

Minutes: Board of Trustees Meeting

Meeting Date: January 15, 2019 5:30PM

In Attendance: Lana Beregszazi, Consulting Board; Mark Pepple, Board Member; Randy Cokl, Board Member; Chad Nix, Board Member; Todd Nichols, Board Member; Walt Crowder, Board Member; Matt Shipman, Legal Counsel; Dawn Dragnev, Administrative Support

Chad Nix calls meeting to order at 5:31PM, roll is taken.

1. Administrative

- a. Approval of Minutes from December meeting
Beregszazi asks how Board members would like to have minutes recorded. Audio recorders are used to keep things factual. Cokl believes summary is fine. Cokl moves for approval, seconded by Nichols. Crowder and Pepple abstain due to absence from December meeting. December minutes need to go back on February agenda as was not approved by quorum.
- b. Status updates on partner agreements
 - i. Columbia City
Baselining agreement, all parties involved agreed to current document as a starting point. Comments and issue log has been created with weekly meetings request with Columbia City. Not much movement because of lack of feedback from Columbia City.
 - ii. Churubusco – ready for signature
Beregszazi defers to Pepple on status. Pepple stated with the change in council members there are a few concerns that have come up and need to be addressed before moving on. A meeting has been set up for next week with Beregszazi, Ted Nitza, Pepple and Jeremy Hart of Churubusco to bring Pepple and others up to speed.
 - iii. Aqua Indiana Cooperation Agreement
Beregszazi has called the president of Aqua Indiana, Tom Bruns several times to attempt to negotiate reduced connection fees with customers. Beregszazi has not heard back from the president and plans to continue to call. Shipman stated he has heard back from Jeff Rowe at Umbaugh and agreed it is pretty close to being completed. Shipman believes the hold up on many of these agreements is the push back on better rates for customers. Beregszazi stated interlocal agreements don't hold up design phases but do hold up financing process and will continue to push to get these completed as soon as possible.
- c. Bond anticipation note – 2019 Projects
 - i. Schedule Special Meeting for this
Beregszazi reviewed bond meeting with Kimberley Blanchet and Eric Walsh for financing of design packages 2018_01 and 2018_02. Eric Walsh has worked with Star Bank and suggested getting funding with a bond anticipation note. Next Council meeting is February 4

Beregszazi intends to present the necessary documents to the Council. Nix asked what kind of document is needed. Shipman explained its more of a promissory note style document. Beregszazi explained the need for the special meeting is to sign the bond document in anticipation of County Council approving the document. Board deliberated dates that work for them for special meeting. Tentatively scheduled for February 4, 2019 at noon pending response from the rest of the board members who were not in attendance.

d. Banking

Nix confirmed the RSD has a bank account at Star Financial Bank.

e. Insurance

Shipman suggested to have the Board take a vote and then have Nix sign the agreement and move forward with the insurance. Nix asked for motions from the floor for to go with Star Insurance Agency for the Board of Trustees insurance policy. Nichols motioned, Cokl second, all in favor, motion passed.

2. Public Comment (Max 3 minutes)

MAX MUELLER – 7854 SOUTH 800 E-92

We're here for the, most of us are OK, are here for the Joseph Decuis Farm Regional Sewer District, umm, and we have a lot of concerns. We're concerned because most of us have relatively large plots. I have plenty of room to improve a septic if I would need to. Jerry Whigam put a fully adequate one in for me recently. From the figures I've seen, its exorbitant, it's not affordable. The helplessness of somebody getting into your pocket, from a bureaucracy that has the rule of law on their side, is frightening. It's frightening to everybody here. The Board has to consider that the decisions you make get into my pocket book. I'm 72 years old, my wife's 70, the worst-case scenario is that a sewer hookup would be 10% of our annual income, if it's \$3,000. The idea that there isn't a other way. Is-is it a deal that we-I have ten acres, he has seven acres, he has five acres? I don't have offsite drainage. It's been alluded to, that we do. Uh, Vicki Higgins, is a widow. She has eleven acres she probably lives on social security. She doesn't have a pension. So, here I go, I load up my turders with hundreds of yards of poop and put it on my property and you're gonna purify all this water for us. And then you're contaminating my ground water-that I read a little study in there-the guy that dug my well said there's a hundred and fifty feet of blue clay before you hit the limestone. He said its impermeable. So you know, I want you folks to consider that. I-I don't have the money for it. Simple as that.

CINDY WEIST - 7701 EAST 800 S - 92

I wrote a little bit of something, so I can make sure I kept it under three minutes. I've always felt elected and appointed officials In Whitley County, most particularly, Jefferson Township, umm, upheld the resident's and property owner's and best interests. I've been a resident of Whitley County over 60 years. Only in the last twelve days have I been concerned that my best interests as a resident and property owner are not being met by officials in my area. What I have learned in the past couple of days, that has piqued my concern is the proposed plan to force members of our rural communities to pay fees and monthly bills to connect to municipality known as the Whitley County Regional Water and Sewer District without any concrete evidence this is needed or wanted. Forcing of this has the potential to bring extreme hardship to those forced to comply. A majority of residents and property owners within boundaries of Southeast Jefferson Township Septic Elimination Project Number One-formerly the Joseph Decuis project-are retired, on a fixed income, on social security, are farmers struggling to make a go, or people who moved to this rural area to escape utilities or homeowner association fees. Most regular property owners do not want residential growth in the area. Only a select few, with already planned plots for sale within their properties, for financial gain, or those who may be operating a for profit business that may not have obtained legal permits or licenses to build but aggressively operate that business are pro-municipality. I'm also concerned there's an appearance of-and this is a different topic-another, another concern. I'm also concerned there's an appearance of conflict of interest

within the recently appointed Whitley County Water and Sewer District as members of the board also have potential financial stake or gain in the execution of researching and implementing plans, not only in the Southeast Jefferson area but all of the projects with the Whitley County Regional Sewer and Water District. I just ask the board to consider these concerns and work to make sure, indeed you are acting on my and community's best interest in the future. Thank you.

TIMOTHY PATRICK 6444 SOUTH HACKNEY DRIVE

We've been dealing with this issue for the past couple of months. Really, really getting into it. I want to thank the board for, for, for bringing us as an association together and be more of a community. That's what it's done for our association. The terms of this have been very hard on us. We've had our disagreements and we don't know how to deal with the proposed changes that this board is inflicting on us. I'm not retired, I planned to retire someday. But this is going to cause me a financial burden. All the financial structure that I've seen from Lana, has, has put a big burden on me to where to come up with this money so but I look at it, do I still remain a resident of Whitley County? Probably not, if this board approves all these projects. I can't afford it I don't know, ninety percent of these people that are here, against this project can't afford it. It's easier for us to fix our system than have one forced upon us. I second everything that the two people said before me. Because I feel, that this board may have other priorities in mind besides them themselves, one noting Ordinance 2017-03. This ordinance was recorded in 2017 there was no reason to change this ordinance from the original. It's an ordinance that you can see, and it came from our County Council. Its about septic systems and permits and umm, municipalities coming into the area and we'd have to be forced to hook up to if it was within three hundred feet of our property. I've got a copy right here. Another thing our health department in Whitley County really, this is the report I've seen, I think it's the report everybody's seen. Is this the only report that we can come up with from our, our Whitley County health department that supports this project? So all that will give us in an overall score for five with no failures and that's the highest level that we can obtain right? Why is that? Why doesn't the department of health-you've created a question and answer-why doesn't the department of health come to these meetings? One more thing I'd like the board reconsider this decision.

JOHAN BERNARD 6270 SOUTH DERBY DRIVE

As you can see we have become very concerned about the financial hardship that's going to be giving to all the people not only in just in the Joseph Decuis area but also along down US 14 to uh, Micropulse but also to Stable Acres. We keep coming to this-and this is the second one that I've been to-where this is not a question and answer so what I need to know is how we do get in front of the Board where there is actually a question and answer period. Because that's what the problem is. We have a lot of questions and we're filling this in ourselves when really you should be telling us what it is or the answers to those questions. So how do we set up something where we can have a question and answer and compare get some clearance. OK, so how do we set up what you just said, an open forum where we can talk, how do we set that up? So, after this, after the Board meeting is completed then what we need to do is get with you and set up an open forum. OK, how do we do that and get the Board to approve it? OK and I understand that, but I still need to get to the point where we can do an open forum. So if I talk to you after this maybe we can do it-unless we have to do it while we're sitting here? Thank you, Chad. And then, uh you know the thing is that we have in getting together in the meetings and stuff again a lot of questions come up that we can't get answers to. In the same way as when we've been meeting, uh the documents that, has been, put together by Doug, and he's done a brilliant job of putting all those-I know guys all like him-so anyhow. But my question is, there is one uh, one thing about uh, they, Collamer uh decision the month before, was stated by you, uh Lana, in a Blue River uh addition meeting-like you did with Stable Acres-that Collamer was a "no brainer" and yet, they went out and put a petition, or voted no, and all of sudden you decided not to do anything with the Collamer and that they

and that their decision to say no you've stopped a project, how we can stop it also? OK. And that's all the questions I have.

TERRY MARTIN 9049 S 700 E-92

I can only talk about what my situation is and I'm talking about the Joseph Decuis project. I know it was brought up that the E Coli was found in the creek, that's the problem. I am licensed with IDEM in Indiana and Ohio, so I work with cross connections and dirty water a lot and to me, talk about no brainers this is it. In these pictures you can see that Mr. Eshelman who is trying to get this sewer run, claims that there is E coli in the creek. But if you look, every inch of his forty-acre field that over a hundred cattle are in, runs directly into the creek and you can see that the creek turns into his field. There's one picture where it shows a person's house completely covered in the water that run up his field three feet deep. Yeah, you're gonna find E Coli on that property, but it's not that person's, it's the cattle. So what I'm saying is the person who claims to be fixing the problem is actually the person causing the problem. Umm, the sample, they said they took the sample, and I've found out the sample was taken, downstream of Joseph Decuis. Well, where I come from, when we have a problem we, take two samples, upstream and downstream and we determine where the problem is. I think if you do that you're going to see where the problem is. So basically, he needs a sewer, I'm being asked to pay for it. But what I looked at where all these are taken place at least, large concentrations of homes, Laud and Stables Acres-and in Allen County they're doing Yoder and Craigville, Leo-Cedarville, those are large concentrations of houses, I get it. But for them to say that yes, Joseph Decuis you have to have a sewer and were going to make everybody in the route pay for you. He has a business he already-on the bottom of his bill- it says there's a pumping fee for everybody. His sewer will be paid for by his customers. I don't have customers, I live in a house, I gotta pay for my own. So for him, not only is it free. He'll probably make money on this sewer before it's all said and done. So that's my big problem. My house was built in 1850 by the first post office in Jefferson Township, Whitley County by James Broxon and I won't be able to live there anymore. You're going to lose people like me. I've remodeled that house and put it picture perfect. But, if you get rid of people like me because I'm just middle class, and I can't afford this. This is my third time going through a sewer and every time they tell me something, it raises. The first one we put in was forty-seven dollars a month ten months-ten years ago. Its eighty-eight fifty now. It never goes down it always goes up. And when I said the large concentrations, this one road shot makes no sense to me. If you're gonna do it, let's go two or three roads where there's another seventy-five, eighty homes and then that makes my cost go down. Instead my cost goes up because Pete Eshelman needs a sewer. It makes no sense to me why I'm included in this. Like I said I can only talk about my problem, I can't talk for anybody else. But, I think the person who is claiming to be fixing the problem is actually the person who is causing the problem. I think you need to look at the cattle operation and what it's going to take to get his manure to stop flowing into the creek and causing the E Coli and the problem that we have. I can't believe that my wife and I-two sixty-year-old people are causing an E Coli problem in Jefferson Township. We're not even home. We work for a living all day. I use my toilet two hundred times a year. If I breakdown what I'm paying, I'm going to pay you ten dollars a flush. That's kinda expensive. Thank you.

DAVID QUILOT 6425 EAST 1000 S-92

First of all I want to thank all you guys for being willing to do this. I know it's a thankless job. I don't know all the details that have gone into setting up this whole thing. I'm sort of new to the process. Umm, people on both sides of this issue are friends of mine. So, I've been down this road before. One question that I have is, well, I guess I don't have a question because I'm not allowed. I don't understand how; all the site selection process was determined. So I spent some time talking to Scott Wagner at the health department, I've know Scott for many years, and he informed me, like Mr. Martin said, that the water samples were taken immediately downstream from Joseph Decuis. And to me that just looks as though on the face of it, is a,

direct attempt to take control of the problem. Not to find a solution to a problem but to find a problem. Uh the note I had is, this is not a high concentration of population, like Mr. Martin said. The problem with the Eshelmans and I've known Pete for 30 years. I've done business with him, I've socialized with him, this problem, strictly stems from the fact that they did not follow the laws and regulations of Whitley County when they started their operation. They started hosting events out there-I-I live exactly one mile south of their property-I can sit on my back deck on a nice summer night and hear all of the music from wedding receptions, corporate events, whatever may go on at their facility. And I think that the facility is a great asset to the area but in creating that, there were laws and regulations that they had to follow, and they did not do that. Their buildings are not in compliance with fire codes, their septic system is nonexistent, it's just a tank in the ground. And when I built my home I could not turn a shovel of dirt until I had a well and septic permit in hand. And they chose of their own volition not to go through that process. To start their operation on their own and the sewer that has been proposed at their property, it does not continue west on 900 beyond their property. I think that looks suspect and I think most people here will agree that that just, it doesn't make any sense. There's more revenue to be gained by taking that line further down 900. And a question I would have is what decisions go into the process of not extending those lines any further? Now I think that if you as a board, are going to continue to consider the Joseph Decuis connector, whatever you want to call it-I know it's got a couple name changes-you're to consider this any further. I'm not saying I don't care about Stable Acres, and all these, I don't know about them. That's, I feel for you guys being in that situation. And I'm not affected by this, neither my home or my business are going to be hit by this, now. They will in the future 'cause I can't complain about progress and development in this portion of Whitley County because I am one of those, OK? But, I think that if this particular district is considered it is the textbook definition of governmental overreach and corruption. I think it benefits one person in particular and the reason that this person is in this situation is because they broke the law. And it's as simple as that and if the Eshelman's can afford to run a sewer line directly to their location I'm all for it. I know the state of Indiana, has to do what they do because the federal government is imposing all these regulations on states and local municipalities. But I would contend that you as the board or the district, whoever the power may be. Can vote to allow Mr. Eshelman to put this line to his property exclusively and not require anybody to hook up to it. Because this, it's not right, its totally wrong that this is being forced.

BRIDGET BLACKBURN 6092 SOUTH DERBY DRIVE

I didn't plan on coming up here. But when we were listening to everyone talk, there was mention about those town meetings that we had. And I went to both of the town meetings that were available. And at those meeting I was under the impression that if the, Stable Acres, the people who had to connect near it, said no we don't want this, and everybody was in agreement, that it would not happen. And we were told that Lana would keep us all informed of what was going on. I went to both meetings and the same thing was told at both meetings. They had to do searching and all that stuff. And if we signed this piece of paper it was because we would be interested in knowing that was a necessity. The next thing I know was, you voted on it and said yes, we're doing it. I understand that the meetings are public, they're in the newspaper. But I have been misled at the meetings that I would informed that, oh hey your, your topic is going to be at this meeting at some point. So whether I'm just ignorant of how all this works or not I don't know because I was a trusting person to what I was told at those meetings. That a vote would make it not happen not even come to your attention because that is what I was informed. I am one of probably the younger people in our neighborhood. There's a few I've seen around that are younger than I am but I still cannot afford this. I still have kids going to college I still have to work for a lot more years. And I bought the house out there because I like being in the rural area. It was a nice quiet neighborhood. I see deer walk through the field, I know my neighbors, in my cul-de-sac. I have met a few more of them because of this issue. But I am not afraid to have my children, my grandchildren outside playing or go trick-or-treating because they're not in town, where it's

a lot scarier. This will make me have to move and I don't want to. I have a done a lot of things to the home to make it what I want it to be and now, I can't afford it myself. And I'm one of the working people, not on social security yet. So, that's my three minutes. Thank you.

BRENT EMERICK - 5249 SOUTH 500 East

I'd also like thank you guys for your hard work, this is, what seems like an impossible task. But I sat by Chad for a couple hours at a meeting last, uh last week and I can tell that he does uh, want to put in the work and make this something that works. But I've got some concerns that Cindy had and Max had and David had. I'd like to say that I agree with everything that's been said. They've hit the nail on the head here and I farm around 600 acres in this area depending on where the sewer lines run. And I was not notified, and I was pretty disappointed about that because we need to have more transparency, I think in this situation. It just, it doesn't seem like this is a transparent process so far. We know we have one business that's, that's obtaining, we-uh-variances after variances and is in violation and we gotta work to find the solution to that problem. But these people in Whitley County who've done everything the County's asked, um, for them to foot the bill for that is, is, what I feel is, an injustice. And you know the last couple years, I know Matt and some other people have been involved in some other issues in Whitley County and the common denominator is, we trust each other, and you know, everything's transparent with the people making the decisions all the way up and down there's transparency and that's something I think is being lost. And so, I just wanted to hit on those points and also that, make the point again that the Southeast Jefferson Township area was never a concern as far as sewer goes unlike some other areas. But we've just got one business and that's the problem here and I'd like to make that pretty clear. And as we move forward I think there's been some good, good, solutions uh Dave had a good idea of how to get this, get this area sewer without running out our Jefferson Township residents that have been here for thirty years or sixty years or however long. They are uh, invaluable asset to this community, they've done so much. Thank you.

DOUG DYSON 3630 EAST STATE ROAD 14

I was looking at Indiana Code 13-26-6 and it talks about a district plan and of course they're selling a lot of hype up here, and that's what they've done. And down here under 26-6, 13-26-6-4 it says "if the department determines that the project or operation of the district is not economically feasible, fair or reasonable; or if the district fails to file a plan for the operation of the district within the time prescribed by the department; the department may declare the district dissolved and enter an order for the distribution of all assets owned by the district after the payment of liabilities". I have asked Lana, I've asked Matt, I've asked Don, to produce the by-laws of this operation. Can't even get the by-laws. I've asked for a certificate of insurance. I can't get that. I had Matt write me a letter. He says he don't understand. How many of you guys got the same letter? And, and I just don't understand how he don't understand. But, I have put together a petition, and this petition which has circulated, we've got several names already. This will go to the commissioners, the Whitley County health department, the Whitley County water and sewer department and IDEM themselves. And for guys that would like to sign this, I'd be happy to take your signature. This will be served on all of them. And they will get an opportunity to answer what we the people actually want. I think they forgot who they work for. When they raised their hand and take an oath to the Constitution, I accept that contract, don't you? So you guys uh, and you guys are welcome to sign it too if you want to get on board with what's right. Get right here, this is what the people want. How many of you, you know, know what they're trying to do? How can you have five against the whole crowd? We the people don't want it. And they say they're going to cram it down you. This is crazy. And you can't come up with any of the documents we asked them to come up with. The law says seven days Matt, you want months to get this. What's up with this? Why does it take months to get the by-laws and the certificate of insurance to these people? OK well I think you guys know where I stand on it. And the people I think stand with me dontcha? OK. Thank you Chad.

Nix thanked everyone for the notes stated he takes the comments into consideration and he appreciates them. Beregszazi stated she appreciates them as well and would be open to setting up public meetings for residents to ask questions and receive answers

3. Projects in Preliminary Investigative Report Phase

a. Gateway East (Columbia City)

Beregszazi stated due to lack of feedback from Columbia City on a few items the PIR has not been completed. As soon as the needed information is gathered the PIR will be completed with the intent to present it at the February board meeting.

b. Collamer (South Whitley) – *no update because the focus has been on the other projects, in 2018_01 and 2018_02.*

c. SE Jefferson Township Septic Elimination Project #1 (Aqua Indiana)

i. Update regarding info meeting on January 3, 2019

Beregszazi stated the project names are used to refer to area properties and neighborhoods not identify blame or problem areas. Beregszazi confirmed it was started with the Eshleman's need to have a sewer connection. There were two sewer routes and connection points that were assessed. Eshelman had no input into the proposed sewer route. The 900S to 700E to 800S route was selected due to distance of line and number of septic elimination connections along the way and onto the existing Aqua Indiana line. The RSD does not need to push the mandate for residents to connect but Indiana Code states the authority to do so. Beregszazi stated yes the Eshleman's kicked off the project but the idea was to find the route with the shortest line.

Nix stated the residents expressed their concerned at a resident organized meeting on January 10, 2019, and stated it is important to let everyone know what the next step it.

Beregszazi stated the next step is to issue an RFP to engineering firms to finalize the sewer route. The next steps about who has to connect and who will be issues a grinder pump. Nix stated the board can't do anything about who mandated their violation.

4. Projects in Engineering Design Phase

a. RFQ 2018-1

i. Review Engineering Design Proposal submittals

1. Project Item 1 Churubusco West
2. Project Item 2 Churubusco South
3. Project Item 3 Dunfee
4. Project Item 4 Stable Acres
5. Project Item 5 East County Line Road South

ii. Selection of Design firm(s)

Beregszazi explained the process for sending RFQ 2018_01 to engineering firms. Engineering firms were asked to price the projects individually. For cost saving options it was asked to have the design looked at as two projects West Churubusco & South Churubusco as one package and East County Line Road South, Dunfee and Stable Acres as the other package. Engineering firms costs range from \$164,000-\$505,000. Two things to have the Board consider are financing and final negotiation. A Scoring Matrix was created to take several

points into account. Final scoring was done by Ted Nitza the District's engineer. The main areas to consider were: Firm, Project Team, Project Experience and Pricing. Scoring weight: 20pts for Firm, 40pts for Project Team, 30pts for Project Experience, 10pts for Price.

Nix wanted to see the price broken down by project area.

Nichols asked the relationship on the score between the project team and the project experience on relevant types of projects.

Crowder asked to table for this meeting due to a lot riding on this decision. Proposed to push decision back to the special meeting. Shipman suggested to look at matrix for decision making process and perhaps having board weigh their own points of decision. Shipman stated that project engineer at JPR just build sewer project that he was a part of and he personally did not have an issue with them. Crowder thanked the Beregszazi and Shipman for their input. Nichols asked about timelines for the SRF funding. Beregszazi stated that July-August is the deadline and there is no way for the District to get funding by this deadline. The plan was to be "first in line" for the funding after that date in August 2019.

Nix asked what the deadline was for creating a public meeting and stated he also does not want to make a decision tonight. Beregszazi stated there is another RFP out to bid that could also be gone through for further information. Nichols makes motion to table, Crowder seconds, All in favor, motion passed.

b. RFQ 2018-2 issued 12/21/2018 – Due January 25, 2019

- i. Laud (Aqua Indiana)
- ii. Coesse (Columbia City)

Beregszazi stated the Laud project will not move forward at its current cost analysis. OCRA grants have been looked into which would need to have an income study done. The reason they are being bid separately is because they need to be designed separately and funded differently. The idea with the funding would be looking to do a \$1M project for \$300k.

Beregszazi asked for one board member to attend the meeting with Lori Shipman and the USDA rep. January 31 or February 1. Nix stated he is available. Crowder and Nichols asked to let them know when it would be. Shipman reminded them it can't be a quorum as it is not a public meeting.

In regards to Stable Acres and SE Jefferson Township project area 1 where residents have become very vocal and upset with the RSD - Nix asked if there is need for a public meeting where forum can be for Q&A. Crowder stated he supports the push for a public meeting for Beregszazi and DOH to answer questions from community residents. Nix motioned to adjourn meeting, Nicols second. Meeting adjourned at 7:11PM