

ACRSD Board
Meeting Minutes
October 9, 2020

The following persons were present:

Shannon Smitley, Chairman
Nate Rumschlag, Secretary
Don Bergdall, Board Member
Jim Franz, Board Member
Steve Bailey, Board Member
Dick Lambert, Board Member
Barry Scherer, Superintendent
Mark Burry, Attorney
Brooke Hindenlang, Paralegal to Mark Burry

The following persons were absent:

John Carroll, Board Member

APPROVAL OF MINUTES

MOTION TO APPROVE MINUTES MADE BY JIM FRANZ AND SECONDED BY DON BERGDALL. Approved 6-0.

PUBLIC COMMENTS

- Lew Seffernick what is the status on connecting the 2 people on 000?
 - Barry Scherer responds that the Board has agreed to waive the 2000K fee, but pay for the grinder.
 - Lew Seffernick disagrees and explains his reasons.
 - Shannon Smitley agrees that they waive the tape but charge the balance of the grinder.
 - Lew Seffernick disagrees

MOTION FOR THE DISTRICT TO WAIVE THE 2000K CONNECTION FEE, BUT PROPERTY OWNER TO PAY FOR THE GRINDER MADE BY STEVE BAILEY AND SECONDED BY DICK LAMBERT. Approved 6-0.

- Lew Seffernick asks how many have served in the military.
 - Steve Bailey responds in the affirmative.
 - Dick says that we need to move on.

ADOPTION OF BOND ORDINANCE

- Shannon Smitley, are there any customer questions? No response made.
- Mark Burry introduces Randy Rompola who is appearing via Zoom.

- Bond Ordinance was presented previously.
- Form needs signed by district and State, Exhibit C, will be filled out before we close. Target date is early December.
- Mark Burry asks the board if we can advance the agenda to address the Bond Ordinance.

MOTION TO ADVANCE THE MEETING MADE BY DICK LAMBERT AND SECONDED BY JIM FRANZ. Approved 6-0.

- Mark Burry states 2020-2 Ordinance was introduced at the last meeting.
- No public hearing required for the adoption.
- \$12,780,000.00 in combined forgivable amount and loan amount; ordinance authorizes both bonds and BANS, repayment covenants, the bonds will be issued as tax exempt bonds.
- Mark Burry asks the board members if they have any questions or anyone else?
- No response.
- The rest of the documents are schedules and attachments that will be signed at closing.

MOTION TO ADOPT BOND ORDINANCE 2020-2, MADE BY JIM FRANZ AND SECONDED BY DICK LAMBERT. Approved 6-0.

- Mark Burry also advises the Board that Amendatory Rate Ordinance 2020-3 needs to be introduced today.
 - Needs to be published 2 times no later than 7 days before hearing.
- 2020-3 Ordinance introduced, project service areas added, Linn Grove, Barrington Woods, Clems Lake, Preble And Peterson. Rate is the same.
- Mark Burry is pleased with rates and forgivable loan was 8 million which is favorable. We have added a provision to the rate ordinance re minimum electrical service charge that will be added (see section d) – for those that do not provide electrical service. Provision included for those that refuse to connect or supply power. Also added was the \$48.35 for interim rate during construction.

MOTION TO INTRODUCE, THEN TABLE IT AND HAVE IT PUBLISHED MADE BY NATE RUMSCHLAG AND SECONDED BY STEVE BAILEY. APPROVED 6-0.

- Randy Rompola asks when does the Board want set the rate hearing - maybe November 6.

MOTION FOR MARK BURRY, RANDY ROMPLOLA AND JEFF ROWE TO FIGURE OUT DATES FOR PUBLICATION AND DATE FOR THE RATE HEARING MADE BY NATE RUMSCHLAG AND SECONDED BY DON BERGDALL. Approved 6-0.

- Randy Rompola advises that Baker Tilly has to submit pre-closing disclosures and he wonders if is there enough time to do that. He believes that it will be the first week of December for the bond closing.

AGENDA RESUMED.

APPROVAL OF CLAIMS

MOTION TO APPROVE CLAIMS IN THE SUM OF \$18,690.33 MADE BY STEVE BAILEY AND SECONDED BY JIM FRANZ. Approved 6-0.

MOTION TO APPROVE BANK RECONCILLATION MADE BY STEVE BAILEY AND SECONDED BY JIM FRANZ. Approved 6-0.

MOTION TO APPROVE BANK RECONCILLATION MADE BY JIM FRANZ AND SECONDED BY NATE RUMSCHLAG. Approved 6-0.

DISTRICT SUPERINTENDENT REPORT

- Barry Scherer mentions that SRF needs a resolution to allow him to sign the claims for Claims

MOTION TO APPROVE RESOLUTION AUTHORIZING BARRY SCHERER TO SIGN THE SRF CLAIMS MADE BY NATE RUMSCHLAG AND SECONDED BY STEVE BAILEY. Approved 6-0.

- Barry Scherer reviews the SRF Disbursement requests of \$260,449.00.

MOTION TO APPROVE SRF DISBURSEMENT REQUESTS OF \$260,449.00 MADE BY JIM FRANZ AND SECONDED BY DICK LAMBERT. Approved 6-0.

- USDA Quarterly Report presented by Barry Scherer.

MOTION TO APPROVE USDA QUARTERLY REPORT MADE BY STEVE BAILEY AND SECONDED BY JIM FRANZ. Approved 6-0.

- Barry Scherer believes we will not need to submit anymore quarterly reports, only annual after this one.
- Barry Scherer brings up the budget for 2021.
- Steve Bailey discusses how he came up with figures.
- Suggestion made that the Board consider a 2nd person as an administrative person.
- Nate Rumschlag asks if we can make amendments, Steve Bailey thinks yes. Nate Rumschlag thanks Steve Bailey for his work.

MOTION TO APPROVE BUDGET AS PRESENTED MADE BY NATE RUMSCHLAG AND SECONDED BY JIM FRANZ. Approved 6-0.

- Steve Bailey says that he compared Baker Tilly's budget and we are trued up fairly well (10K less on expenses on our budget)
- Barry Scherer asks about 2 houses that want to connect to the project even though the project hasn't started. They haven't started building but want to be included in the project.

- Nate Rumschlag has a question about deeded owner.
- Barry Scherer said they are the owner but no building permits.
- Nate Rumschlag – how many connections could the project support.
- Ben Adams said that they included 5 extra grinders and service lines for each project.
- Nate Rumschlag we could say 5 per contract first come/first serve.
- Nate Rumschlag suggests we look at environmental situations and those that are beyond 300 feet, Ben Adams and Barry Scherer will try to present more information.
- Don Bergdall wants a committee to look at new construction vs existing homes.
- Shannon Smitley suggest that the Board have a committee meeting.
- Jim Franz asks about what area the requests are coming from
- Ben Adams/Barry Scherer advise it is every area.
- Committee members are going to try and organize meeting for 1:30 Wednesday.
- Barry Scherer reports on the Dean Cornett property. Currently there is no heat at the property and per the easement agreement for the grinder station out at Bobo, we are connecting him at no charge. He needs connected asap, even though we haven't sent the notices. Barry Scherer has 2 quotes to get it done. What the district will pay to connect him – Barry Scherer has quotes.
 - Don Bergdall wants excluded from this conversation.
 - This is okay with the Board
- Barry Scherer mentions how dark Bobo is and the cost to rent a floodlight on the lift station.
- Barry Scherer also reports that treatment costs are down.

ENGINEER'S REPORT

- Ben Adams presents status report.
- Bobo could be released now,
- Page 2 of progress mapping, almost all grinders have been set, 2 outstanding on 33.
- Barry Scherer reports that Salem Road has 5 or 6 to be done.
- Reviewing project 3:
 - Ben Adams sent Mark Burry information about Berne Agreement.
 - Decatur Treatment Agreement still needs done.
 - Tentative award notices being signed today.
 - It probably won't be until January 2 to get stuff done.
 - Darrell is working on easements but has been delayed.

WELLS COUNTY

- Wells County Regional Sewer District Board member, Leon Berning and Nate Rumschlag, Wells County Engineer appear before the Board to request assistance from the Adams County Regional Sewer District with regards to billing and the Superintendent.
- Nate Rumschlag recuses himself from the Adams County Regional Sewer District with regards to this discussion
- Nate Rumschlag provides the Board with information regarding the background of the Wells County Regional Sewer District.
- Wells County is trying to figure out how to proceed, perhaps by contract, hire CPA? Hire an employee?
- They are looking at interim rates to be imposed by the end of March.
- They want to know if there is an opportunity for billing services/clerk with an interlocal agreement between ACRSD and WCRSD.
- Wells County is looking at 230 customers
- Leon is looking for a win win situation for both counties, common factors include Mark Burry is the Attorney for both Districts and Baker Tilly is the finance company.
- Jim Franz asks about what geographical areas are projected.
 - Murry and Liberty Center per Leon and Nate Rumschlag.
 - Possibility for 5 additional areas.
 - Nate Rumschlag is not expecting quick growth.
 - Leon – 300 edu’s in a few years.
- Leon and Nate Rumschlag are expecting a 2 or 3 year interlocal agreement.
- The 2nd option is that they look for an employee which is hard for Wells county to afford full time employee, they will not need someone as much as Adams county, but would like to have a person to fill in and Wells County pay towards that – since ACRSD is looking at another employee as well.
- Mark Burry advises the ACRSD that right now we are making a major jump from 230 to 300 plus an additional 400. Barry Scherer is part time in theory. He is an employee of the district but his interlocal is for him to work for the county as well to get insurance etc.
 - Budget is for 2 full time people, may be an opportunity to play out, Wells is 3-4 months behind, but they need to have something in place.
 - Mark Burry said you need to look at it as economic development.
- Steve Bailey sees value in someone doing the billing, answering phones etc. Looking at what we are spending on billing currently.
- Barry Scherer brings up the 800 holey moley thing.
 - Don Bergdall says that they have one guy that focuses on that each morning.
- They want to know how much time is involved in billing
- Mark Burry reports that you need consensus that you are interested in sharing billing, administrative support etc.

- Wells County might need to contract someone to do superintendent work.
- Dick asks about having a discussion about mileage, insurance etc, don't want to over-extend the duties of the superintendent. He wants to the board to look at this.
- Barry Scherer doesn't see a problem with maintaining, but 5 years from now, it will be different.
- Steve Baily comments maintenance would be contracted.
- Barry Scherer indicates that the Superintendent will still have a phone call.
- Leon Berning agrees that it would be a short term agreement, maybe 2-3 years.
- Shannon Smitley suggests a committee needs to meet and discuss this further before making a decision.
- This matter is tabled until a future meeting.

DISTRICT ATTORNEY REPORT

- Mark notifies the board that we are close to sending out connection notices. Anticipating that we connect by 11/1 – just Bobo and 101, this will be effective date of notice, but residents will have 90 days from 11/1 and allows them to get moving, 2nd batch of billing will start 11/1 but first bill will be mailed out and due in December.

MOTION TO SEND NOTICES TO CONNECT SENT OUT TO THE AREA READY TO GO WITH EFFECTIVE DATE OF 11/1/20 MADE BY JIM FRANZ AND SECONDED BY DICK RUMSCHLAT. Approved 6-0.

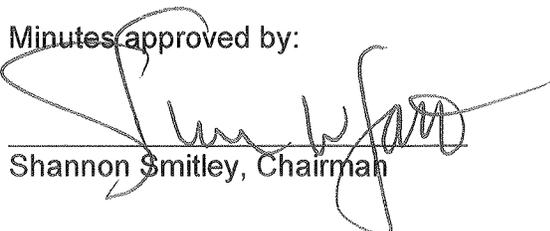
- Discussion held about the City building that the District is using for storage.
- Per Don Bergdall, the District just needs to pay the utility bill.
- Probably need a contract per Shannon Smitley.
- All insured per Barry Scherer. Verbal that the district pays the heat bill.

PUBLIC COMMENTS

- Lew is disappointed in decision. He doesn't understand how they can make them pay 10K more.

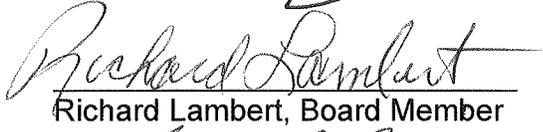
MOTION TO ADJOURN BY DON BERGDALL AND SECONDED BY JIM FRANZ. APPROVED 6-0.

Minutes approved by:


 Shannon Smitley, Chairman



Nate Rumschlag, Secretary



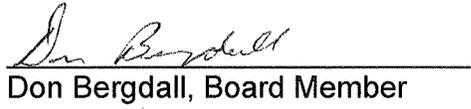
Richard Lambert, Board Member



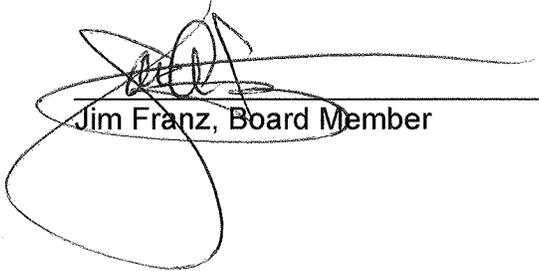
Steve Bailey, Board Member



John Carroll, Board Member



Don Bergdall, Board Member



Jim Franz, Board Member

