

**STEBEN LAKES REGIONAL WASTE DISTRICT
BOARD OF TRUSTEES MEETING
SEPTEMBER 27, 2023
23-09R
6:00 P.M.**

MEMBERS PRESENT:

Craig Rice
Larry Keeler
Rob Moreland
Abby VanVlerah
Jon Flaugh

MEMBERS ABSENT:

Renee Clauss
Kelly Johnson

Also Present

Chris Nussbaum – Carson LLP
Steve Henschen – Jones Petrie Rafinski

Rob Moreland called the meeting to order at 6:00 p.m.

Rob Moreland read the following statement: At the end of the meeting, the public will be given an opportunity to speak. In the interest of time, each person shall be limited to three minutes. Your comments will be part of the public record of the meeting, so we ask that you present them in a professional manner and speak only to the matters at hand.

APPROVAL OF THE AUGUST 2023 MEETING MINUTES CHANGES OR ADDITIONS.

The Board presented minutes of the AUGUST 30, 2023, board meeting minutes for review and approval. Upon motion duly made by Craig Rice and seconded by Larry Keeler, the Board unanimously approved the board meeting minutes AUGUST 30, 2023.

FINANCIAL REPORTS

The financial reports, check register, project check register, bank account report, and claims for AUGUST 2023 were presented for review.

The Revenue Report, Appropriation Report, Capital Expenditures, Accounts Payable Register, Fund Report with Investments, and Monthly Budget Report with Capital for AUGUST 2023 were presented for review. Abby VanVlerah moved, and John Flaugh seconded the motion, to accept and approve the AUGUST 2023 financial reports as submitted, which motion was unanimously approved.

The 2024 budget as presented at the August board meeting is revised and ready for final approval. There is an additional line item he created on the 2024 budget. The revenues and expenditures have been projected to see how much further out we will go to avoid a rate increase

and still be able to operate and keep the lights on. It shows we would not be in the negatives until 2030 and reflects a 3% increase in expenditures each year and a 0.50% increase in revenues to allow for a subdivision or individual homes that would increase our revenues by a small amount. Again, this is simply based on paying the bills and nothing more. This does not mean there will not be a rate increase between now and 2030 as there are always unforeseen costs and circumstances. Abby VanVlerah moved, and Craig Rice seconded the motion, to accept and approve the 2024 budget as submitted, which motion was unanimously approved.

The timetable and project funding prepared by Steve Brock regarding NED-II Contract C is submitted for informational purposes. No motion needed. Financing for Contract C will not close until March 21st, 2024. Our bids have been extended to meet that date.

ATTORNEY REPORT

- A. Subdivision Control Ordinance NO. 2023-07: As presented in the Ordinance Hearing #23-09H prior to this board meeting. No additional questions were presented. This ordinance can be amended in the future if necessary. The fee amount cannot be changed moving forward without an additional hearing. Craig Rice moved, and John Flaugh seconded the motion, to accept and approve the Subdivision Control Ordinance 2023-07 as submitted, which motion was unanimously approved.

ENGINEERS REPORTS

- A. WWTP Remaining Capacity Report: Steve Henschen presents the first item which is the remaining capacity report showing that the District's treatment plant is designed for a daily flow of 1 million gallons. It can handle double that flow for a 'peak day' or a 24-48 hour window. As shown in the first analysis, the main factor that can limit our flow in the future is TSS (total suspended solids). From a BOD (biochemical oxygen demand) standpoint, we are at 40% capacity. Phosphorus is at 38% capacity and ammonia is at 47% capacity. However, the TSS is at 86% capacity. The second analysis shows that at 90% capacity, IDEM (The Indiana Department of Environmental Management) could issue what is called an early warning ban. That can affect any future projects, developments, and residents from connecting to the system. Based on the most current factors, the remaining EDUs after NED-II completion would be 635. Considering the previously approved developments yet to connect would be 48 EDUs, leaving a conservative estimate of 587 available EDUs. Because these 48 development lots that have yet to be connected, they are grandfathered in as they were approved prior to the Subdivision Control Ordinance 2023-07. We will have them fill out that paperwork and give them a reservation for 5 years from now without paying the \$500 per EDU reservation fee (as they were approved prior to this ordinance). Once that 5-year reservation has expired, they will need to pay the fee per EDU to reserve for an additional 5-year period.
- B. NED II Phase 1 Additional Septic Tank Abandonment: NED Phase I was completed around 2020 (Lone Tree Point and areas South of there). It was brought to our attention by a contractor doing work at 1960/1980 Ln 105 Lk James, there is a septic tank still in use. The grinder station was installed prior to the project and an assumption was made

somewhere during the NED Phase I project that the septic had been abandoned. This is incorrect. Had that tank been abandoned during the project the cost would have been roughly \$5000 as budgeted in the project costs. As of today, we need to get that tank out. It was an honest mistake. JPR is willing to step up and agree to pay half the cost to remove the tank. The size is so small there are no formal bids. JPR reached out to Selge, Niblock, VanGordon, and Perkins to get estimates. Perkins and VanGordon never returned the call. Selge and Niblock are larger scale contractors that are doing the Ned Phase II project. The cost estimate from Selge was about \$18,000 and Niblock was \$11,975. We were prepared to move forward with Niblock. Today VanGordon returned the call as the contractor on the project at that address. He was eager to start and wanted to move forward on a T&M basis. Cole took the call and discussed it with Bryan but could not move forward without a formal quote. VanGordon came back with a quote of \$8,950 and agreed to do it on a T&M basis. Although prepared to move forward with Niblock, after discussion between Steve Henschen and Bryan Klein and calling Chad Niblock (owner of Niblock Excavating), Chad agreed it is a small contact and was fine with not getting the bid. It is a board decision whether or not to move forward with VanGordon. Bryan, Cole, and Steve are comfortable with VanGordon's bid. Craig Rice moved, and Larry Keeler seconded the motion, to accept and approve the bid from VanGordon Construction for the septic tank removal at 1960/1980 Ln 105 Lake James as bid in the amount of \$8,950.00 as submitted, which motion was unanimously approved. Once his final bill comes in, the District will pay out of Capital funds and bill JPR for half of the cost. That amount will then be receipted into Capital funds.

- C. NED Phase II Contract C – Engineers Recommendation for Award of Contract: Contract A is with Selge construction for pump stations 1, 2, and 9. Contract B is with Niblock Excavating for the Western service area of NED phase II. Neither are on site yet and not expected to start work on site until Niblock in December 2023 and Selge in May 2024 (estimated). Key thing with the Selge contract is their project is based on moving immediately from pump station 1 to 2 to 9 as they are ordering equipment which makes it most cost effective to move directly from one pump station to the next and not start work until all the equipment is in hand. If things go well, it is an expected 6–8week construction time. Soon we may get some request for stored materials which we will pay as long as those items are safely stored. While we have not started construction, we are processing some changes as they come through. In August the Board decided to move forward with Contract C in the amount of \$9.5 million without a rate increase from what they are currently per Steve Brock's calculations and moving Contract C into 2024 helped him obtain that goal. Presented for approval is the engineer's recommendation to tentatively award Contract C to Selge Construction Co., Inc. in the amount of \$7,549,972.75. As a reminder the back of the document shows where Contract C area is (North side of Big Otter Lake and the South end of Snow Lake on the East side). If we proceed with Contract C all of the Districts absorption fields will be gone as well as any customers flowing to Fremont would be now flowing directly to the District. The second item we need action on is a formal action to reject the bids for Contract D. Contract D is all of the work related to Pokagon State Park (PSP). If you recall when we were closing on Contracts A and B, we were notified by the State Revolving Fund (SRF) and not DNR/PSP, that PSP wanted to explore other options for service, mainly the town of Angola. They have remained silent

on this. It is critical that we take some action because in Contract C we have a pipeline that would extend to the border of PSP to serve them, but if they will not be connecting, we do not need that line. Thoughts are to reject the bids for PSP and notify DNR that we are taking action to do Contract C and downsize our pipe sizing and we do not intend to serve PSP. A draft letter has been made and will be tweaked before being sent. They may have stayed silent with us, but we will communicate with them. As a result of their decision, we have decided to take these actions. We will copy the SRF on this letter. The third item requiring action is to allow the superintendent (Bryan Klein) to issue the Notice of Award upon a successful pre-closing in January 2024. This allows the SRF to do a pre-closing in January 2024 and a final closing in March of 2024. Abby VanVlerah moved, and Craig Rice seconded the motion, to accept and approve the engineers recommendation to tentatively award Contract C – base bid and mandatory alternate bid 1 to Selge Construction Co., Inc in the amount of \$7,549,972.75; Reject the bids for Contract D; and allow the Superintendent (Bryan Klein) to issue the Notice of Award upon a successful pre-closing with the SRF in January 2024 as submitted, which motion was unanimously approved.

- D. NED Phase 2 Contract A – Change Order 1: Small change of \$3,733.00 for adding some safety grates to the pump stations as we have large lids (6’x4’) that can flip up to access the pumps in the big wet wells. The project as designed did not have safety fall protection and this is something being added to the District standards in the future. Craig Rice moved, and Abby VanVlerah seconded the motion, to accept and approve the Contract A Change Order 1 in the amount of \$3,733.00 as submitted, which motion was unanimously approved.

- E. NED Phase 2 Contract B – Change Order 1: A larger change of \$146,204.00 which has three primary components. Pump Station 31 planned to be located at the SE corner of County Rd 300 and St Rd 120. We were even starting an imminent domain process as we could not find any alternatives. After contacting Big Boyz Toys (storage facility), we have closed on the easement agreement, but we did not actually purchase that easement. We agreed to do some work for them in-kind which included \$90,000 worth of paving. Roughly \$30,000 was dedicated to paving their last loop and the other \$60,000 to pave our entrance road and provide us with a turnaround on their property. This was not included in the contractors’ bid. This site also had additional drainage work and tree clearing work amount to roughly \$25,000. With multiple grinder station changes while working with property owners, any changes within 20’ of the current system/equipment the District will work with and cover costs. Anything farther will be at the expense of the property owner. Craig Rice moved, and Abby VanVlerah seconded the motion, to accept and approve the Contract B Change Order 1 in the amount of \$146,204.00 as submitted, which motion was unanimously approved.

OLD BUSINESS

- A. Website: Presented are website samples and a new logo from Asher. Abby VanVlerah moved, and Jon Flaugh seconded the motion, to accept and approve the new website and

new logo as submitted, which motion was unanimously approved. The videographer will be here tomorrow, weather permitting, to get footage of the facility. He has already gathered footage of our service area.

- B. The OWL is up and running with a link on the website to remotely listen to the board meetings each month.

NEW BUSINESS

- A. Variable Frequency Drives for Plant Lift Station Pump Station: We have had an ongoing problem with variable frequency drives that were included in NED Phase I and the plant project. One of the pumps on a plant lift station burnt out and unfortunately those drives have been installed long enough they are out of warranty. Luckily the drives on the lift stations from NED Phase I were being replaced under warranty, as some have been replaced 4 or 5 times. The cause of the drive's burning up is unknown and the manufacturer has not responded to the representative. BL Anderson is the representative for this equipment, and they have a solution. We should have quotes by the end of the week on their solution. The estimate for two drives went from \$8,900.00 to three drives at \$13,306.00. Craig Rice moved, and Abby VanVlerah seconded the motion, to accept and approve expense of \$13,306.00 to replace the plant lift station drives as submitted, which motion was unanimously approved.
- B. Replacement Control Panel for Lift Station 24: Lift station 24 is one of four (#24-#27) lift stations that was put in during the Orland project (#27 being owned by Miller Poultry). Unfortunately, the way those installations were designed the conduit connecting the wet well where the pumps are and where the raw sewage is, connects to the panels. This gives any gases a direct line through the conduit pipe to the control panel. Hydrogen sulfide has eaten the conduit and wires in the control panel to lift station 24. It is a danger for our maintenance staff and a continuous cost to rewire the panel on a regular basis. It will take an estimated 6 months to get the control panel. We need approval to get Toric Engineering to get starting on creating the panel. The estimated cost of the panel is \$78,949.00. Someone else will have to install the panel and is estimated to cost \$15,000-\$20,000 in installation. Installation will be motioned at a later date. Abby VanVlerah moved, and Jon Flaugh seconded the motion, to accept and approve Toric Engineering to produce the panel at a price of \$78,949.00 as submitted, which motion was unanimously approved.
- C. Repair of Lift Station Pump – Tom Frederick: Once of the larger pumps in a lift station needed to be repaired at a cost of \$4656.00. Although this expense did not require board approval, it is being presented as informational.

DISTRICT BUSINESS & OTHER GENERAL MATTERS

- A. Easement Encroachment Variance Request for 4305 W Orland Rd: Joe Jenkins who resides at 4305 W Orland Rd requests an encroachment on the easement for a concrete driveway over the lateral sewer line. No questions from District staff on this request. Craig Rice

moved, and Jon Flaugh seconded the motion, to approve the easement encroachment variance for 4305 W Orland Rd as submitted, which motion was unanimously approved.

- B. Easement Encroachment Variance Request for 115 Ln 275 Jimmerson Lk: Scott Miller who resides at 115 Ln 275 Jimmerson Lk requests an encroachment on the easement for a concrete driveway and relocation of an existing shed. Abby VanVlerah moved, and Jon Flaugh seconded the motion, to approve the easement encroachment variance for 115 Ln 275 Jimmerson Lk as submitted, which motion was unanimously approved.

PUBLIC COMMENT

N/A

MOTION TO ADJOURN

There being no further business to come before the meeting, Rob Moreland asked for a motion to adjourn. Such motion was made, seconded, and unanimously carried; the meeting was adjourned.