

# VALPARAISO LAKES AREA CONSERVANCY DISTRICT

## *MINUTES OF PUBLIC HEARING August 19, 2009*

BOARD MEMBERS PRESENT: Sue Gustafson Megan Summers Ken Hill  
Jack Steffen Tom Kruse Dick Brychell

BOARD MEMBERS ABSENT : Debbie Miller

CONSULTANTS PRESENT: Dave Hollenbeck Bob Minarich Adam McAlpine

The Public Hearing regarding the 2010 Budget Estimate for the Conservancy Tax fund was called to order at 6:01 P.M. on Wednesday, August 19, 2009 by Chairman Brychell. The meeting was held at the Valparaiso Fire Department. The only public representative present was Tom Baniczak.

The Budget Estimate for 2010 was distributed to all present. The public has 10 days to remonstrate against this budget or adopt the budget as published. There was a glitch in the process in that conservancy districts became part of the county council over-site and budgets must be submitted for approval. However, the law was misconstrued and we are back to a non-binding recommendation by the county council. Dave reminded everyone that the 2008 budget cycle is still not complete. The floor was opened up for the public hearing.

Mr. Baniczak had numerous questions regarding the General Manager salary, legal fees, consultant fees, eligible travel expenses, and contractual services. After all of his concerns were addressed, the meeting was adjourned at 6:21 pm.

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The Meeting of the Board of Directors of the Valparaiso Lakes Area Conservancy District was called to order at 6:21 P.M. on Wednesday, August 19, 2009 by Chairman Brychell. The meeting was held at the Valparaiso Fire Department.

There was a correction to the previous minutes: Megan Summers attended the July meeting while Jack Steffen did not. The July minutes were approved with the correction.

First we reviewed Conservancy District Analysis and Cumulative Improvement Fund. Rainy Day funds were transferred to Conservancy Tax dollars. Dave had a question about LGS Plumbing being classified as Engineering Conservancy Tax dollars. LGS should have come out of the CIF fund and should not be listed in the Conservancy Tax dollars. Alexis will move \$49,956 out of Conservancy Tax to CIF. Dave suggested that more detail be provided regarding the exact spending of the \$200,000 Additional Appropriation for the Cardinal lift station.

Next, LAC Utilities (water) was reviewed. Our year-to-date numbers are about break-even. Chairman Brychell pointed out the RPA #3702 has disappeared. It was explained that we cashed in that \$50,000 total in June. RPA #3702 is no longer in existence. Security Deposits are still being reviewed. Many accounts were closed out owing \$40. Water income has come up significantly due to a faulty meter at the water department.

The Maintenance and Operation Report was reviewed. Cardinal Lift is completed. Alarm systems are up and running. A small leak on Leisure Lane was fixed. Both water samples passed. Hydrant maintenance is going slowly. The Fire Department is notified when a hydrant is taken out of commission. We have many different types of hydrants installed; one of which, Traverse City, is now out of business. The swale is built.

Bob reported on the Water Improvement Projects. Valpo American came in with a nice low bid. We sold 123% of the water that we purchased due to a faulty water vault. The city fixed the problem, but it is still running historically low.

Wastewater/Sewage financial information was reviewed for August 2009, and we are back in the black. The \$100,000 line of credit was accessed. An additional \$50,000 was taken from the line

of credit this week.

The claim forms were signed.

#### **MISCELLANEOUS MATTERS:**

Dave spoke about the Kettle Lake situation. He employed Campbell & Associate to analyze the situation. Only serious "red zone" properties were considered. To buy-out the properties, it would cost approximately \$662,000. Dave recommends that we reconvene our group and determine our best option. There was some confusion about the possibility of using "eminent domain" with these properties. Dave made it clear that eminent domain has not been mentioned by VLACD. The properties ~~would~~ <sup>could</sup> be purchased on a voluntary basis.

Dave also discussed the necessity of an inter-fund transfer of \$20,000 from the Rainy Day fund to the Conservancy Tax fund. Ken motioned to approve the transfer. Sue seconded. The motion carried.

Finally, Alexis and Dave attended the 2010 Budget Workshop. Everything went fine, and the whole thing took about 5 minutes.

Adam spoke about the Valpo American sewer project. A total of 7 bids were opened on August 12, 2009. The lowest bid was from LGS Plumbing for \$241,704. Haas wants full-time coordination of the Valpo American project. There will be 2 sub-contractors. LGS will do the digging and installation. Weather will be critical- they must finish by mid to late October to make a profit.

Dave spoke about the Stimulus grant in reference to Valpo American project. VLACD would borrow grant money at 0% interest and then the loan will be forgiven. We anticipate that the grant will be 40% of the project. The forgivable note must be closed by September 15, 2009. Tom asked if we would still pursue this project without the stimulus grant. Since VLACD requested bids for this project 2 years ago, this is a necessary project.

Ken asked about encroachment issues on Valpo American easement. Bob informed the home owner's weeks ago that the project was coming. Letters were written to 11 homes on the west side of the property.

Tom motioned to authorize awarding of the bid to LGS Plumbing with Haas and Assoc. as the full-time on-site coordinator, to authorize Chairman Brychell to execute all documents and to authorize the Chairman to close on the forgivable loan for SRF. Sue seconded. The motion carried.

Adam also brought up a problem with Larry Smith of LGS requesting \$1,600 for an extra month to rent the generator to complete the Cardinal lift station. Larry was told to present his request to the VLACD board if he wanted to be reimbursed. VLACD feels that the delays were caused by NIPSCO and are no fault of VLACD. Larry has submitted nothing in writing.

Bob spoke briefly about the MS4 audit. Bob has not heard no results. The auditor did mention that there are no plans to train children about lake quality. Bob has ideas on how to increase education to local children.

Alexis spoke about the DOT matrix printer situation. A new laser printer has been ordered that will be shared by accounts payable and receivable. New checks have been ordered. Until they arrive, checks will be handwritten. We will not pursue upgrading the software to import information to Excel as it is not cost effective. We can not do our payroll through Electronic Funds Transfer as it would require a \$1,400 upgrade. Tina has created Vendor Files for all accounts (thank you Tina!). Alexis would like to make some one time entries to increase the system balance to the bank balance. Finally, Alexis mentioned the email sent in July describing asset and liability accounts that have little or no explanation. Alexis will not attempt to reconcile those accounts.

*Island*

Tom Baniczak had some questions about a dike around ~~Cardinal~~ Lift Station the lift station. Bob explained that the material on site, but the work crew has not started on it yet. Bob assured Tom that the work would be done.

Stu and Megan Summers brought to the Board's attention a structure that is being created next to Flint Lake. The structure is too high (20 feet), was built by an unlicensed contractor, and the permit was not conspicuously posted. A stop work order is in place. The structure was ruled that it does not impede the view of the lake (60 degree line of sight). Sue and Megan would like the Board to join with them to go to the Board of Appeals and support the appeal on record. Additionally, the Summers would like individuals to come support them at the meeting to preserve the quality of the lakes. Stu will draft a letter for the Board's consideration. The Chairman will sign the letter if the Board approves it.

Finally, Dave brought up the fact that Alexis' contract is still undecided. He recommended that the Personnel committee meet to discuss the terms of her employment.

There being no further business, the meeting was adjourned at 7:43 pm.

Respectfully submitted,



Alexis Rubin  
Financial Secretary

**VALPARAISO LAKES AREA CONSERVANCY DISTRICT  
SPECIAL MEETING 9/11/2009**

**Members Present**

**Tom Kruse, Ken Hill, Jack Steffen, Megan Summers, Sue Gustafson**

**Members Absent**

**Dick Brychell, Deb Miller**

**CONSULTANTS PRESENT:**

**Dave Hollenbeck attorney**

**Robert Minarich general manager**

Meeting at the Evelyn Bay Coffee Shop was called to order at 7 am by Vice Chairman, Tom Kruse. This meeting was at the request of Attorney Dave Hollenbeck so that the necessary papers are signed for the Valpo-American Sanitary Sewer Replacement job in order that the project may move forward in a timely manner.

A motion to approve the Valparaiso Lakes Area Conservancy District participation in the Federal Stimulus program. Moved by Ken Hill, seconded by Sue Gustafson. Motion carried.

A motion to approve the VLACD's participation in the State of Indiana's Wastewater Revolving Loan Program with a no interest, forgivable loan. Moved by Megan Summers and seconded by Sue Gustafson. Motion carried.

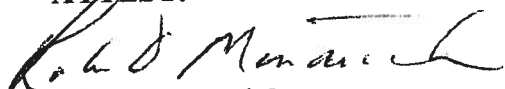
A motion to approve Alexis Rubin as the fiscal officer and Robert Minarich as the executive officer for the VLACD was made by Sue Gustafson and seconded by Megan Summers. Motion carried.

A motion to authorize the execution of a promissory note in the amount of \$1,23,240.00 was made by Sue Gustafson and seconded by Jack Steffen. Motion carried.

A motion to approve an agreement to hold in trust the monies for this project by the Bank of New York was made by Ken Hill and seconded by Sue Gustafson. Motion carried.

Meeting adjourned at 7:25 am.

**ATTEST:**



**Robert Minarich  
General manager**