

ACRSD Board
Meeting Minutes
June 12, 2020

The following persons were present:

Shannon Smitley, President
Nathan Rumschlag, Secretary
Richard Lambert, Member
Steve Bailey, Board Member
Don Bergdall, Board Member
Jim Franz, Board Member
John Carroll, Member
Barry Scherer, Superintendent
Mark Burry, Attorney
Brooke Hindenlang, Paralegal to Mark Burry
Ben Adams, Commonwealth Engineer

APPROVAL OF MINUTES

- Board reviews minutes.

MOTION TO APPROVE MINUTES MADE BY JIM FRANZ, SECONDED STEVE BAILEY. APPROVED 7-0.

PROJECT CUSTOMER QUESTIONS

Barry addresses the public that he is setting up lawn chair meetings for the three future project areas.

Meeting opened up to the public regarding the notices that were sent out to the Linn Grove, Preble/Peterson and Barrington Woods/Clems Lake areas.

Q. Brian Culy - 5008 w 700 S., Geneva, Indiana.

- He works with the state, water monitoring, totally in favor of the project. What safeguards will be implemented to protect private tiles, surface drainage etc.?

A. Barry Scherer – During construction, everything is located and repaired back to the way it was before the project. When we come in and hook you up, your septic will be emptied, toilet sink and washing machine will get hooked up to the new system.

- Ben Adams – There is a 1 year warranty on the ground, if you know of tiles that are specific on the property, certainly identify those.

Q. Brian Culy - Is there anything that residents can do to help with the process?

A. Barry – Come to the meetings, give us information

- Brian Culy - He knows there are unlocated tiles.

- Barry - Bobo has had problems and we have repaired everyone and contractor's take pictures.
- Q. Steve Burns - 6796 Water Street, lots 3 and 4 in Linn Grove.
- What is the cost to hook-up and what if they own multiple lots?
- A. Barry - Lots with no homes do not have a charge. Barry gives information re gravity vs grinder. Discusses tap inspection fee of \$75.00 and there will be a charge for someone to dig or do it yourself and empty tank and collapse it. Grinder station will require electricity.
- Q. Steve Burns - Where are they going to run these lines?
- A. Barry – In the streets. Prints were left with Kerry Steiner in Linn Grove.
- Ben – Mostly the lines will be along the pavement.
- Q. Brian Macy 6795 Water Street, Linn Grove.
- Are those available to the public?
 - Will driveways be damaged?
- A. Barry –They will be replacing driveways where work has been done.
- Ben Adams – Replace the concrete at the nearest joint.
- Q. Brian Macy - Where is the pumping station going to be located?
- A. Ben – Pearson road, a block away from main street.
- Culy – 2 pump lift station?
- Q. Nancy Lichtle 291 E 900 North, Decatur, IN.
- What will they have at their location?
- A. Barry - Yours will all be grinder pumps.
- Q. Nancy Lichtle –There is a brand new house next to them would we share with them?
- A. Barry - No.
- Q. Nancy Lichtle - Are you going to stay on the south side?
- A. Barry - For a little while we will.
- Q. Nancy Lichtle - Do we have any say on how you come to our house?
- A. Barry - Yes – realistic location though. The big question is, will you add on to your house?
- Ben - you will be able to meet with the contractor to discuss your location.
 - Barry – will be asking for 10' wide easement to get on your property.
- Q. More discussion about what the Lichtles currently have.
- A. Ben – Location can't be within 50 feet of your well.

- Nate – State code dictates.

Q. Cindy Fore – 2235 Eastlake side Drive, Clem's Lake, Decatur, IN.

- She lives on dead end with a circle around it, not sure about easement, has a channel on 2 sides and along the woods, how will they be able to do that?

A. Ben there are a couple of properties they can't service. He looks at her map.

- He describes how they are going to do it. Looking at the map more.

Q. Cindy Fore – What is the cost.

A. Barry - \$200-\$300 to pump tank, person running line can also crush tank possibly.

Q. Cindy Fore - Why do we feel we need to put these sewer lines in out in the country and no problems?

A. Nathan Scherer (Health Department) – You probably have a discharging system and this is illegal (once it leaves your property), to be to code, your sewage cannot leave your property. An absorption field, etc. is the new legal way. House could be condemned if waste is getting into the water. Explaining the samples they took in Linn Grove, getting to be a problem, a public health hazard, contaminating ponds streams rivers and lakes. Because many locations don't have enough property to put absorption system in, this is the answer. Recognizes it is a burdeon on a lot of people but the state is saying that the absorption field is no good after 20 years.

- Barry – board has vowed to keep costs down. May not happen if the county doesn't receive the money. If there is no grant then the cost would be 220.00 per month per Ben.
- Nate Rumschlag – The project has to be subsidized by the State; have to have grants. Waiting game with state revolving loan fund. We are in line with this project at #2 with the State.

Q. Don Lehman -2224 w 700 S, Berne, IN.

- He has a sump pump, septic tank can stay in?

A. Barry – Not the septic tank, but he can still have the sump pump but it needs to go into discharge instead of into sewage. Keep rainwater out to keep bills down.

Q. Don Lehman - On heavy rain, the line goes down to the ditch, waterway becomes like a river, sewage system will it backup?

A. Barry – it is a sealed line. Shouldn't change based on rain. System should keep track of flow.

Q. Don Lehman - What side of 700 will you put in?

A. Ben Adams– North Side.

Q. Don Lehman - Who are contractor's ?

A. Ben – not bid yet

- Barry explaining some things about billing in the interim etc.
 - Ben – the earliest any of this will happen will be the end of next summer/fall of 2021.
- Q. Brian Macy - How deep do you put the pipe?
- A. Barry – 5 feet, might have to adjust.
- Q. Brian Macy - Might have to at his place.
- A. Barry wants his address to look at.

APPROVAL OF CLAIMS

- Barry reads the claims – total is \$56,753.62.
 - Ferguson bill will get paid from the money that is in the reserve account.
 - USDA had us keep money out for this purpose.

MOTION BY JIM FRANZ TO APPROVE THE CLAIMS AS PRESENTED AND SECONDED BY JOHN CARROLL. APPROVED 7-0.

DISTRICT SUPERINTENDENT REPORT

- Barry discusses his lawn chair meetings for the future project areas. Ben offered to attend.
 - Barry mentioned to Jessica Bergdall (Health Department) to have Nathan Scherer (Health Department) to come to the meetings as well.
 - Is that okay to set these meetings?
 - Barry already went to Preble and spoke to several property owners.
 - Barry mentions that there is rumor going around that it costs 10-15K to hook-up.
 - John Carroll suggest that residents look at website.
 - Don Bergdall, Shannon Smitley, Ben Adams, Nate Rumschlag agree that it is okay to have these meetings.
 - Ben – How much does it cost and where is it going are the main questions people have.

MOTION TO HOLD LAWN CHAIR MEETINGS MADE BY SHANNON SMITLEY AND SECONDED BY NATHAN RUMSCHLAG. APPROVED 7-0.

- Shannon Smitley might go to Linn Grove, Donny Bergdall would go and Dick Lambert would also go to some meetings.
- Barrington Woods/Clem's Lake area might be good to have their meeting at the Riverside Center per Ben.
- Mark Burry mentions that we could advertise in the newspaper.
- Barry's Goals – Construction is going well. If the contractors can get parts of the project done by 8/1, (56 homes out of 100) and if those test out, we could start billing. Possibly send letters to those 56 and give them August, September and October to connect.
 - Ben Adams thinks Barry is optimistic.
 - Nathan Rumschlag thinks it is better to do it early so the homes can be connected in good weather.

- Ben Adams said Bobo and 101 still have lift station to put together and grinders to do.
- Steve Bailey asks if Barry is asking for billing on partial project?

MOTION TO ALLOW BARRY TO BEGIN BILLING WHEN CUSTOMERS ARE ORDERED TO CONNECT BY STEVE BAILEY BUT TABLED. STEVE BAILEY WITHDRAWS THE MOTION.

- Nathan Rumschlag - Ben will have to give authorization first.
 - Nathan Rumschlag - No action at this point but our intent to do a partial release, Steve Bailey withdraws motion.
- Barry - Generator is here with insurance. City of Decatur has given the district a building to use for generator and grinder pump.
 - For the present time per Donny,
 - Mayor said don't worry for right now.
 - Building is used for other things.
 - Barry – needs to know the building address where it is sitting.
- Barry – Replaced manhole at Arcadia.
- Barry – we will be receiving payment for those properties that had tax liens that were paid via the spring tax collection.
- Barry brings up the promissory note and what needs paid. The district needs another 90K promissory note.

MOTION AUTHORIZING SECRETARY AND CHAIRMAN TO EXECUTE THE PROMISSORY NOTE MADE BY STEVE BAILEY AND SECONDED BY JOHN CARROLL. APPROVED 7-0.

- Barry asks Ben Adams, does the board need to change ordinance about the 300-400 feet range, anything over 400' from the road?
 - Ben responds, because the statute says if structure is 300 feet from the sewer main, they must connect to sewer main. Allen County has a policy, basically if you are more than 300 feet and want to connect, homeowner will write the district a check for the service line for the extra to make it happen.
 - Nathan Rumschlag has a question about the bid item, how will it be broken down and invoiced to the owner?
 - Ben Adams – apply to payment to contractor somewhere along the line.
 - Nathan Rumschlag – What about billing the charges for the extra footage, can that be added to the invoice currently used?
 - Ben Adams can get us a draft of an agreement.
 - John Carroll - What about the grinder pump itself, is that in the project?
 - Ben Adams – That is in the project.
 - Barry mentions a property about a 1600 feet from project in Bobo. The property is not currently in the project.
 - Ben Adams can gather information to review.
 - Mark Burry can prepare a written agreement.
 - Nathan Rumschlag asks about tiers or one policy.
 - Ben Adams indicates that it will probably be just one.
 - Nathan Rumschlag suggests that the discretion be left to Barry.

ENGINEERS REPORT

- Ben advises that he has provided the district with his monthly status report.
- Ben – Regarding future projects:
 - Mainline Easements have been sent out.
 - He and Mark Burry are trying to set up a meeting with Baker and Tilly.
 - He still needs the treatment agreement with Decatur and Berne.
 - The best-case scenario will be to bid in a month or two, he plans on submitting the permit.
 - Nathan Rumschlag - this is all above and beyond SRF requirements.
 - Barry wants to gather information about things that will be needed if the expansion is granted so there are hard facts and numbers to calculate.
 - Ben – We had some of this information before so it just needs updated.
 - Barry is one guy, talking about adding 50% more on Bobo and then doubling the entire group, Barry can't do it all. Also Linn Grove is a significant distance from the office.
- Ben Adams handed out updated map for the Bobo project.
 - Jim Franz, not aware of any land mines we have stepped on, correct?
 - Ben Adams – so far so good.

ACCOUNTANT UPDATE

- Becky Cochran presents to the board the current status of the district finances – things are going good.
 - Steve Bailey – Questions how to reserve for the short-lived assets for the Bobo project? USDA dictated how we would do that for the first project. Steve's recommendation is that we prorate the total allocation for these new expansions.
 - Barry – comparing numbers from 1st project to current project with regards to grinders and lift stations.
 - Ben Adams – Commonwealth prepared some numbers on short lived stuff which was given to Baker/tilly, did similar analysis on Bobo project. They estimated on 10 years, panels, treatment etc.
 - Steve Bailey– sounds like Ben could get this.
 - Nathan Rumschlag brings up the debt reserve.
 - Becky Cochran said the district will have the fixed asset cost but doesn't have the debt reserve.
 - Steve Bailey– but need reserve to draw from when fixed assets fail.
 - Becky does it monthly.
 - Barry – Debt reserve is it helping to pay a part-time person?
 - Ben Adams – No. District was given 2.2 million assuming/generating enough funds to pay short lived assets and be able to wean off county dollars.
 - Steve Bailey's recommendation is to have Ben Adams give recommendation on Bobo.
 - Barry – do we need to keep it separate?
 - Becky Cochran– Do we have to keep money separate when collecting?
 - Mark Burry as long as it can be tracked, that should be enough.
 - Steve – USDA wants to make sure we have the money for their fixed assets

DISTRICT ATTORNEY REPORT

- Mark Burry met with Ben Adams, Don Bergdall, John Carroll, Shannon Smitley and Barry. The spoke about Greg Fleming's request to extend the sewer. The question is, how do we go about that?
 - There is going to be some engineering, the board needs to decide on a policy. Need direction from the board and draw up as a resolution. This will be a district policy for the future.
 - If Fleming pays for construction cost to extend the sewer, the district would pay 50% of the engineering and permit cost and then over a period of 10 years or longer, when individuals connect, then the original person (Fleming in this case) could recover up to .07 of the costs that they expended from future connections. The District would waive tap fees except a percentage that the it cost to extend the line. Notice would be sent to Greg Fleming or whomever paid for the extension and figure out the cost. He could recover up to .07 per connection or less. He could say a different amount and waive it if he chose to do so. Reserving at least 5 taps for existing homes out of the line capacity and sold up to 100% of cost and then after that future tap fees would go to the district.
 - Steve Bailey – why don't we just give him the tap fee up to 10 tap fees?
 - Ben Adams explains that the total cost is prorated, if John Doe wants to connect, he owes 10K and that money goes to Greg Fleming as a reimbursement for investment, put a time limit on it. No floor but a ceiling.
 - Steve Bailey thinks it sounds complex.
 - Barry thinks that looking at other ones, this prorated deal will work. Could be set up for anybody.
 - Barry – Re the engineering cost – would that come to the district?
 - Ben Adams/Mark Burry – we talked about that.
 - Steve Bailey– who will track this?
 - Nate Rumschlag – this is a complicated system, but when there is a developer with the wherewithal, it is good.
 - Better to be difficult per Shannon Smitley and Nate Rumschlag.
 - Mark Burry will make a form.
 - Nathan Rumschlag suggests to put a duration on it.
 - Mark Burry – ask Greg.
 - Ben Adams said that they crafted the concept on something from Fort Wayne that has been in effect for a long time. Fixed costs are in the agreement. Parcels being benefited would be listed; would show how they would pay it back. Would be pretty black and white.
 - Mark Burry/Ben Adams – it is a recorded document.
 - Jim Franz - How does the ACRSD get their share?
 - Ben Adams – This could be spelled out.
 - Greg Fleming also comments that he wants a document spelled out.
 - Steve Bailey comments that it looks like an accounting nightmare.
 - Nathan Rumshlag/Mark Burry – A flat amount or somehow it will be spelled out.
 - Nathan Rumschlag– what is the duration you are comfortable with?

- Greg Fleming – 10 to 15 years.
- Ben Adams said he thinks that 15 year is the max.
- Barry has one reservation, he feels homes will get built out there before the 7 homes Greg is planning on.
- Shannon Smitley – how much can that line handle?
- Ben Adams – 5.
- Steve Bailey – I don't think it matters.
- Ben Adams – The agreement spells it out; as soon as it is done it is a business.
- Jim Franz– Who keeps score, district gets 2k then disburse amount to Greg?
- Mark Burry– A request form will be created and will need filled out.
- Per Mark Burry, the Board needs to develop a policy, the district will pay up to 50% subject to developer reimbursement.
 - Nathan Rumschlag is leaning towards 10 years.
- John Carroll questions about engineering and permitting.
 - Commonwealth is doing this.
- Jim Franz asks and Ben Adams responds– the maximum exposure is 6K or less, that pays for our share of our engineering.

MOTION TO CREATE POLICY MADE BY NATE RUMSCHLAG AND SECONDED BY JOHN CARROLL. APPROVED 7-0.

OTHER MATTERS PRESENTED

- Barry presents the SRF disbursement request forms
 - #16 - \$240
 - #17- \$11825.30;
 - #18 VTF \$388,230.35
 - #19 Commonwealth \$4,887.33 – \$405,182.98.

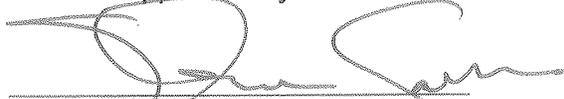
MOTION TO APPROVE SRF DISBURSEMENTS MADE BY STEVE BAILEY, SECOND BY SHANNON SMITLEY. APPROVED 7-0.

- Payroll voucher presented
- Bank reconciliation presented, pointed out that it says 2019 instead of 2020.

MOTIO TO APPROVE PAYROLL VOUCHER AND BANK RECONCILLIATION BY STEVE BAILEY AND SECONDED BY JOHN CARROLL. APPROVED 7-0.

MOTION TO ADJOURN MADE BY SHANNON SMITLEY AND SECONDED BY DON BERGDALL. APPROVED 7-0.

Minutes approved by:


 Shannon Smitley, Chairman



Nate Rumschlag, Secretary



Richard Lambert, Board Member

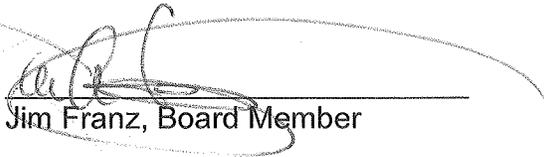


Steve Bailey, Board Member



John Carroll, Board Member

Don Bergdall, Board Member



Jim Franz, Board Member

