

CITY OF EAST CHICAGO DEPARTMENT OF WATERWORKS
BOARD OF DIRECTORS
Regular Meeting Minutes
April 4, 2022, at 5:00 p.m.

BOARD MEMBERS:

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

STAFF:

Joseph Allegretti
Alysia Dunbar
Bill Biller
Winna Guzman

Reported by: Fissinger & Associates, Ltd.
By: Peggy S. LaLonde

Call to Order: 5:00 p.m.

Pledge of Allegiance

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

Staff Present: Alysia Dunbar, Winna Guzman, Allan Lee,
Joseph Allegretti, Bill Biller

MR. OCHOA: Call to order the meeting of
the Board of Waterworks of April 4, 2022. First item,
approval of the minutes of March 21, 2022. Do I have a
motion?

MR. BAKOTA: Motion to approve.

MR. ASKOUNIS: Second.

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

MR. OCHOA: Motion carries.

Payroll Warrants: Warrant 031822,
amount of \$12,719.32, Utilities Payroll, dates of
2-26-22 to 3-11-22. Do I have a motion?

MR. VENTURA: Motion to approve.

MR. ASKOUNIS: Second.

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

MR. OCHOA: Motion carries.

1 Payroll Warrant 031822, amount of
2 \$41,346.74, payroll of 2-26-22 to 3-11-22. Do I have a
3 motion?

4 MR. ASKOUNIS: Motion to accept.

5 MR. LOPEZ: Second.

6 MR. OCHOA: All in favor?
(All signify aye.)

7 MR. OCHOA: Motion carries.

8 Payroll Warrant 040122, amount of
9 \$24,843.00, Utilities payroll dates of 3-12-22 to
10 3-25-22. Do I have a motion?

11 MR. LOPEZ: Motion to approve.

12 MR. ASKOUNIS: Second.

13 MR. OCHOA: All in favor?
(All signify aye.)

14 MR. OCHOA: Motion carries.

15 Payroll warrant 040122, amount of
16 \$24,073.88, payroll dates of 3-12-22 to 3-25-22. Do I
17 have a motion?

18 MR. VENTURA: Motion to accept.

19 MR. ASKOUNIS: Second.

20 MR. OCHOA: All in favor?
(All signify aye.)

21 MR. OCHOA: Motion carries.

22 Accounts payable, Warrant 032322 WB,
23 \$25,121.17. Do I have a motion?

24 MR. ASKOUNIS: Motion to accept.

25 MR. LOPEZ: Second.

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

MR. OCHOA: Motion carries.

Accounts payable, Warrant 040422 WB,
amount of \$77,226.39. Do I have a motion?

MR. LOPEZ: Motion to approve.

MR. VENTURA: Second.

1 MR. OCHOA: All in favor?
(All signify aye.)

2 MR. OCHOA: Motion carries.
Next are reports. Filtration
3 Report: Obed Perez. No Report.
Water Report: Winna Guzman.

4 MS. GUZMAN: No report at this time.

5 MR. OCHOA: Thank you. Distribution
6 Report: Allan Lee.

7 MR. LEE: Got an e-mail our second sample
passed on the 24-inch. So probably, maybe tomorrow,
8 there is clean up left, we can turn the main on and it's
a wrap on that pipe.

9 Shutoffs, we are getting in the
process of putting a letter together to bid out 25.
10 We'll get that rolling. The hydrants, about the same.
We are going to bid out to replace five hydrants, get
11 that started and see where we are after that.
Inventory, just getting inventory. So we are going to
12 have about seven/eighths of our inventory and have to
get more plumbing because the plumbing is going to be
13 all gone. Just to let you know how things are going out
there.

14 We are starting to get inventory.
Material has gone from \$15,000 to 29,000 today. So it's
15 pretty crazy for material.

Hydrants are coming along. We had
16 some bad weather last week, so just playing in the rain.
We've had 81 jobs since January 1st, emergencies that we
17 fixed. And it shows you on the large valves we have, we
are going to bid out that work. There are valves broke
18 and we are going to replace three of the 12-inch valves
and the 24-inch valve. And I'm sure when I get those,
19 there is going to be others to go with it. That's going
to be a pretty big job. We are going to be bidding that
20 out.

21 MR. VENTURA: Are those street valves?

22 MR. LEE: Yes, that's where they are
going.

23 MR. LOPEZ: Item 4, you said there is 40
24 hydrants that are repaired in-house, but you are sending
five out?

25

1 MR. LEE: Well, those are small
2 maintenance not replacement, so 32 replacement. 87 is
3 like emergency repair and the 40 are minor repair, some
4 that we can handle all together, at least till we get
5 more.

6 MR. LOPEZ: Thank you.

7 MR. BAKOTA: Question on the meters. As
8 we go along in the next year or 2, 3, 4, 5 and go into a
9 meter change, which we have; is there a guarantee of the
10 accuracy of meters? I'm sure the meter has a life span.

11 MR. LEE: A battery life.

12 MR. BAKOTA: Well, it comes to the point
13 where you take a meter out because of age, you just
14 replace it, you don't test it.

15 MR. LEE: Correct.

16 MR. BAKOTA: So is there a time limit?

17 MR. LEE: Those meters do not last
18 forever.

19 MR. BAKOTA: How long?

20 MR. LEE: I can tell you next meeting, I
21 don't want to guess.

22 MR. BAKOTA: The frequency, you have got
23 the battery to consider. You can change the battery,
24 but you still have the mechanics of it.

25 MR. LEE: There is a battery life on it,
but I'm not sure.

MR. BAKOTA: The mechanics of it, it
wears out.

MR. LEE: Because of the weather it
freezes, brass swells.

MR. BAKOTA: Well, there's got to be a
time limit that it's really estimated.

MR. LEE: Yes.

1 MR. BAKOTA: I just want to know for the
2 future when we come in, is that enough testing of meters
3 or maybe it's their life span.

3 MR. LEE: Thank you.

4 MR. GOMEZ: Legal counsel, Joseph
5 Allegretti.

6 MR. ALLEGRETTI: Sanitary District
7 successfully concluded its case with the IURC. It's not
8 over yet, but approximately a 27 percent increase in the
9 user charges for all classified customers. Next it's
10 going to be a 400-day process. It's expensive and time
11 consuming, and puts a lot of stress on your staff. But
12 we'll be starting -- our consultants will be scheduling
13 a work study session for the Board for buy in and
14 approval. And hopefully we'll get the appropriate rate
15 increase and we can solve these economic problems as
16 described. It's in the works.

17 MR. OCHOA: How much on that increase are
18 we asking for?

19 MR. ALLEGRETTI: Depends on whether we
20 have to build debt service for our plan to approve the
21 project into the rate or whether we are going to use the
22 Rescue Act money to subsidize the infrastructure and
23 improvements that we are going to need; improvements,
24 additional skids at the filtration plant, new water
25 tower, other infrastructure improvements.

The problem with our industrial
customers, they don't cooperate. They are the
beneficiaries of every time the City gives a million or
2 million to the water utility because the water utility
does not have sufficient money to buy inventory
described by Allan Lee or to repair, which should be
billed into the rate for the user of the water
distribution system in proportion to how much water you
use. That's kind of basic 101.

So who's being subsidized? The
industrial community, which represents 70 percent of our
customer rates. They consume 70 percent of the water.
So we have to do some negotiations. We can't have them
intervening and interfering with the process. It's hard
enough as it is. And the smoke hasn't cleared yet,
we'll see what they say. They intervened with the
Sanitary District and were very disruptive and
destructive, and were not helpful; and the Sanitary

1 District did not approve its goal.

2 But, you know, it's a process. When
3 the Council refuses to act and we have to go to the
4 Indiana Utility Regulatory Commission, this is the
5 problem we run up against, and it's hard predicting the
6 outcome of lawsuits. It's hard to predict. Nobody
7 reads tea leaves that well. I don't. We'll do the best
8 we can. We need the money.

9 MR. BAKOTA: So another year?

10 MR. ALLEGRETTI: Yeah, another year
11 before the rates go into application.

12 MR. LOPEZ: Thank you.

13 MR. GOMEZ: Financial Report: William
14 Biller.

15 MR. BILLER: No report.

16 MR. OCHOA: New business. Water
17 Resolution WD 22-06, a resolution of the Board of
18 Director's Authorizing the write-off of certain
19 delinquent water charges and penalties. Do I have a
20 motion?

21 MR. ASKOUNIS: Motion to accept.

22 MR. VENTURA: Second.

23 MR. OCHOA: Any comments or questions?
24 (None) All in favor?

(All signify aye.)

25 MR. OCHOA: Motion carries.

Resolution WD 22-07, a resolution of
the Board of Trustees of the East Chicago Water
Department authorizing the transfer of appropriations
into different budget categories. Do I have a motion?

MR. LOPEZ: Motion to approve.

MR. ASKOUNIS: Second.

MR. OCHOA: Any comments or questions?
(None) All in favor?

(All signify aye.)

MR. OCHOA: Motion carries.

Proposal - Master Meters, amount of

1 \$13,956.64.

2 MR. ASKOUNIS: Motion to accept.

3 MR. VENTURA: Second.

4 MR. OCHOA: Any questions or comments?
(None) All in favor?

5 (All signify aye.)

6 MR. OCHOA: Motion carries.

7 MS. GUZMAN: I just was going to note
8 this is an annual quote more for maintenance and support
9 for the meter program we have, which we can provide
10 information, just the readings on all the meters coming
11 into the tower. So this is very important that we have
12 that. We had that last year as well and we are
13 continuing the agreement and just provide the quote they
14 provided us this year. Thank you.

15 MR. LOPEZ: Can I ask you a question
16 while you are here? Do you know how much water we had
17 last year, how much we lost? It's already been a whole
18 year. We are in March now -- April.

19 MS. GUZMAN: I can provide that to you at
20 the next meeting. I don't have that information right
21 offhand. I'll get that for you. I did ask for it
22 because we are going to need that by the end of this
23 month for our annual reporting, so I will provide that
24 to you as we get that.

25 MR. GOMEZ: Next is rate sheets for 2022.
R & D Construction 1 Inc.

MR. BAKOTA: Motion to approve.

MR. ASKOUNIS: Second.

MR. OCHOA: Any questions or comments?
(None) All in favor?

(All signify aye.)

MR. OCHOA: Motion carries.

Hessville Plumbing rate sheet.

MR. VENTURA: Make a motion to approve.

MR. LOPEZ: Second.

1 MR. OCHOA: Any questions or comments?
(None) All in favor?

(All signify aye.)

2 MR. OCHOA: Motion carries.

3 Request for purchase order, 9400
Calumet City Plumbing, \$4,325.80. Do I have a motion?

4 MR. VENTURA: Motion to accept.

5 MR. LOPEZ: Second.

6 MR. OCHOA: Any questions or comments?
(None) All in favor?

(All signify aye.)

7 MR. OCHOA: Motion carries.

8 Request for purchase order, 9400
9 Calumet City Plumbing, \$4,481.50. Do I have a motion?

10 MR. LOPEZ: Motion to approve.

11 MR. VENTURA: Second.

12 MR. OCHOA: Any question or comments?
(None) All in favor?

(All signify aye.)

13 MR. OCHOA: Motion carries.

14 Request for purchase order, 9400
15 Calumet City Plumbing, \$4,759.38. Do I have a motion?

16 MR. LOPEZ: Motion to approve.

17 MR. ASKOUNIS: Second.

18 MR. OCHOA: Any questions or comments?
(None) All in favor?

(All signify aye.)

19 MR. OCHOA: Motion carries.

20 Purchase order, 9400 Calumet City
21 Plumbing, in the amount of \$3,261.60. Do I have a
motion?

22 MR. VENTURA: Motion to approve.

23 MR. ASKOUNIS: Second.

24 MR. OCHOA: Any comments or questions?
(None) All in favor?

(All signify aye.)

25 MR. OCHOA: Motion carries. Past due,

1 invoice was not sent to me on March 16, 2022. Company
2 stated they overlooked it.

3 MR. ASKOUNIS: Motion to accept.

4 MR. BAKOTA: Second.

5 MR. OCHOA: Any questions or comments?
(None) All in favor?

(All signify aye.)

6 MR. OCHOA: Motion carries.

7 Adjustment, Omega Micro Service,
8 LLC, 4506 Magoun, \$19.02. Do I have a motion? This
9 account was billed twice. The final bill process
10 differs on the upgraded system which went into effect in
11 the later part of 2021. Collection staff is required
12 now to input and process the final bill information
13 versus the billers, and the dates entered crossed and an
14 additional bill was generated for this account in the
15 amount of \$19.02, under bill number 63747, dated
16 2-11-22. Do I have a motion?

17 MR. BAKOTA: Motion to approve.

18 MR. ASKOUNIS: Second.

19 MR. OCHOA: Any comments or questions?
(None) All in favor?

(All signify aye.)

20 MR. OCHOA: Motion carries.

Unfinished business.

21 MR. BAKOTA: Do we have any more feedback
22 on new employees?

23 MR. LEE: I've got one part-time working
24 and we made another offer, so we might have two. I do
25 have leads on two foremen.

MR. BAKOTA: How many people are you
looking for?

MR. LEE: I'd like to have four part-time
and three-man crew full time, and after that year
another three-man crew full time and more contracts when
we reach for the stars.

MR. BAKOTA: We have the equipment to do
the work?

1 MR. LEE: We are not there yet, but we
2 are getting there. I'd say we are about 50 percent.
3 First we've got to get the trucks. It's the chicken and
4 the egg. You got to get the trucks running, get the
5 tools you have to get for the trucks, and then you have
6 to have people. If you have the people, it's no good if
7 you don't have the trucks and the tools. For me you
8 have to get the trucks and the tools, and then you send
9 them on their way.

10 MR. BAKOTA: You could have spare people
11 too.

12 MR. LEE: If you want to be truthful,
13 what we pay is hard to get good quality workers in these
14 times when others are paying more. Eventually, like my
15 lawyer here said, we should be self sufficient and we
16 should be paying good wages and those wages should be in
17 the water.

18 MR. BAKOTA: You can't compete with
19 American Water.

20 MR. LEE: We should be able to compete
21 with all the other cities, such as Hammond, Munster, but
22 they are bigger, the area base. We are working on it.

23 MR. OCHOA: Any public comment? (None)
24 Next meeting is Monday, April 18,
25 2022, at 5:00 p.m., here at the Council Chambers City
Hall. Do I have a motion for adjournment?

MR. BAKOTA: Motion to adjourn.

MR. ASKOUNIS: Second

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

MR. OCHOA: Motion carries. Meeting is
adjourned. Thank you very much.

**** Meeting adjourned ****

Approval of the Meeting Minutes of
April 4, 2022

Approved and signed 4/18/2022

Joseph Ochoa
Joseph Ochoa, President

John Bakota
John Bakota, Vice-President

Henry Ventura
Henry Ventura, Member

Anthony Askounis
Anthony Askounis, Member

Ray Lopez
Ray Lopez, Member

Alysia Dunbar
Alysia Dunbar, 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 6th day of April, 2022.

Peggy S. LaLonde



Peggy S. LaLonde, CSR, RPR