

BOARD OF SANITARY DISTRICT COMMISSIONERS REGULAR MEETING

WEDNESDAY, FEBRUARY 26, 2025, 4:00 P.M. 1100 E. EIGHTH STREET

The meeting was called to order at 4:00 P.M. by President Linda G. Simmons.

Commissioners present were Linda G. Simmons, Don Babcock, Tim Werner and Andrew Sperling. Tance Falls III was absent.

Staff present at the meeting were:

Christopher Yagelski, Business & Facilities Manager

Rhonda Anderson, Superintendent of Water Reclamation

Rachel McCline, Administrative Assistant/Secretary for the Board of Sanitary District Commissioners

Al Walus, Operations & Inspections Manager

Joshua Barnett, Inspection & Safety Foreman

Jermaine Woodard, Refuse

Jewell Harris, Legal Counsel

Also present at the meeting were:

Dan Cutshaw, MS Consultants, Inc.

Jenny Miller, Christopher B. Burke Engineering

Scott Meland, Michigan City Resident

John Kremke, Thate-GLE/Schneider Geomatics

Matt Weber, General Insurance

Charlie Keene, General Insurance

Don Przybylinski, Michigan City Common Council

Ryan Laughlin, Haas & Associates, LLC

Wendy Vachet, Director of Public Works

Election for 2025 Board of Sanitary District Commissioner Officers

Mrs. Simmons nominated Don Babcock as President of the Board – seconded by Mr. Werner. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mrs. Simmons nominated Andrew Sperling as Vice President of the Board – seconded by Mr. Werner. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Mrs. Simmons nominated Rachel McCline as Secretary for the Board – seconded by Mr. Babcock. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Minutes

Mr. Sperling made a motion to approve the January 22, 2025, Regular Meeting Minutes – seconded by Mrs. Simmons. There being no question or comment on the matter, the motion carried 4 – 0 in favor.

Public Comment

Councilman Przybylinski congratulated Refuse Superintendent, Chris Carter for his efforts on an issue with trash pickup services.

Councilman Przybylinski reported a six (6) block stretch of stormwater sewer system that needs to be addressed by the Sanitary District along York Street. It was noted that there have been numerous complaints regarding standing water at the corner of York Street and DuPage Street.

Mr. Meland addressed the Board with concerns regarding the current budget status in Washington D.C. Mr. Meland recommended that Sanitary District officials investigate this matter and prepare for any jeopardized projects moving forward.

Financial Report

As of February 25, 2025:

Sanitary District Operating Fund: \$2,055,857.16

Sanitary District Tax Levy Fund: \$2,665,208.66

Insurance Renewal

Mr. Keene provided the Board with a presentation regarding the 2025 Property and Casualty renewal.

5-Year Loss Analysis

Policy Term	# Claims	Loss & Expense Reserve	Loss & Expense Payment	Recovery	Total Incurred	Loss Ratio
2024	7	\$1,075,427.00	\$929,542.00	\$ -	\$2,004,969.00	740.12%
2023	5	\$21,224.00	\$161,920.00	\$ -	\$183,144.00	74.14%
2022	10	\$ -	\$62,194.00	\$ -	\$62,194.00	27.86%
2021	5	\$ -	\$24,512.00	\$ -	\$24,512.00	11.06%
2020	5	\$ -	\$84,694.00	\$ -	\$84,694.00	42.29%
Total	32	\$1,096,651.00	\$1,262,862.00	\$ -	\$2,359,513.00	202.89%

2025 Program Cost Summary

Description	Travelers Expiring Annual Premium	Travelers Renewal Annual Premium
Package	\$280,011	\$326,234
Crime	\$1,700	\$1,700
Total	\$281,711	\$327,934

Change From Expiring	16.41%
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Exposure Increase	12.29%
Rate Increase	4.12%
Total	16.41%

2025 Comparative Coverage Summary

General Liability Coverage Detail

Description	Expiring 2024	Renewal 2025
General Aggregate	\$2,000,000	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000	\$2,000,000
Each Occurrence	\$1,000,000	\$1,000,000
Damage to Premises Rented to You Limit	\$500,000	\$500,000
Medical Expense	\$10,000	\$10,000
Sewer Backup Liability	\$1,000,000	\$1,000,000
Deductible	\$5,000	\$5,000

Employee Benefits Liability Aggregate	\$3,000,000	\$3,000,000
Employee Benefits Liability Each Claim	\$1,000,000	\$1,000,000
Employee Benefits Liability Deductible	\$1,000	\$1,000

Public Entity Management Liability Coverage Detail (Public Official Liability)

Description	Expiring 2024	Renewal 2025
General Aggregate	\$2,000,000	\$2,000,000

Each Occurrence	\$1,000,000	\$1,000,000
Deductible	\$10,000	\$10,000
Retroactive Date	3/12/1996	3/12/1996

Public Entity Management Liability provides coverage for claims made against the entity, elected or appointed officials, employees and volunteers for wrongful acts committed by these individuals in the performance of duties for the public entity.

Employment Practices Liability Coverage Detail

Description	Expiring 2024	Renewal 2025
General Aggregate	\$2,000,000	\$1,000,000
Each Occurrence Third Party Coverage	\$1,000,000 Included	\$1,000,000 Included
Workplace Violence Expense	\$250,000	\$250,000
Deductible	\$5,000	\$5,000
Retroactive Date	3/12/1996	3/12/1996

Employment Practices Liability provides protection against claims by workers that their legal rights as employees of the district have been violated.

Excess Liability Coverage Detail (Umbrella Liability)

Description	Expiring 2024	Renewal 2025
General Aggregate	\$5,000,000	\$5,000,000
Each Occurrence	\$5,000,000	\$5,000,000
Self-Insured Retention	None	None

Excess Liability covers General Liability, Employee Benefits Liability, Automobile Liability, Public Entity Management Liability (Public Officials Liability), and Employment Practices Liability.

Commercial Property Coverage Detail

Description	Expiring 2024	Renewal 2025
Blanket Building & Business Personal Prop. Limit	\$69,793,695	\$95,155,595
Equipment Breakdown	Included	Included
Deductible	\$10,000	\$10,000

Valuation	Replacement Cost	Replacement Cost
Property Cause of Loss Form	Special Form	Special Form
Flood Coverage	\$1,000,000	\$1,000,000
Earthquake Coverage	\$1,000,000	\$1,000,000
Flood & Earthquake Deductible	\$50,000	\$50,000
Wind or Hail Deductible	\$10,000	\$1%

Inland Marine Coverage Detail

Coverage Description	Expiring 2024	Renewal 2025
Total Inland Marine Limit (District's Equipment)	1,827,942	1,827,942
Deductible	\$1,000	\$1,000

Inland Marine Coverage included the district's scheduled equipment (per Schedule), miscellaneous property & equipment, and rented equipment.

Electronic Data Processing Coverage Detail

Description	Expiring 2024	Renewal 2025
Electronic Data Processing Equipment	\$750,000	\$750,000
Deductible	\$10,000	\$10,000

Automobile Coverage Detail

Description	Expiring 2024	Renewal 2025
Number of Vehicles	62	58
Number of Trailers	7	10
Automobile Liability	\$1,000,000	\$1,000,000
Liability Deductible	None	None
Uninsured/Underinsured Motorist Coverage	\$1,000,000	\$1,000,000
Medical Payments	\$5,000	\$5,000
Hired and Non-Owned Auto Liability	Included	Included

Hired Auto Physical Damage	\$1,000,000	\$1,000,000
Physical Damage Coverage	Per Schedule on File	Per Schedule on File
Comprehensive Deductible	\$1,000	\$1,000
Collision Deductible	\$1,000	\$1,000

Comprehensive Deductible- Extra Heavy Vehicles	\$1,000	\$5,000
Collision Deductible – Extra Heavy Vehicles	\$1,000	\$5,000

Crime Coverage Detail

Description	Expiring 2024	Renewal 2025
Employee Theft	\$150,000	\$150,000
Forgery or Alteration	\$150,000	\$150,000
Money or Securities – On Premises	\$150,000	\$150,000
Money or Securities – In Transit	\$150,000	\$150,000
Computer Fraud	\$150,000	\$150,000
Funds Transfer Fraud	\$150,000	\$150,000
Social Engineering Fraud (\$5,000 Deductible)	\$100,000	\$100,000
Claims Expense (Deductible does not apply)	\$10,000	\$10,000
Deductible	\$1,000	\$1,000

Faithful Performance of Duty Coverage	Included	Included
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The Board thanked Mr. Keene for his presentation.

Mr. Sperling made a motion to approve the 2025 Property & Casualty Renewal as presented – seconded by Mrs. Simmons. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Yagelski welcomed Director of Public Works, Wendy Vachet, to the City of Michigan City. Ms. Vachet gave a brief description of her background and expressed that she is excited to be a part of the City of Michigan City.

Harris Law Firm, PC

Mr. Yagelski submitted Invoice No. 10787 in the amount of \$5,035.50 and Invoice No.10788 in the amount of \$281.25 and recommended approval of the same.

Mr. Sperling made such a motion – seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Christopher B. Burke Engineering LLC

Mr. Yagelski provided the Board with a January 2025 Progress Report.

Mr. Yagelski submitted Task 1 (not to exceed \$40,000.00) and Task 2 (not to exceed \$25,000.00) for On-Call Municipal Separate Storm Sewer System (MS4) Compliance Assistance and recommended approval of the same.

Mr. Werner made such a motion to – seconded by Mr. Sperling. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

MS Consultants, Inc.

Mr. Cutshaw gave a brief update on the Preliminary Engineering Report (PER). Mr. Cutshaw provided the Board with a Preliminary Estimate for the Capital Improvement Plan & PER Phase I.

Mr. Yagelski submitted Invoice No. 61-04G630-00-4 in the amount of \$30,000.00 and recommended approval of the same.

Mr. Sperling made such a motion – seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Baker Tilly Update

Attorney Harris asked if the rate study is a necessary component to the Bond issuance. Mr. Yagelski stated yes.

Mr. Yagelski recommended Board approval to allow the Sanitary District to fund an additional \$10,000.00 to go towards the Baker Tilly Fund.

Mr. Sperling made such a motion - seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Schneider Geomatics – Thate-GLE/Great Lakes Engineering, Inc.

Mr. Kremke reported an acquisition between Thate-GLE and Schneider Geomatics. Mr. Kremke provided the Board with a Status Report for the Lake Avenue/Highway 12 Lift Station Project.

Mr. Yagelski submitted a Consent to the Assignment of Services Agreement and Invoice No. 8690 in the amount of \$6,656.67 for the Lake Avenue/Highway 12 Lift Station Project.

Mr. Yagelski submitted a Consent to the Assignment of Services Agreement and Invoice No. 8691 in the amount of \$5,180.00 for the Birch Tree Farms Drainage Study.

Mr. Yagelski submitted a Consent to the Assignment of Services Agreement and Invoice No. 8692 in the amount of \$1,350.00 for the Michigan City Annex Area Sewer Extension Project (MCASE).

Mr. Werner made a motion to approve the Consent to the Assignment of Services Agreements for each project as submitted – seconded by Mrs. Simmons. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Werner made a motion to approve each Invoice for payment to Schneider Geomatics as presented – seconded by Mr. Sperling. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Employee Uniform Program

Mr. Barnett addressed the Board regarding a new vendor that the Sanitary District would like to engage with for the Employee Uniform Program. Mr. Barnett reported that the Sanitary District would like to enter into an agreement with Cintas for high-quality apparel.

Mr. Barnett gave a brief presentation regarding the new uniform vendor and Clothing Allowance Implementation Policy. Mr. Barnett advised that each employee would receive a \$500.00 allowance for uniforms each year. It was noted that administrative staff will receive a \$250.00 allowance. It was also noted that an employee must spend up to \$150.00 to qualify for free shipping.

Mr. Barnett advised that all orders will be shipped to the front office at 1100 E. 8th Street. Upon receipt, staff in the front office will notify employees and request employees to verify that all items that have been ordered have been received. The employee will sign once they receive the items.

All garments such as coats, jackets, sweatshirts, shirts, etc. will have the Sanitary District logo imprinted on them. This will be handled by staff in-house. Once garments have the logo on them, they cannot be returned to Cintas.

New Employees hired after January 1st and before August 1st will have a \$250.00 clothing allowance after their 90-Day probationary period. New employees hired on or after August 1st in the year will have to wait until the following year to receive a clothing allowance.

Mr. Sperling made a motion to approve and allow the Sanitary District to enter into a Quantity Purchase Agreement No. 0000000000000000000082999 with Cintas as presented – seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

MCSAN Project Updates

Mr. Yagelski provided the Board with a timeline of correspondence between the Sanitary District and Haas & Associates, LLC (Haas) in response to the Lincoln Avenue Sewer Replacement Project. Mr. Yagelski advised that the Sanitary District Board of Commissioners (MCSD Board) approved the issuance of a Request for Bids for the Lincoln Avenue Sewer Replacement Project on March 22, 2023. The MCSD Board received Bids for the Lincoln Avenue Sewer Replacement Project on May 24, 2023. One Bid was received from Woodruff & Sons, Inc. in the amount of \$765,767.88. The MCSD Board awarded the Project to Woodruff & Sons, Inc. on July 5, 2023, in the amount of \$765,767.88. On July 26, 2025, The MCSD Board approved an agreement with Woodruff & Sons in the amount of \$765,767.88 for the mentioned project. On September 24, 2023, construction began on the Lincoln Avenue Sewer Replacement Project.

Mr. Yagelski advised that there were errors within the Change Orders, adding that some of the Change Orders were approved verbally by previous Sanitary District officials instead of being brought before the MCSD Board for their formal approval.

Mr. Yagelski advised that the Sanitary District would like to finalize portions of the Lincoln Avenue project. Mr. Yagelski recommended Board approval to pay Woodruff & Sons, Inc. in the amount of \$134,851.32.

Mr. Babcock asked if the work was performed without a formal Change Order. Mr. Yagelski replied yes, adding that he has forwarded multiple documents to Attorney Harris for his review and to determine the next steps.

Mr. Werner then made a motion to approve the Final Pay Request to Woodruff & Sons, Inc. in the amount of \$134,851.32 as recommended – seconded by Mr. Sperling. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

The Verification of Receipt of Services for Haas Invoice No. 2023334-11 was tabled until the next regular meeting.

Mr. Yagelski reported that the Controller's office has a group of three (3) employees who work for the Sanitary District under the Deputy Controller's guidance.

Approve & Allow Revenue & Tax Levy Claims for Payment

Mr. Sperling made a motion to approve and allow Revenue and Tax Levy claims for payment – seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Old Business

Mr. Yagelski provided the Board with an updated MCSD Organizational Chart. It was noted that the chart was updated on February 21, 2025, to reflect that the Biosolids & Pretreatment Manager report to the Business & Facilities Manager.

Mr. Yagelski advised that Paul Anderson has accepted the Biosolids & Pretreatment Manager position as a part-time position. Mr. Yagelski noted that the 2025 Salary Ordinance will reflect the part-time position at \$35.00/hour. Mr. Yagelski then recommended approval of the MCSD Organizational Chart, and the revised 2025 Salary Ordinance as presented.

Mr. Sperling made a motion to approve the updated MCSD Organizational Chart and revised 2025 Salary Ordinance as recommended - seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Attorney Harris recommended that the chart reflects the date of Board approval. Mr. Yagelski understood.

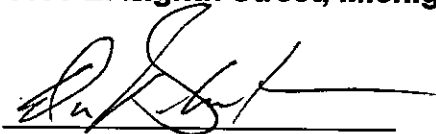
New Business

Mr. Yagelski advised that the Michigan City Public Art Committee (MAC) requested Board approval allowing the committee to place the sculpture "Chrysilis" created by local artist Richard Kiebdaj, on the lawn of the northwest corner of Striebel Pond at Earl Road and Hitchcock Street. The Sculpture is leased for two years, and it would be installed at the end of June 2025 and removed at the end of June 2027. It was noted that the MAC will pay all expenses related to this request.

Mr. Sperling made a motion to approve the MAC request as presented - seconded by Mr. Werner. There being no further question or comment on the matter, the motion carried 4 – 0 in favor.

Mr. Babcock adjourned the meeting at 5:29 P.M.

Next Board of Sanitary District Commissioners Regular Meeting – **March 26, 2025, at 1100 E. Eighth Street, Michigan City, IN 46360 at 4:00 P.M. Local Time.**

A handwritten signature in black ink, appearing to read "Don Babcock", is written over a horizontal line.

Don Babcock, President