

ACRSD Board
Meeting Minutes
January 10, 2020

The following persons were present:

Shannon Smitley, Chairman
Steve Bailey, Board Member
John Carroll, Board Member
Don Bergdall, Board Member
Jim Franz, Board Member
Barry Scherer, Superintendent
Mark Burry, Attorney
Brooke Hindenlang, Paralegal to Mark Burry

APPROVAL OF MINUTES

Board reviews minutes, correction made.

MOTION TO APPROVE MINUTES BY DON BERGDALL, SECONDED BY JOHN CARROLL. APPROVED 5-0.

APPROVAL OF CLAIMS

- Barry reviews the list of claims presented.
 - He explained the Ampstun bill amount is so high because it is web based and this is what they charge for the annual service fee.
 - Regarding the I&M Bill, he and Becky are working on getting this set-up as a direct pay.
 - Jim Franz asked about the treatment cost. Barry explains:
 - Monmouth has some extra water coming in.
 - He also found some at the Pleasant Mills School, more than a gallon per minute
 - He discussed putting gauges out.
 - Current grinder stations do not tell us, but the new one's will tell.
- Owners of the Pleasant Mill School went to the Health Department this morning to complain about Barry.
 - Barry went out and put dye in the system today.
 - The sump pump was not hooked up
 - A letter has been drafted
 - Jim asks what is causing it
 - Barry doesn't know yet

MOTION TO APPROVE CLAIMS BY STEVE, 2ND BY JIM. APPROVED 5-0.

DISTRICT SUPERINTENDENT REPORT

- Barry advises the Board that he did not need to order postcards after all. Becky's office was not as low as they thought.
- Barry informs the Board that people are contacting him to hook-up.
- Easements for the new project are being signed, but still need 30 +.

ENGINEERS REPORT

- Ben reports that he is getting necessary information to SRF to get the project going.
- He also advised that there has been a hiccup in the process:
 - SRF requires an audit no less than 2 years from the loan closing.
 - We need a 2018 audit before we can get the funds.
 - Gwen at City of Berne said that the SBOA auditor will be done with them at the end of January.
- Working on easements for Salem Road along with the bids and permits
 - Surveyor is active (Miller Land Surveying) on the Preble/Peterson project grouping.
- He envisions three (3) separate contracts:
 - Linn Grove
 - Preble/Peterson
 - Barrington/Clem's Lake/Monmouth
- Jim asks if the audit should be done for 2019 since they are on a 2-year frame?
 - Barry has talked to Becky Cochran and Jeff from Baker & Tilly, Becky can get them the information to complete the audit for 2019.
 - Shannon doesn't think that ISBOA will do the audit for 2019.
- Jim wants to know what the cost is for the audit.
 - Cheaper than Crowe, per Mark
 - It is going to be brought up per Barry.
- Jim wants to know if it is \$6,000.00 for 2018, does that mean it will be \$6,000.00 for 2019 too?
 - Barry believes it will be cheaper to do both years at once.
- Ben asked if these fees could be part of the new funding.
 - Barry doesn't think so.
- Per Ben, a hold has been placed on the bids by VTF until March 10, 2020 to allow for more time to obtain the funding and complete the closing.

DISTRICT ATTORNEY REPORT

- Interim rate will start when the notice is issued to proceed, possibly the end of February.
 - Mark said the dirt moves in March.
- Future Discussions at the February meeting:
 - Rate Ordinance
 - Be prepared to get letters out in February.

- Mark advises that we need to reorganize the board: Chairman, Vice Chairman, Secretary/Treasurer.

MOTION MADE BY JIM TO HAVE SHANNON CONTINUE AS CHAIRMAN, 2ND BY JOHN. APPROVED 5-0

- Jim discusses Nate's job as Secretary/Treasurer.
 - Barry wonders if someone else could help Nate since he is so busy.
 - Mark suggests that the Board hire Brooke to be the administrative secretary for ACRSD
 - Jim ask about the budget that is already in effect and can the district afford it. He suggests that maybe they modify the budget.
 - Mark agrees that budget could be modified and add in administration for the projects.
 - Steve agrees that Brooke should be compensated for time to do the ACRSD work.

MOTION TO PAY BROOKE \$5,000.00 PER YEAR AS ADMINISTRATIVE SECRETARY, BY JIM, STEVE 2ND'S THE MOTION. APPROVED 5-0.

DISCUSS FUTURE PROJECT PRIORITY AND FINANCING

- Jessica and Nate discuss the prioritizes of the future projects
 - Linn Grove
 - Preble
- Looked at each area overall
 - Nate –
 - Preble is #1
 - a lot more industrial
 - Growth and Development
 - Small lots
 - Linn Grove (#2)
 - Magley/Peterson
 - Future line, if necessary, to add on to another project.
 - Jim asks where is the most volume of sewage going into the ecosystem?
 - Nate: Linn Grove, but probably just as high in Preble but it takes longer to get to the river.
 - Jim: Residentially, they are equal.

CONSIDERATION OF BOND ORDINANCE 2019-1 FOR ADOPTION

- Mark presents a few changes to the Bond Ordinance previously introduced.
 - Mark reads Exhibit A and explains that Exhibit B is the actual form of the bond
 - Exhibit C is the Financial Assistance Agreement
 - Exhibit D.
- Mark asks if there are any questions.

MOTION BY THE BOARD TO ADOPT ORDINANCE 2019-1 AS AMENDED, JIM 1ST AND JOHN 2ND. APPROVED 5-0.

OTHER MATTERS PRESENTED

- Jessica Bergdall and Nathan Scherer from the Health Department report that Mr. Kable has confirmed with the Nathan that he will be hooking up. He already has the grinder. He was sent a letter and has responded. He will need to fill out the permit/inspection sheet and will start receiving his bill once the inspection is complete.
- Barry advises that Mr. Sefton will be hooking-up in 60 days.
- Jim asks how many more.
- Barry explains the process for new hook-ups
 1. They start at the building department.
 2. Visit Barry and pay \$2000.00 fee connection and get permit.
 3. once building department issues temporary or permanent certificate of occupancy Kelly will notify Barry.
 4. Barry will notify Becky's office to add them to billing.
- Jim states that there should be written steps.
- Barry will have a sheet of what they need to do
- Mark suggests that we create a binder with District Policy Procedure Forms including inspection, decommission sheet etc.
- Ben agrees with a general information packet
- Steve believes this would be nice to have online.
- Jim suggests a flow chart and he would volunteer to help with this.
- John believes Barry needs an assistant.
 - Mark brings up Nathan Scherer assisting Barry and how he should be compensated
 - Via Contract?
 - Mark is inclined to have him contracted at a contract rate that he turns in and is approved monthly.
 - Should get the county to pay at least - \$20.00 per hour and work as needed and then receive a 1099.
 - Jim agrees that Nathan knows what he is doing.
 - Nathan explains the duties he has while Barry is on vacation or in other necessary situations.
 - Barry reminds the Board that in the past, he completed inspections on his own time, and he might need assistance with the future projects.

MOTION TO APPOINT NATHAN SCHERER AS 1099 CONTRACTOR MADE BY STEVE AND 2ND BY JIM. APPROVED 5-0.

- Mark reiterates that assistance is appreciated.
- Barry remarks that the City could provide assistance, but the grinders are another issue.

- Ben asks about the proof of publication; Barry has a copy to give him.
- USDA Budget presented to the Board.

MOTION TO APPROVE THE 2020 USDA BUDGET BY JIM AND 2ND BY DON.
APPROVED 5-0.

- Bank Reconciliation
 - Steve points out that the treatment costs are over but otherwise the 2019 budget was pretty close.

MOTION TO APPROVE BANK RECONCILIATION FOR DECEMBER BY STEVE AND 2ND BY JOHN. APPROVED 5-0.

- Future issues:
 - No room at the jail to keep storing items, might have to come up with a new plan
 - Barry also thinks we might need to send a flyer out about watching for water coming in.
 - Steve wants to know if it is problematic plumbing
 - Don said the City has a camera that could be used to look at things

PUBLIC COMMENTS

- Lew: States that he is confused about the grant. Contingent or consistent rate being charged, how are additional revenues accounted for? Will that be used to lower the current rate?
 - Mark explains that the grant is not contingent on the rate staying the same
- Lew: Not getting installation cost.
 - Mark: We anticipate getting enough, additional reserve will help improve cash flow of ACRSD. We have to charge enough to have reserves for situations.
- Lew: Feels like there is a serious offset, revenue coming in.
 - Barry breaks down the figures (1/3 towards debt, 1/3 towards maintenance etc and 1/3 towards sewage treatment).
 - Steve states that we are trying to be more self-sufficient.
- Lew: Is there a reduction in the grants?
 - Steve: Justification to maintain the rate.
 - Don: The grant allowed it to happen.
 - Ben: SRF looked at the District's finances. Need to be able to cover the county subsidized amount.
 - Steve: The county could dry up; the grant is an advantage of this project.

MOTION TO ADJOURN BY JIM, 2ND BY JOHN. APPROVED 5-0.

Minutes approved by:

Shannon Smitley, Chairman



Nate Rumschlag, Secretary

Richard Lambert, Board Member



Steve Bailey, Board Member



John Carroll, Board Member



Don Bergdall, Board Member



Jim Franz, Board Member