

Thirty Nine North Conservancy District

Board Meeting

October 2, 2020

By Zoom and In Person

Board Present	Staff Present	Public Present	By Zoom
John Knoll	Jeffrey Haw	Ken Ucho	Shaw Friedman, Atty.
Jim Laughlin	Gary Radtke	John English	Randy Novak
Mark Childress	Randy Strasser	Mayor T. Dermody	Rich Mrozinski
Ed Arnold	Jerry Jackson/sewer	Nick Otis, Att./City	MaryJane Thomas
	Tim Werner/water	Andy Snyder/Fire	Tim Werner/Ciorba Group
		Bert Cook/EDC	

The Meeting was called to order by President Knoll. All rose and the Pledge of Allegiance was recited by all present.

Minutes for the September meeting were reviewed. Ed Arnold made a motion to approve the minutes as written, Mark Childress seconded and all voted in favor.

The Financial Report was reviewed. Mark Childress moved to approve the financial report, Jim Laughlin seconded and all voted in favor.

Bills for payment were presented. It was noted that since it is so early in the month, several normal bills have not been received yet. Ed Arnold made a motion that the bills for payment be paid and include those yet to be received, second by Jim Laughlin all voting in favor.

Clerk Knoll presented the Paperwork for the Board's approval of the Budget. Discussion was held that we would be working with a \$100,000.00 budget but only asking for a \$40,200.00 levy. With no further questions or discussion, Jim Laughlin made a motion to accept the budget work as presented on the Budget Form 4. Mark

Childress seconded and all voted in favor. The Board then signed the Ordinance/ Resolution Number 2020-01.

President Knoll asked Jerry Jackson for any Waste Water Treatment Report

Mr. Jackson said that the wrong parts were shipped for the repair at the Springville Lift station and we are still waiting for the correct parts. The repair which was done is still working well and should be fine until the correct parts come in. Mr. Jackson said that he has received the revised plans from Jeffrey Haw/ V/S Engineering on the Odor Control project, but has not had time for review yet. Will be working on that before next meeting.

Tim Werner, La Porte Water Department Report

Mr. Werner said that the SKADA update is now under way and our station is included in the work. Along with that, the meter in the booster station is 22 years old. There is an IDEM Audit coming and he feels a change out is going to be needed. They have a bid of \$8060.00 for the meter, but there will be changes for setting the meter which might add cost. While the change out is done, the station will need to be on By-pass. The hotel will be notified... there would be no water to the 2<sup>nd</sup> floor. It should be a Saturday or Sunday job.

Also, they wanted to know about the Load Bank test of the generator, did not realize that it had been addressed and approved at the September meeting. Mr. Werner suggested that the sewer lift station generator be Load Bank tested also.

Shaw Friedman, Attorney for the District

We continue with MaryJane Thomas working on finishing up our application to the Economic Development Administration for potential federal assistance for the water tower project and Krieg DeVault is working on potential state grant assistance from IFA and/or IEDC.

Attorney Friedman noted that Randy Strasser and Jeffrey Haw had been in previous discussions with the City Team but now the City has come to our meeting so that all can be involved first hand in what their thoughts and plans might be and activate a discussion as we look at the water tower project for assistance and planning for the future.

Randy Strasser spoke first. He was going to work quickly on an OCRA Funding Grant for the water tower project. It would need to start with an income survey, but the timing is not working out for the October 15<sup>th</sup> deadline for funding. The next planning grant timing is Mid-January 2021 and he suggests to all that we aim for that round.

City Attorney Nick Otis and Mayor Tom Dermody spoke next. They said that the inquiry from Ed Arnold about the City helping with the cost of a water tower brought on the current discussions. The First Agreement for water service from the City to the District came in 1997, followed by an amended agreement in 2005. Mayor Dermody stated that the current problem for the City of La Porte is the State Property Tax caps. Because of the way they are set up, and the loss of revenue related to the pandemic, state funding will be worse, the City expects they might lose about 22% of their budget. Therefore they have to say no to helping because of their own serious problems.

Annexation was discussed. The City must expand their area to gain assessed value. Mayor Dermody reminded all that he and Attorney Friedman work together cooperatively on various endeavors for the region, and he sees an opportunity to work together on this. The lack of growth is LaPorte's need; we could work together as one with the city, county, and CD all benefitting.

Ed Arnold spoke and gave a short history of the District, as to how at the beginning the City was asked to service the area, and had to reply that they could not do that because they had no money to expand the services. Thus, the original Conservancy District took on the project themselves and moved forward with a Bond which has been paid off.

Mayor Dermody made a suggestion that he hoped that a joining could end with Conservancy monthly water bills being lowered to the rates of the City and Insurance rates being lowered because of better fire service/fast times = lower ISO ratings so lower rates, and these would offset the rise in taxes as the City rate is higher than the District rates.

Bert Cook discussed that annexation is a stronger approach to improvements

Shaw Friedman remarked that we need to consider the pros and cons of the proposal with the city to discuss with the Conservancy constituents. Remember that we have a water contract due in three to five years.. We need to keep working together in mind as we consider alternatives.

Mr. Otis and Tim Werner reminded that the pressure test of the fire suppression system at Hanes International was the big factor that indicated that we have a

problem. When their first test was done the quick suction of their system took water hard and fast. This emptied some of the older pipes in their system . It scored their pipes and led to rust in the water. Mr. Werner suggested that an underground water storage system could be used to separate the city water system from the Cd. Then a sudden need for water could draw from the storage system, not the live lines and would give a lag time in the large, quick use. He also indicated that if one sprinkler system is going in our district a hydrant can not be used, because all the water is being used by the sprinkler. There is no reserve.

Mr. Snyder said that the City ISO is 3. The District is a rating of 6 according to someone. Mr. Snyder also said that there are at least two ( Hampton Inn , Haynes Int.) that have been earmarked for City reciprocity if there is an emergency.

Ed Arnold asked Mayor Dermody if there could be a comparison of 6 random properties to look at a real estimate of what would happen if there was annexation. Water bills, insurance bills being lower compared to taxes being at City higher rate.

Attorney Friedman asked that we all move forward with due diligence to encourage discussions over the long term.

Mayor Dermody reminded that the District represents one customer who uses water at the cheapest rate, but pays only for the water used. City residents pay for the water used as well as the tax base fees that go to infrastructure upkeep.

Storm water fees were discussed. Several Board Members cited situations they have been involved with as we discuss the problems facing the question.

Bert Cook ( City Council and Redevelopment Commission) reminded that those who receive services must be residents to be served.

Mr. Otis said, that not just 39 North but all adjacent who want serviced are in this situation.

Attorney Friedman encouraged all to keep an open dialogue to work together for the benefit of all and the future.

Reports continued with V/S Engineering and Jeffrey Haw and Randy Strasser

We will hold on the OCRA funding application at this time.

Shady Grove Project. The pump house location has changed and so there is a revision in the plan again. Will try to have it for the next meeting.

The Odor control draft has been sent to Jerry Jackson and the Company for review. He hopes to have a the pan for next menthe and then proceed on Permit work after the Board okays the plan.

Ed Arnold said that he has the pond for a source of water for a shortfall from service. Mr. John English from the Assisted Living Facility spoke . They are still internally looking at the plans. They have not yet been submitted to the state. The Covid situation is weighing down things with the economic impact affecting them too.

Bella Lago will have (-53-) 63 units total, 30 being memory care; the plans are complete except for cosmetic changes The project is expected to be a 12 to 12.5 Million dollar project with 4.5 million being labor.

Aradise Productions: We have a shortened password to use for getting to the website now and a faster service.

Jim Laughlin, in retrospect made a motion to authorize due diligence to be collaborated by the District to work with the City. Ed Arnold seconded and all voted in favor.

#### New Business:

Clerk Knoll introduced Resolution 2020-4 which allows the transfer of monies on an as needed basis from the Sewer Operating Fund to the Water operating Fund, in a total amount not to exceed Twenty Thousand Dollars. Jim Laughlin moved to approve the Resolution, Mark Childress, seconded the motion, and all voted in favor.

Clerk Knoll presented the calendar for the next year. A date must be chosen for the Annual meeting as well as deciding on the regular meetings. The dates listed suggest we continue with our regular meeting on the First Friday of each month (except January) unless a conflict occurs because of a holiday, and to choose either February 6 or February 13 for the Annual Meeting in 2021. At that meeting the Director for District 4 will be chosen.

Ed Arnold made a motion that we adopt the calendar as written, and choose February 13 as the date for the Annual meeting. Jim Laughlin seconded and all voted in favor.

Jim Laughlin moved to adjourn the meeting. Mark Childress seconded and all voted in favor.

Respectfully Submitted,

Susan E. Knoll, Financial Clerk