

CITY OF EAST CHICAGO  
BOARD OF SANITARY COMMISSIONERS

BOARD MEMBERS

Miguel (Mike) Rivera, President  
Alojzy (Ben) Moricz, Vice-President  
Tia Cauley, Member  
Loreto Gonzalez, Member  
Steve Flowers, Member

Regular Meeting Minutes  
(Via Telephone Conference)  
Thursday, November 19, 2020 @ 4:30 p.m.

Reported for Fissinger & Associates  
By: Lisa Pena

CALL TO ORDER: 4:30 p.m.

MR. RIVERA: We can also stipulate that the Members delegate the President the authority to execute all warrants, documents, minutes, et cetera on behalf of the Commission eliminating the need to collect signatures from the Members participating electronically.

ROLL CALL: Present in Chambers: Miguel Rivera  
Present Via Telephone: Alojzy Moricz, Tia Cauley, Loreto Gonzalez, Steve Flowers

Also Present: Present in Chambers: Anthony Herrera.

Present Via Telephone: Abdul Zehraoui,  
Joe Allegretti, Keith Selvie, Bill Biller.

APPROVAL OF MINUTES: November 5, 2020

Motion to approve November 5, 2020 Meeting Minutes made by Loreto Gonzalez. Second by Alojzy Moricz.

Questions/Comments: None.

Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

CHECK WARRANTS:

Sanitary District, Wastewater Division

1 MR. RIVERA: Next is Check Warrants for the Sanitary  
2 District, Wastewater Division. Warrant Number 111920 SR for  
3 the amount of \$50,824.

4 Motion to approve Check Warrant 111920 SR made by Loreto  
5 Gonzalez. Second by Alojzy Moricz.

6 Questions/Comments: None.

7 Roll Call: "All in Favor": All Abstain: None.  
8 Opposed: None Motion Carries.

9 MR. RIVERA: Next is Warrant Number 113020 SW for the  
10 amount of \$91,760.87.

11 Motion to approve Warrant Number 113020 SW made by Loreto  
12 Gonzalez. Second by Alojzy Moricz.

13 Questions/Comments: None.

14 Roll Call: "All in Favor": All Abstain: None.  
15 Opposed: None Motion Carries.

16 MR. RIVERA: Next is Warrant Number 111920 SW for the  
17 amount of \$43,928.18.

18 Motion to approve Warrant Number 111920 SW made by Steve  
19 Flowers. Second by Loreto Gonzalez.

20 Questions/Comments: None.

21 Roll Call: "All in Favor": All Abstain: None.  
22 Opposed: None Motion Carries.

23 MR. RIVERA: Next is Warrant Number 111320 Sanitary  
24 Board Payroll 10/24/20 to 11/6/20.

25 Motion to approve Warrant Number 111320 Sanitary Board  
Payroll 10/24/20 to 11/6/20 made by Steve Flowers. Second by  
Loreto Gonzalez.

Questions/Comments: None.

Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

MR. RIVERA: Next is Warrant Number 111320 Utilities  
Payroll 10/24/20 to 11/6/20.

1 Motion to approve Warrant Number 111320 Utilities Payroll  
10/24/20 to 11/6/20 made by Steve Flowers. Second by Alojzy  
2 Moricz.

3 Questions/Comments: None.

4 Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

5  
6 MR. RIVERA: Next is Warrant Number 111320 Wastewater  
Payroll 10/24/20 to 11/6/20.

7 Motion to approve Warrant Number 111320 Wastewater Payroll  
10/24/20 to 11/6/20 made by Alojzy Moricz. Second by Steve  
8 Flowers.

9 Questions/Comments: None.

10 Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

11  
12 Sanitary District, Solid Waste Division

13 MR. RIVERA: Next is Warrants for the Sanitary District,  
Solid Waste Division. Warrant Number 111920 SS for the  
amount of \$10,754.52.

14  
15 Motion to approve Warrant Number 111920 SS made by Loreto  
Gonzalez. Second by Alojzy Moricz.

16 Questions/Comments: None.

17 Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

18  
19 MR. RIVERA: The next Warrant Number is 113020 SS. And  
the amount here there's an error. I will give you the  
correct number on the Warrant not the one on the agenda. The  
20 number is \$1,905,183.71.

21 Motion to approve Warrant Number 113020 SS made by Loreto  
Gonzalez. Second by Alojzy Moricz.

22 Questions/Comments: None.

23  
24 Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

25 MR. RIVERA: Next item is Warrant Number 111320 Solids

1 Payroll 10/24/20 to 11/6/20.

2 Motion to approve Warrant Number 111320 Solids Payroll  
3 10/24/20 to 11/6/20 made by Steve Flowers. Second by Alojzy  
4 Moricz.

5 Questions/Comments: None.

6 Roll Call: "All in Favor": All Abstain: None.  
7 Opposed: None Motion Carries.

8 REPORT FROM UTILITY DIVISION MATTERS:

9 MR. RIVERA: Next item is Report from Director of  
10 Utilities, Dr. Zehraoui.

11 DR. ZEHRAOUI: Mr. President and Members, I have maybe  
12 two things. The Alder Street Project is still ongoing with  
13 IDEM. So approximately there's like 225 yards have been  
14 removed so far. It will stop next week because of vacation.

15 We are helping the Engineering Department for  
16 Roxana area. So this is what we have. Thank you.

17 MR. RIVERA: Thank you. Are there any questions for  
18 Dr. Zehraoui? Thank you.

19 REPORT OF FIELD OPERATIONS: None.

20 REPORT FROM SOLID WASTE: None

21 REPORT FROM FINANCIAL CONSULTANT:

22 MR. RIVERA: Next item is Report from Financial  
23 Consultant Bill Biller.

24 MR. BILLER: Mr. President, you have the Financial  
25 Report in your packets. The only comment that I would have  
is that our collections and end billings have continued to be  
lower this year than the budget and also last year.

Our cash collections will be down approximately  
\$700,000 this year compared to last year.

Luckily for this year our expenses have also been  
down. So we'll still be in a positive cash position at the  
end of the year. But next year at this time looks very  
bleak.

1           And along that line either at the next meeting or  
2 the last meeting of the year you'll have a number of  
3 resolutions to pass pertaining to 2021 budgets for  
4 Wastewater, the Wastewater Reserve and Debt Service.

5           If the Board has any questions, I will be happy to  
6 answer them. If not, that concludes my Report.

7           MR. RIVERA: Why are they down? Is there a reason?

8           MR. BILLER: Well, a lot of it is the impact of Covid.  
9 The industrial users are down drastically. As you know the  
10 mills have cut back capacity and production. And the other  
11 industries are down too.

12           Plus when we put together the budget for this year  
13 we were anticipating a rate increase that was going to be  
14 effective January 1 which did not come to pass.

15           And as you know we're in the process of going  
16 through the IURC to get an increase. That probably will not  
17 be effective until late next year more likely in 2022.

18           MR. RIVERA: Okay. Are there anymore questions for  
19 Mr. Biller? Thank you, sir.

20           REPORT FROM LEGAL COUNSEL:

21           MR. RIVERA: Next item is Report From Legal Counsel  
22 Attorney Joe Allegretti.

23           MR. ALLEGRETTI: There is no real Legal Report just to  
24 reiterate and supplement Bill Biller's comments.

25           The rule of thumb on the time it takes to have a  
successful rate case with the IURC is 400 days. It's just  
terribly time consuming. And it's the alternative to getting  
an ordinance adopted by the Common Council.

          So this is what we have to go through when we are  
unsuccessful in convincing the Common Council to adopt our  
proposed user charge increase.

          That's the hand you were dealt unfortunately. It's  
expensive.

          That's my Supplemental Report.

          MR. RIVERA: Are there any questions for Attorney Joe

1 Allegretti? Thank you, sir.

2 NEW BUSINESS:

3 MR. RIVERA: Next item is New Business. We have IDEM  
4 Violation. I see that there's two of them for \$6,000.

5 DR. ZEHRAOUI: Mr. President, we had to stop a project.  
6 Because the City Council didn't approve any rate increase the  
7 project was delayed. So they charged us like 3,000 for that.  
8 And also we have a penalty for not sending the report.

9 I hope we will be having no other predicaments. So  
10 this is why we have two violations.

11 MR. RIVERA: Are there any questions for Dr. Abdul?

12 MR. ALLEGRETTI: As Dr. Zehraoui said and this is to  
13 remind everybody we did a Cost of Service Analysis. We  
14 presented a proposed ordinance to the Common Council last  
15 December, 11 months ago, seeking a user charge increase so  
16 that we can proceed to borrow the money to have cash on hand  
17 so we can give the Notice to Proceed for the project, for the  
18 Long-Term CSO Control Project.

19 As I indicated earlier and as Dr. Zehraoui just  
20 said the Common Council did not adopt the ordinance. We then  
21 went to a great deal of trouble and expense to hire a  
22 lobbyist to lobby the General Assembly to get a bill passed  
23 kind of under the radar.

24 We had no choice. We had signed an Agreed Order to  
25 proceed with the CSO Project. We had to get the money to pay  
the debt service on the bond so we can bill the project.

We were successful. It took a long time to get  
done. We explained all these tasks and all the things we did  
to comply with the Agreed Order. And for our trouble we got  
a bill for \$6,000 from DEM.

That goes to show you no good deed goes unpunished.  
And there's no good will dealing sometimes with these  
regulators.

This is very unjust. The cost of resisting and  
appealing far exceeds, would exceed the \$6,000. So we  
recommend that we all kind of hold our nose and approve this  
because we're obligated to do it.

25

1           That's the sad story behind dealing this regulatory  
2 body. That's all I have to say.

3           MR. RIVERA: In other words we have to pay this,  
4 correct?

5           DR. ZEHRAOUI: Yes.

6           MR. ALLEGRETTI: Yes, sir.

7           MR. RIVERA: Is there a motion to accept the Purchase  
8 Order for the Sanitary Wastewater for \$6,000?

9           MR. ALLEGRETTI: As I said we have no choice. And I  
10 would appreciate the Board accepting our explanation. It's  
11 exactly what happened.

12           It was through no fault of staff or this Board or  
13 our legal or financial team. This is just the hand that was  
14 dealt us. We have no choice.

15           And it's not like we could just ignore it and it  
16 will go away because it won't go away. The cost will  
17 escalate if we don't comply. We can pay them this amount now  
18 or we can pay them a lot more later. It's up to the Board.

19           Don't mean to be contrary. Just giving you the  
20 facts of the matter.

21           MR. RIVERA: With this in mind is there a motion to  
22 accept?

23           Motion to approve Sanitary Wastewater Purchase Order made by  
24 Loreto Gonzalez. Second by Alojzy Moricz.

25           Questions/Comments: None.

          Roll Call: "All in Favor": All           Abstain: None.  
          Opposed: None                   Motion Carries.

          MR. RIVERA: Next item is a proposal for SLC  
Technologies, Servent Trent Controller. I see there's a  
couple options, repair option and replacement option.

          DR. ZEHRAOUI: Mr. President, this is very critical  
equipment for us because some of the pump stations this is  
maybe for year they discharge high chlorine concentration.  
But chlorine isn't all, bad screen.

1           So maybe this is before 2017 with Safety Clean and  
2 they made some modest repair to the screen.

3           Right now we have some parts have been corroded  
4 because from the chlorine. This is low concentration, but  
5 the odor is still there.

6           The issue is that our system is like 33 years old.  
7 And the old instruments they have no longer equipment or  
8 these parts that we need.

9           SLC Technologies we are dealing with them right  
10 now. So we have two options. Either to install new system.  
11 That will take us another 10 years. So I am willing to go  
12 forward new installment.

13           This is very critical because chlorine even in low  
14 concentration.

15           MR. RIVERA: Okay.

16           DR. ZEHRAOUI: I am asking the Board to approve to get  
17 new system.

18           MR. RIVERA: So the recommendation is not the repair  
19 option but the replacement option?

20           DR. ZEHRAOUI: Yes.

21           MR. RIVERA: Which is a differential of 875?

22           DR. ZEHRAOUI: In order to get new system.

23           MR. RIVERA: Why pay 3,250 I mean 2,375 for repair  
24 option? That's almost buying a new one and yet you don't  
25 have a new one.

          So the replacement option is the best bet I am  
assuming, correct?

21           DR. ZEHRAOUI: Yes, sir.

22           MR. ALLEGRETTI: Let me add, Mr. President, if I may.  
23 The true enforcement activity from the Department, the  
24 Utility Director and his staff, Safety Clean is now pretty  
25 much in compliance with their discharges.

          They're not giving high chlorine, destructive high  
chlorine discharges which they had historically done which



1 had damaged major portions of that facility.

2 We've done our job in compliance. That's what the  
3 government requires us to do, to enforce our limits on our  
4 industries. And we have done that. Thank you.

4 MR. RIVERA: Thank you. Are there any questions?

5 Is there a motion to accept the replacement option  
6 for the Trent System?

6 MR. FLOWERS: Mr. Allegretti, I have a question. It's  
7 just a point of clarification. That's all. I see on the  
8 sheets there they come out to inspect it once a month. It  
9 costs us \$3,135.

9 Just point of clarification with the new  
10 installation of that do they still come out and check that,  
11 check the new installation and charge that amount or is it a  
12 done deal? Once you pay that X amount of dollars it's okay  
13 for the duration of the time of the warranty on the  
14 installation?

12 DR. ZEHRAOUI: This is like State obligation. We have  
13 to do it every month or maybe two months. We have to do it.  
14 This is like State obligation for us.

14 MR. FLOWERS: So month to month. Okay.

15 DR. ZEHRAOUI: Yes.

16 MR. ALLEGRETTI: We have a pretreatment, a whole  
17 department. And we charge our industrial customers. It's a  
18 break even.

18 We charge our industrial customers fees in order to  
19 inspect and monitor their discharges. It's a long story.  
20 And we can talk about it. Thank you.

20 MR. RIVERA: Any other questions?

21 Is there a motion to accept the replacement option  
22 for the Servent Trent System.

23 MR. ALLEGRETTI: Is there a reason why the Board is not  
24 interested in adopting --

24 MS. CAULEY: I had it on mute. Sorry.

25

1 Motion to approve SLC Technologies Servent Trent Controller  
2 Replacement Option made by Tia Cauley. Second by Loreto  
3 Gonzalez.

3 Questions/Comments: None.

4 Roll Call: "All in Favor": All Abstain: None.  
5 Opposed: None Motion Carries.

5 MR. RIVERA: Next item is a Rate Sheet for SLC  
6 Technologies.

7 DR. ZEHRAOUI: Should be 2021. This is the Rate Sheet  
8 for the next year.

8 MR. RIVERA: So this should read 2021, correct, not  
9 2020?

10 DR. ZEHRAOUI: Yes. This is for next year.

11 MR. RIVERA: That's what I thought. Do we have a motion  
12 to accept the Rate Sheet?

12 Motion to approve SLC Technologies 2021 Rate Sheet made by  
13 Steve Flowers. Second by Loreto Gonzalez.

14 Questions/Comments: None.

15 Roll Call: "All in Favor": All Abstain: None.  
16 Opposed: None Motion Carries.

16 MR. RIVERA: Next we have an Agreement with Fissinger &  
17 Associates for the year of 2021.

18 MR. ALLEGRETTI: That's our stenographer, our court  
19 reporter.

19 MR. RIVERA: That has got to be done.

20 DR. ZEHRAOUI: There's been action with other Boards.  
21 So we need Sanitary for the same company.

22 MR. RIVERA: Need a motion to accept the Agreement with  
23 Fissinger & Associates for the year 2021.

23 Motion to approve Fissinger & Associates 2021 Rate Sheet made  
24 by Alojzy Moricz. Second by Tia Cauley.

25 Questions/Comments: None.

1 Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

2 MR. RIVERA: Next is Hasse Construction 2021 also.  
3 These are Rate Sheets for Hasse, Hasse Construction 2021.

4 DR. ZEHRAOUI: Major contractor for any emergency or  
work. So especially Hasse and Hessville. We need for  
5 cleaning. We actually call for any work requiring  
mechanical. A major contractor for the year.

6 MR. FLOWERS: Is this the same company that we used last  
7 year 2020?

8 DR. ZEHRAOUI: Yes, sir.

9 Motion to approve Hasse Construction 2021 Rate Sheet made by  
Steve Flowers. Second by Alojzy Moricz.

10 Questions/Comments: None.

11 Roll Call: "All in Favor": All Abstain: None.  
12 Opposed: None Motion Carries.

13 MR. RIVERA: The next Rate Sheet is Hessville Plumbing  
for the year 2021.

14 MR. ALLEGRETTI: This is a good company. They're the  
15 ones that have done the majority of the lead line replacement  
work, virtually all of it in the City.

16 They have a lot of knowledge with our system.  
17 We're familiar with them. We like their management. We like  
their operating style. And we rely on them. They're a good  
18 team player and a good corporate citizen.

19 They're licensed in East Chicago. They don't  
obviously come from here. You can tell from their name they  
20 don't. But they're good.

21 Motion to approve Hessville Plumbing 2021 Rate Sheet made by  
Steve Flowers. Second by Loreto Gonzalez.

22 Questions/Comments: None.

23 Roll Call: "All in Favor": All Abstain: None.  
24 Opposed: None Motion Carries.

25 MR. RIVERA: The next Rate Sheet is Tierra Environmental

1 for the year 2021.

2 DR. ZEHRAOUI: We will need them for Roxana and other  
3 activities. This is our major one in cleaning. So our  
4 project are related with them.

5 So in case we need them this is the best company  
6 that we deal with.

7 MR. RIVERA: And you've been doing business with them  
8 all along, correct?

9 Is there a motion to accept Tierra Environmental  
10 Rate Sheet for 2021?

11 Motion to approve Tierra Environmental 2021 Rate Sheet made  
12 by Loreto Gonzalez. Second by Alojzy Moricz.

13 Questions/Comments: None.

14 Roll Call: "All in Favor": All Abstain: None.  
15 Opposed: None Motion Carries.

16 MR. RIVERA: The last Rate Sheet is for Mechanical  
17 Concepts for the year 2021.

18 DR. ZEHRAOUI: Mechanical Concepts is also working with  
19 the City of East Chicago for other Departments. So they are  
20 local. We will need them. Please if you can accept the Rate  
21 Sheet for next year.

22 MR. RIVERA: Thank you.

23 Motion to approve Mechanical Concepts 2021 Rate Sheet made by  
24 Tia Cauley. Second by Loreto Gonzalez.

25 Questions/Comments: None.

Roll Call: "All in Favor": All Abstain: None.  
Opposed: None Motion Carries.

UNFINISHED BUSINESS: None.

PUBLIC COMMENT: None.

\* Next Regular Meeting Date: Thursday, December  
3, 2020 @ 4:30 p.m.

25

1 Motion to adjourn made by Steve Flowers. Second by Loreto  
Gonzalez.

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Roll Call: "All in Favor": All Abstain: None.  
3 Opposed: None Motion Carries.

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\* Meeting ended at 5:03 p.m.

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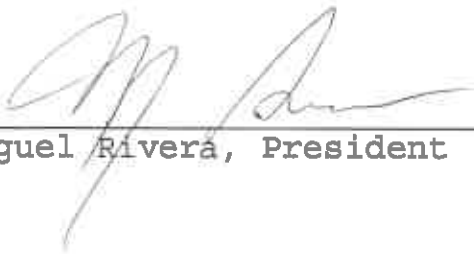
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Approval of the Meeting Minutes of  
Thursday, November 19, 2020  
Approved and Signed \_\_\_\_\_

  
\_\_\_\_\_  
Miguel Rivera, President

(S) Alojzy Moricz  
\_\_\_\_\_  
Alojzy Moricz, Vice-President

(S) Loreto Gonzalez  
\_\_\_\_\_  
Loreto Gonzalez, Member

(S) Tia Cauley  
\_\_\_\_\_  
Tia Cauley, Member

(S) Steve Flowers  
\_\_\_\_\_  
Steve Flowers, Member


  
\_\_\_\_\_  
Anthony Herrera, Board Secretary

C E R T I F I C A T E

I, Lisa Pena, 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 said proceedings taken at said time and place, so ordered to be transcribed.

Dated at Portage, Indiana, this 29th day of November, 2020.

  
\_\_\_\_\_  
Lisa Pena  
Notary Public Porter County  
Certified Shorthand Reporter  
License Number 084-003483



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