fund.
There is always uncertainty. Hopefully people will be
interested and the interest will be competitive.

MR. OCHOA: Will that count towards our
bond activity?

MR. ALLEGRETTI: Yes. This is for

1 temporary money to be used to proceed with the project
2 approved by our bond issue, which is in the amount of --
3 I forget -- no more than 30 million, in the high
4 twenties.

5 So part of the process it's
6 customary to do temporary borrowing through a bond
7 anticipation note, hence the name, but anticipates
8 selling a larger bond to pay back the short-term
9 borrowing, in anticipation of paying back the issuing of
10 the larger bonds and paying that off. Then you're
11 rolling it into that debt, into the larger debt on the
12 bond issue which has a 20-year term.

13 MR. BAKOTA: Any other questions? (None)
14 Unfinished Business: None
15 Public Comment: None.

16 MS. GUZMAN: I would like to just inform
17 the Board for some of the Board members who don't know,
18 but Thomas Uran passed away. He worked for our
19 Filtration plant for some time. He worked for the City
20 for quite sometime. If I'm not mistaken, I think
21 40 years or something to that effect. But I just wanted
22 to say that I'll bring a card for the next meeting and
23 have you sign it. But I'd like to advise the Board
24 today they have a visitation from 3 to 7 at the Hillside
25 Funeral Home, 8941 Clyman Avenue, in Highland.

MR. BAKOTA: Thank you. Our next regular
meeting is Monday, March 20th, here in the Council
Chambers at 5:00 p.m.

Do I have a motion for adjournment?

MR. OCHOA: Make a motion to adjourn.

MR. ASKOUNIS: Second.

MR. BAKOTA: All in favor?
(All signify aye.)

MR. BAKOTA: Motion carries.
Meeting adjourned.

**** Meeting adjourned ****

Approval of the Meeting Minutes of
March 6, 2023

Approved and signed March 20, 2023

John Bakota
John Bakota, President

Henry Ventura
Henry Ventura, Vice-President

Joseph Ochoa
Joseph Ochoa, Member

Anthony Askounis
Anthony Askounis, Member

Ray Lopez
Ray Lopez, Member

Ateria Allen
Ateria Allen, Secretary.

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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 13th day of March, 2023.

Peggy S. LaLonde



Peggy S. LaLonde, CSR, RPR