

Thirty Nine North Conservancy District
January 7, 2022
Board Meeting
Minutes

In Person

Board Present

Mark Childress

Jim Clarita

Staff Present

Jeffrey Haw

Gary Radtke

Public Present

By Zoom Internet

Cheryl Reinhart

Ed Arnold

Shaw Friedman

Rich Mrozinski

Randy Strasser

The meeting was called to order by President Childress. All rose to recite the Pledge to the Flag.

Minutes from the December meeting were reviewed. Motion to approved by Cheryl Reinhart, Second by John Knoll. All voting in favor.

The Financial report was reviewed. Motion to approve by Cheryl Reinhart, second by John Knoll , all voting in favor.

Bills for payment were reviewed. Motion to approve by Cheryl Reinhart second by John Knoll, all voting in favor.

Old Business:

In the absence of Mr. Friedman, President Childress related that May Jane Thomas had requested the deed for the proposed water tower property, and then she will be ready to submit our Grant request form. Other Discussions with the County council have not moved during the past month's time.

Gary Radtke Shady Grove Project: Mr. Radtke started his discussion by saying that his client has not been in contact with him, although multiple attempts have been made in preparation for this meeting. The last Mr. Radtke knew, Mr. Parelli was having serious back surgery, then rehab, but information has not been forthcoming. Mr. Radtke gave a short recap of where the project is supposed to be headed. He said at this time, the Generator plan is on hold until a final determination of needs is done. They are still looking at Spring Construction. At the last meeting there were questions posed by Mr. Monty Singh about the plan as it has evolved. After their meeting it appears that Gallop and Mr. Singh's properties may not be involved any longer.

At this point Mr. Tom Cowan was introduced on Zoom communication. He is the loan officer with Zaremba Group in Cleveland and it was approved in July to enter a purchase agreement with Parelli and lease for 15 years with a 30 year extension on the property. With all the Covid, personal health and contractual issues, the current extension is in jeopardy coming up in the next month. They need to know that there will be the promised sewer service when the on site construction is complete in early spring/summer.

Mr. Parelli has indicated that if the Singh portion of the agreement does not come through, he will need to finance alone. Mr. Cowan can not close on this final agreement until the sewer line is done and operational.

Some suggestions/alternatives have been suggested:

1. Revert to a septic in lieu of our system.... This is not an option for property in the District.

2. Use a holding tank until a firm tie in date but Mr. Parelli has not been able to be found to discuss a firm date.

Mr. Cowan feels that the only way to be in control of a schedule is to do the septic. Is there any way to make this work?

President Childress addressed the situation by saying that since we had no prior knowledge of the situation or question, and are not the developer of the property, and since no one is present from the Parelli group to find out what the correct status is for all of the questions, no decision can be made or discussed.

Board member Cheryl Reinhart asked if we could try to get in touch with Mr. Parelli. Mr. Cowan replied that as late as the day before the meeting he had no response to a phone call he made, but he truly wants to move forward.

Board member Ed Arnold asked if we could “untie” this property? President Childress replied that per a discussion with our attorney Shaw Friedman, John Parelli would have to go through an attorney and go through the State of Indiana to undo the ties with the district. The discussion ended with President Childress saying we would confront the Contract issues with Mr. Parelli and Dollar General in February. Mr. Cowan and Gary Radtke say they will continue to get hold of Mr. Parelli. Mr. Cowan will update us.

Jeffrey Haw – Odor Control At this time the project is complete and working except for the restoration which is to be done in the spring. We first need to move on the two bills for change orders which were discussed last month and Mr. Haw went back to Woodruff to see if charges could be reduced as we were not aware of the changes they found when they unearthed the actual infrastructure. Mr. Haw noted that Woodruff & Sons felt they were not obliged to make any changes, but in a good will effort (toward working together in the future) they did reduce the billing for Change order application #1 to \$2808.36. This is a 15% reduction of \$700.00. The 1180.96 for the additional material used for the change. John Knoll made the motion to approve the change order #1 and Change order #2 bills as presented today. Second by Jim Clarida, all voting in favor. Mr. Haw then asked consideration for the complete bill as presented: The original Contract of \$78,988.88 plus Change 1 \$2808.36 plus Change 2 \$1180.96 equals \$82978.20. Since the restoration is yet to be complete, there is a retainage of 5% = \$4148.91, and the current billing will hence be \$78829.29. Motion by John Knoll, second by Cheryl Reinhart to pay the bill as presented, for \$78829.96, with a retainage of \$4148.91 to be held for completion of restoration in the spring.

Mr. Haw then reported on a Meeting. V.S. Engineering was contacted by the City to attend a meeting to go over what the City feels the water needs are to continue our relationship. With a one page schematic diagram they depicted the overview of a plan which they feel will address all the needs for our relationship to go forward. It includes two water towers, tie ins and loops and a new pumping station. The City indicates this is the minimum they will accept from the District and paid for fully by the District to the tune of \$11,000,000.00 (Eleven million dollars). There would be the original 500,000 gallon tower at the North end of

the district to take care of fire suppression, but since this makes new problems, there needs to be another water tower and a line and completed loop (16") at the South end (City end). Mr. Tim Werner noted that all directions for this plan have come from the Mayor's office and no other place. The City has computed the financial analysis. Jeffrey noted that we were to remember that Annexation is a completely separate issue not to be confused with these plans. The District should not call for any information, and the District engineers can only obtain information from NEISS Engineering, the City's engineers.

The Board had a short discussion. President Childress has had a short discussion with County Commissioner Mrozinski about how things would look for the County if the District would no longer work through the County taxation. He said he has not approached the situation from this standpoint. However, Mr. Mrozinski said he would sit down with anyone and President Childress indicated he would like to do that in the near future.

Board Member Cheryl Reinhart said she would like to have an idea of what this means for the individual people in the District. How does the County stand for us to continue. Randy Strasser spoke to relate that both he and Mr. Mrozinski speak up at any of the county meetings to remind County officials how important infrastructure is to the County.

Other:

Cheryl Reinhart reported that she had contacted Cender and Company and got the list of approved Credit Unions we might try for short term savings accounts for our excess cash. It appears that there are no credit unions in La Porte County who have done the qualification work. Clerk Knoll agreed that she also had the same information from Cender and Company. Using a Credit Union who did qualify would mean going out of the County or out of the State. Teacher's Credit Union is qualified, but one is only available in South Bend or New Buffalo. Clerk Knoll respectfully rejects going out of county or out of state to Invest our money.)

The next meeting will be the Annual Meeting on Saturday, February 12, 2022.
9:00 AM.

Move to adjourn by Jim Clarida, second by Cheryl Reinhart, all voting in favor.

Respectfully Submitted,

Susan E. Knoll, Financial Clerk