

**ALLEN COUNTY REGIONAL WATER AND SEWER DISTRICT
BOARD OF TRUSTEES MEETING
June 3, 2016**

CALL TO ORDER:

Ric Zehr, Board President, called the meeting to order at 12:00 p.m.

ATTENDANCE:

Board Members present were Ric Zehr, Win Rood, MJ Klinker, Adam Day, Justin Brugger, Charles Ray and Ted Nitza. Ex-Officio Gary Chapple was present. Executive Director Kenny Neumeister was present. Support Staff present were Vince Heiny, Jeremy Hardy, and Deb Fee. There was one visitor; Steve Miller from Platter Parkway.

APPROVAL OF MINUTES:

Mr. Rood motioned to approve the April 27, 2016 Board Meeting Minutes. Mr. Klinker seconded the motion. All ayes cast.

TREASURERS REPORT:

Mr. Rood reviewed the April 2016 Financial Report and Claims to be paid in detail with the Board and recommended a motion for approval. Mr. Klinker motioned for approval. Mr. Nitza seconded the motion. All ayes cast.

APPROVAL OF SRF PAYMENT TABS:

Mr. Neumeister reviewed and recommended approval of Payment Tabs 73 through 77 to be submitted to SRF:

- Payment Tab #73, Commonwealth, Construction, RPR, Easement Assistance, \$33, 423
- Payment Tab #74, Rothenberger, Lower Huntington-Whippoorwill, \$60,197
- Payment Tab #75, Underground, Goshen-Cook-Fritz-Steele, \$209,670
- Payment Tab #76, Rothenberger, HCC, Berneway & Yoder Contract "B", \$89,747
- Payment Tab #77, Rothenberger, Tonkel-Hursh-Crawford, \$63,574

Mr. Rood made a motion to approve Payment Tabs 73 through 77. Mr. Nitza seconded the motion. All ayes cast.

COMMITTEE REPORTS:

Finance Committee:

The Finance Committee, Mr. Rood, Mr. Brugger and Mr. Nitza, met and Mr. Nitza presented their recommendations:

1. Any rate appeal litigation expenses/losses be assigned to the Hoagland residents only instead of all District customers.
2. Request Mr. Heiny reach out to Woodburn, New Haven and Aqua Indiana that serve Platter Parkway, Georgian Park and Salt Hill areas respectively in writing to negotiate better rates. All currently charge the District retail rates.
3. Reviewed the Top 10 Wholesale Customer list and Top 10 Vendors list for 2015.

Mr. Nitza made a motion to approve the rate appeal cost handling of the Hoagland area and to direct Mr. Heiny to proceed with communicating with the above utilities to negotiate better rates. Mr. Day seconded the motion. All ayes cast.

New Development Committee:

- Mr. Nitza presented Commonwealth Engineers updated fee proposals and the Committee recommended approval for the PER listing to be submitted to IDEM.

Mr. Nitza made a motion to approve and Mr. Day seconded the motion. All ayes cast.

- Mr. Nitza and Mr. Neumeister discussed possible new development coming to the Yoder area.
- Mr. Neumeister had requested permission from Hometown to connect the Yates residence on the north side of Carroll Road to the Carroll/Hand project and is still awaiting a response.
- Mr. Hardy presented the Commonwealth Engineers Fee Amendment to add Mill Road Estates MHP with the Village of Poe project, which will include rehabilitating the collection system. Amend SRF information to update the previously approved PER and provide additional easement assistance.

Mr. Neumeister had reviewed the numbers and recommended approval of the Commonwealth Engineers Engineering Fee Amendment. Mr. Nitza made a motion to approve the additional Commonwealth fees of \$129,200, but hold on the onsite private rehabilitation work until the District receives better clarification. Mr. Klinker seconded the motion. All ayes cast.

Hoagland Infrastructure Committee:

The new committee: Mr. Brugger, Mr. Day and Mr. Nitza met to discuss the Hoagland lagoons challenges. Mr. Nitza presented their recommendation for Commonwealth Engineers to complete a study to determine the best viable solution. They include:

1. Upgrading the lagoons
2. Replacing them with a sewage plant
3. Pumping sewage to Fort Wayne

Mr. Nitza made a motion to approve the study and Mr. Adams seconded the motion. All ayes cast.

EXECUTIVE DIRECTOR'S REPORT:

- Mr. Neumeister presented the Termination Agreement with Severn Trent Services which would conclude on September 30, 2016 and recommended the Board's approval.

Mr. Rood made a motion to approve the Termination Agreement and Mr. Brugger seconded the motion. All ayes cast.

- Mr. Neumeister presented Mr. Johnnie Whiteside's request to relieve him from paying the Debt Service Charge on the property located at 12309 US Hwy 27 S. He lives on the adjacent property at 12319 US Hwy 27 S and purchased 12309 five years ago. The structure was torn down, the property cleaned up and the sewer line capped. Since then, he has been paying \$50.77 monthly for Debt Service Charges. He has no intentions of rebuilding or selling the property. Mr. Heiny presented some background on the original Ordinances and suggested that the Board look at and consider updating the process for similar situations, as a whole.

Mr. Klinker made a motion to waive the Debt Service Charge for the vacant property located at 12309 US Hwy 27 S beginning with the July billing cycle. Mr. Rood seconded the motion. All ayes cast.

PUBLIC COMMENTS:

Steve Miller, 4814 N Webster Road, asked Mr. Nitza to elaborate on the Woodburn retail rates that affect Platter Parkway. Mr. Nitza explained that the District is Woodburn's biggest customer, owns and maintains the Platter Parkway infrastructure, yet they are charged the same retail rate as Woodburn residents. In contrast, the City of Fort Wayne gives the District a significant discounted rate for the areas the District owns and maintains. The District wishes to negotiate a wholesale rate similar to that of the City of Fort Wayne to reduce costs. Mr. Miller asked whether a reduction to the District's rate, will reduce Platter Parkway residents monthly rates. Mr. Klinker and Mr. Nitza explained that they would not see an immediate reduction since the customer rates are fixed over the next four years.

PROJECT UPDATES-2014-2015 PER PROJECTS (under construction right now):

Mr. Hardy presented the project updates. The Wallen Road project anticipates a July 6th completion date. There were issues with the wiring on the panels that have been resolved. Contract "A" project is expected to be completed June 15th. Contract "B" finished the gravity installation and needs to wait 45 days on some of the testing. There are some grinder pump float issues, but they are working with the manufacturer to make the proper modifications. The Lower Huntington/Whippoorwill project has similar float issues. Hursh/Tonkel/Crawford project will begin testing in a few weeks. The Goshen/Cook/Fritz/Steele project is expected to be completed on time. The Gerding/Kroemer/Leesburg project started later than scheduled, but is moving along and is expected to be completed at the end of July.

PROJECT UPDATES-2015-2016 PER PROJECTS (under design right now):

Mr. Hardy explained they are submitting the IDEM permit application on Monday and expect to have the permit within 60 days. They will begin working on the Mainline Easements and acquiring the additional proper permits. Bidding for the different project areas will be staggered over the next five months for ease of management.

OLD BUSINESS:

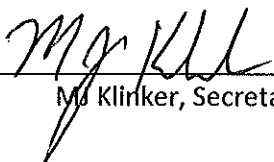
Mr. Heiny discussed the change of the Public Hearing on Rate Ordinance No. 2016-4-27. This Rate Ordinance will remove the new customer requirement to waive their right to remonstrate annexation. The Public Hearing was originally scheduled for May 25, 2016; however, the Board Meeting was cancelled. Mr. Heiny recommended that a motion be made to reschedule the Public Hearing on Rate Ordinance No. 2016-4-27 on June 22, 2016 at 12:30 p.m. in Room 035. Mr. Ray so moved and Mr. Klinker seconded the motion. All ayes cast.

Mr. Heiny updated the Board on the Hoagland lawsuit. On May 20th, he filed a Motion for Summary Judgement and requested the Judge to shorten the response time for the Summary Motion by 6 days while the Plaintiff requested a 96 day extension. The Judge denied both requests. Mr. Heiny expects that it will go before the Judge sometime in July.

ADJOURNMENT:

Mr. Day made a motion to adjourn. Mr. Ray seconded the motion. The meeting adjourned at 12:53 p.m.

Respectfully submitted,
Deb Fee, STES



Mr. Klinker, Secretary