

LAPORTE COUNTY REGIONAL SEWER DISTRICT

MEETING MINUTES

July 20, 2021

9:00 a.m.

Time and Place:

The July 20, 2021, LaPorte County Regional Sewer & Water District meeting was held on Thursday, July 20, 2021, by Zoom meeting.

Attendees:

Meeting was called to order at 9:00 a.m. by Mitch Bishop, roll call was taken for those attending by Zoom, Present included the following, Mitch Bishop, Marcella Kunstek, John Carr, Dalia Zygas, Amanda Lahners.

Approval of Minutes:

Dalia Zygas made the motion to approve the minutes from the monthly board meeting on June 17th, 2021. John Carr seconded the motion.

A Roll Call vote was as follows: Mitch Bishop – Yes, Marcella Kunstek – Yes, John Carr – Yes, Dalia Zygas – Yes and Amanda Lahners – Yes.

Motion passes.

Public Comments:

Mitch Bishop opened the public comments. Mitch stated as follows, “Anyone wishing to speak please state your name and address and will be allowed 3 minutes to speak to the board.”

Gary Radtke (Radtke Engineering) – 5821 US-35 La Porte, IN 46350

I would just like to give you an update on the sewer project and transfer of ownership on Highway 20 sewer. We received three bids from contractors last week. The Michigan City Sanitary Sewer District is reviewing the contracts to the testing companies. We are expecting the schedule in two weeks to have the contractor out to complete testing. Their bid submittal was two weeks after the start, and we expect to have results of the sewer condition before the next meeting. The structures all look very good. We are working with the INDOT Engineering company for the length of the project to not interfere with any of their projects. We are looking for whole schedule anywhere from 4-6 months. This will include working up the costs for everyone.

Joyce Forbes – 7661 E Lake Park Avenue New Carlisle, IN 46552

I have been around since 2013 and at that time Hudson and Saugany Lake Committees met. We have been working with JPR Engineering who did a Preliminary Engineering Report (PER) for the feasibility of a sewer system around both of those lakes. It made sense at the time to include both of those projects because Saugany on its own would never be able to afford the cost

involved doing this. Putting this sewer together would probably put us in line with lower net income for the entire area. Since that time, I have been coming to the meetings here to find out if the Board would be open to listening to us on moving forward with this because as it stands right now, there are fewer than 10% of the properties around Hudson Lake (I don't want to speak for those other 1,900 properties in our area) designated for this project. Less than 10% and closer to 7% have recorded septic systems with the Department of Health. We privately met with Tony Mancuso before his retirement and he indicated at the time, the only thing holding us up was the funding for the last portions of a Preliminary Engineering Report which would include the Historical and Environmental questions. JPR had furnished the other parts of the project at no cost to us. At this time, I know it's a new schedule of funding, the project has come around, you have a revenue stream now, which puts you instead to say okay, let's look at this County as a whole, let's determine what area's going to be addressed, and let's move forward, especially lake communities, which are notorious. Most of them are around 150 years old. At that time, things are different. We didn't have many systems at all, they had holding tanks that were within 50 feet from the lake. This becomes a big issue for compensating everyone who uses the lake as well as the residents. Last month was so encouraging because we have the new Federal Funding, so we were able to put our project forth through the Federal Infrastructure Plan that is being laid out and this month I see on the Agenda you have completed the application for consideration as well as I'm hoping for the approval for the final aspects of our Preliminary Engineering Report. This allows us to be ready to go. If we are approved and asked for further information, we have everything in place and we can just go ahead submit early and get this project going. Like I said I've been working on this since 2013. It's a long process. We have kind of waited for Rolling Prairie to be completed. All these things are falling into place and now we don't even need to build our own wastewater treatment plant. We can utilize the wastewater treatment plant at the toll road with minor improvements. My goal today is to encourage you all to approve this and get us one step closer to making this project possible. Thank you.

Question: Do you have any data regarding E-Coli testing there? Has anyone been testing at either lake?

Answer: For some reason, I thought that the County does that on a regular basis, with it being a swim area.

Answer: They only test the swim areas during the Summer.

Answer: So far it has been good, from what I can see.

Richard Mrozinski – 2302 E 150 N LaPorte, IN 46350

First, I want to say that I completely support the Hudson/Saugany Lake project. It's a beautiful, clean lake and we need to keep it that way. Most of the people out there want the project, ask them, if that's a hurdle. Two things about the Rolling Prairie project. People have been asking me, in fact, someone called in yesterday and asked about it. It seemed to be there is a rat problem in Rolling Prairie and it is caused by the sewer project. I don't know how that happened; I don't know. It could be caused by people leaving their trash laying around. The Town is kind of getting trashy and I'm not happy about that. Are there any agreements to this?

It's a sewer project...you dig it underground...what are their rats hiding under there? I don't know.

Response: I know that's a health issue.

Amanda: There was a person that called the office that also kept chickens in their backyard.

Jennifer Ransbottom: We were getting these calls before the pipe was even laid in the ground and comments were being made. I know one of the homes where the inspector went by, and they had piles of old wood and different stuff.

Ken Jones: I think originally, they were somehow equating these rats with sewer rats and that power disturbance of the sewer somehow had something to do with that, but the Rolling Prairie sewer is not the kind of sewer that would have sewer rats, it's impossible.

Apparently, there were also old grain mill years ago that was taken down in the area. Someone brought that up and said that might have something to do with that and them discharging into other areas but yes, we are aware of that issue, and it would not have resulted from the sewer.

Richard Mrozinski: Last thing that also came up, where the roads have been cut up in Town, I'd like to see those fixed up a little nicer. I did get a call from Reith Riley, he said it would be nice if we put nice, new fresh pavement over all the roads that were disturbed. I said, "that's a great idea, can you do that?" Well yeah, they want money. I never got an estimate on what that would cost, and I don't know if there is any money left in the budget in the Rolling Prairie project for that, but I did say I would bring that up, since Commissioners oversee the roads. After looking at them, there's a couple that are beat up, nasty and they're going to get worse. Once we plow the snow over them, they're going to get even worse yet. I thought I would bring that up too, to see what can be done.

Mitch Bishop: There will be an update on the project and I'm sure that will be brought up.

Jennifer Ransbottom: There are meeting minutes from the progress meeting, you can take them.

Richard Mrozinski: Is attendance a problem?

Jennifer Ransbottom: No, it hasn't been. Mark is the only one gone, Marcella is on Zoom. And Jerry is out.

Mitch Bishop asked if there were any other public comments, no one spoke up, so he closed the public comments.

Closing of public comments.

Reports - Finance Staff:

Steve Carter, the Board's accountant, presented the board with the following reports:

Financial Report

- 1.) Toll Road
 - A.) Beginning balance \$146,349.70 as of June 1, 2021.
 1. Deposits: \$26,960.00
 2. Interest Paid: \$1.02
 3. Disbursements: \$22,802.36
 - B.) Account Ending balance as of June 30, 2021, is \$131,438.79.
- 2.) Rolling Prairie Service Area
 - A.) Horizon Bank Checking-Rolling Prairie Account - had a beginning balance of \$37,921.66 as of June 1, 2021.
 1. Deposits: \$3,958.78
 2. Interest Paid \$0.32
 3. Disbursements: \$1,075.68
 - B.) Horizon Bank Checking had an ending balance of \$40,805.08 as of June 30, 2021.
- 3.) Hoosier Fund:
 - A.) Beginning balance \$250,521.28 as of June 1, 2021.
 1. Interest Paid: \$61.80
 - B.) Hoosier Fund ending balance as of June 30, 2021, is \$250,583.08.
- 4.) Claims

Steve Carter presented claims in the amount of \$29,033.24.

Amanda Lahners made the motion to approve the claims in the amount of **\$29,033.24**. John Carr seconded the motion.

A Roll Call vote was as follows: Mitch Bishop – Yes, Marcella Kunstek – Yes, John Carr – Yes Dalia Zygas – Yes Amanda Lahners – Yes
Motion passes.

Reports:

Tom's report will be presented at the next Board meeting.

Astbury:

Chris Vogeler indicated he has nothing to report, and everything is operating well.

JPR - Billing/Collections/Lien

- Jennifer Ransbottom has no further updates in addition to the end of the month report that was provided to the Board – this includes the total monthly and daily deposits, and amounts coming in.

Phase II Update: Includes 4th progress meeting update and construction schedule

Ken Jones, President from JPR, attended to give an update on Phase II - for the last month –

- As of the July 1st progress meeting – All main line gravity sewer laterals are installed.
- All testing was complete the first week of July.
- Driveway/landscape restoration is still underway.

- Change Order for sanitary sewer improvements, including gravity sewer and laterals on were approved at last month's progress meeting.
- After the utility coordination review with American Electric Power, it was determined that they didn't point out the fact they did not agree with the height of the electrical meter bases and panels. There is a Change Order (Change Order #6) in today's Agenda to erase those items from the list.
- Final asphalt is expected to be completed in July. There is the possibility of total resurfacing of some of the streets. If the Contractor is willing to hold their prices, JPR is willing to investigate what they can do about getting the some of those streets resurfaced.
- There is a project construction budget of \$90,000 contingency and only \$20,000 has been used.

Change Order #6

- Panel Extension – \$11,856.00.
- Total Project Cost – \$2,190,911.40 from the contract price of \$2,179,055.40.
- Ken Jones proposes for the Board to approve Change Order #6 in the amount of \$11,856.00.

Dalia Zygas made the motion to approve Change Order #6 in the amount of \$11,856.00. Amanda Lahners seconded the motion.

A Roll Call vote was as follows: Mitch Bishop – Yes, Marcella Kunstek – Yes, John Carr – Yes Dalia Zygas – Yes Amanda Lahners – Yes Motion passes.
Motion passes.

Pay Application #4

- Ken Jones requested for approval from the Board for Pay App #4 in the amount of \$271,254.13. Leaving a balance of \$888,749.33 on contract.

John Carr made the motion to approve Pay App #4 for \$271,254.13. Dalia Zygas seconded the motion.

A Roll Call vote was as follows: Mitch Bishop-Yes, Marcella Kunstek-Yes, John Carr – Yes Dalia Zygas – Yes Amanda Lahners – Yes Motion passes.
Motion passes.

Office Hours – After Notice to Connect Letter goes out to homeowners.

- The Notice to Proceed should be expected within the next month.
- Jennifer Ransbottom suggested open office hours a couple of afternoon evenings and a couple of Saturdays a month to collect the permit fees, sketches, and more information from the property owners.
- When the Board issues the Notice to Connect, it is recommended they begin billing the month before to begin working towards the obligation to their debt. It is recommended the Board approves full sewer bills to be sent out to property owners.

New Business:

- SBOA & Crowe Audit 2016, 2017, 2018, & 2019 – Completed
 - Steve Carter, Jennifer Ransbottom, and Marcella Kunstek met with Crowe to review the information they sent to the State Board of Accounts. Crowe sent the final audit information that was included in the Board packets. When Crowe completed the audit, the Major Moves Fund money was not showing up on the Districts records; however, it was appearing on the County Records. Crowe made the adjustment in the District's records. Steve Carter indicated he has not received notice from the State Board of Accounts. He will investigate this. Once Steve has completed updating the recorded information, the Board's account will be brought to its current status.

- State Water Infrastructure Entrance Survey –
 - The deadline to submit for this potential grant was **June 15, 2021**.
 - The Board has submitted.
 - Ken Jones indicated the Board will need to match the grant amount to receive this type of funding. Ken also indicated the Board will need to advance their Preliminary Engineering Report (PER) and file it no later than early Spring (March 2022) to be considered for this type of funding.
 - Ken Jones indicated to advance the project, they will need to proceed with an Environmental Review and assemble this with a Fiscal Advisor's report of rate schedules. This information is submitted with the PER as part of the qualifications process. The qualifications process is based on the PPL scoring (Priority Project List).

- FOIA Policy/Procedures – Update – Attorney Barry McDonnell
 - Barry McDonnell indicated there was form was just sent out to the Board regarding the Freedom of Information Request. Most municipalities have this form.
 - The comment was made that if the Board approves the form, they should also approve the fee schedule because the fees are not only allowed under the Indiana Statute, but the Board could decide if they want to charge or not.

John Carr made the motion to approve the FOIA form and fee schedule. Dalia Zygus seconded the motion.

A Roll Call vote was as follows: Mitch Bishop – Yes, Marcella Kunstek – Yes, John Carr – Yes
Dalia Zygus – Yes Amanda Lahners – Yes

Motion passes.

- Use Ordinance – Draft – Barry to Finish and Review
 - Jennifer and Barry have discussed this topic and will work together with Jerry or Ken to have this approved next month.

- State Water Infrastructure Fund (SWIF) Grant – Hudson/Saugany Project – Ken Jones
 - Completed Application due July 15, 2021.
 - Ken Jones indicated they have included the Hudson/Saugany Project combined, and the PER is mostly done.

- The Historic/Archaeological/Wetlands Report is still needed for the project.
- Ken provided the Board with updated numbers from 2018/2019. The project is now significantly higher than it was originally in 2013. The construction cost is now estimated at \$20,257,500.
- There is now the option to connect to the Rolling Wastewater Treatment Plant.
- A request was made for \$2.5M in grant from the SWIF Program.
- \$0.5M request was made from the local Park funds.
- The project would need a \$16M loan; however, after JPR has met with Rolling Prairie, they will expect mitigation activities/strategies from the State Revolving Loan Fund as the project moves forward.
- From a timeline standpoint, there may be awards taking place this year; however, the month has not yet been confirmed.
- The IFA is aware of all upcoming projects.
- The Board would want to be prepared and have a complete PER by the end of the year if an award date has been confirmed. This would put the project in queue for FY 2023 which would be selected in the Spring of 2022.
- Typically, with an SRF loan fund, they want to see the application significantly early.
- The project priority list has been expanded to 10 projects from only 4 projects. JPR has three projects in the top 10 and expects to have mitigation strategies for each. In all the projects in the PPO (Project Priority List), the SRF will try to help the District achieve the rate they are seeking.
- Barry McDonnell asked if the Board is inclined to move forward, would it make sense to retain a company to complete a financial analysis.
- Ken Jones replied that they routinely complete a rate report that has 3-4 different options and then, they focus on the option they are most in favor of and SRF tries to help them reach their target rate.
- The Hudson & Saugany Lake Project satisfies almost every criteria used by the SRF for rural utility options.
- There are 1,038 homes in that area.
- ARP money is on the list for possible funding.
- PER Fee
- JPR has completed most of the technical portion of the PER; however, they may want to revisit the pay items that were quantified and further investigate the treatment plant at the Rolling Prairie Travel Plaza.
- JPR understands the wastewater plant is currently has around 75% of their capacity available and was set up to be converted to a larger capacity plant. JPR would like to perform a larger analysis.
- The Architectural & Archaeological Report and Wetlands analysis will need to be completed. The PER cannot be submitted without the analysis being completed.
- A Rate Report will also need to be performed.
- Cardno provided an estimate and they have worked with JPR as a sub-consultant to complete these tasks.

- The Board had discussions in the past about forming a planning committee. An executive committee has been created that includes Mitch Bishop, Marcella Kunstek, and Mark Danielson or Jerry Jackson.
- The Board indicated they are not yet committed to deciding at this time. Mitch Bishop has more questions before he is comfortable with deciding. Dalia Zygas and Marcella Kunstek indicated they are both in favor of the project.
- \$18,450 Not-to-Exceed is needed to complete the needed tasks.
- Ken indicated the Wetlands Report would need to begin at this time of year.
- Marcella Kunstek indicated she would like to meet with Mitch Bishop and the Executive Committee to discuss the project more and decide how they want to proceed.
- Currently, the funding climate is good for a project such as this and the interest rates are low. The federal government is pushing out the funding needed for infrastructure projects and the State of Indiana has been very aggressive in their support of these types of projects.
- If the Board is in favor, Mitch would suggest moving forward with a motion.
- Barry McDonnell mentioned that given the fact this project would involve an expansion of the toll road plaza treatment system, he would like to know if it would be appropriate to use the money in the toll plaza funds.
- Steve Carter agrees it would be appropriate to use those funds.

John Carr made the motion to approve the funding from the Toll Road Plaza. Dalia Zygas seconded the motion.

A Roll Call vote was as follows: Mitch Bishop – Yes, Marcella Kunstek – Yes, John Carr – Yes
 Dalia Zygas – Yes Amanda Lahners – Yes
 Motion passes.

Old Business:

The next Board meeting is August 19th.

Adjournment:

John Carr made the motion to adjourn at 10:09 a.m. Mark Danielson seconded the Motion.
 All were in favor – Motion passed.