

**BASS LAKE CONSERVANCY  
DISTRICT SPECIAL MEETING  
JANUARY 12, 2015**

PRESENT:     President Gene Novello   Attorney Ethan Lowe  
                  Director Jerry Broadstreet   Office Manager Patti Bush  
                  Director Ray Mix   Office Assistant Mariann Gappa  
                  Director Russ Blais

ABSENT:     Director Larry Collura (participated by speaker phone)  
                  Engineer Lee Nagai (not required to attend)  
                  Plant Manager Tom Jordan (not required to attend)

President Novello convened the meeting at 5:00 p.m.

Attorney Lowe stated that he and President Novello had participated in the Lift Station J/ Kathleen Chigaros mediation on December 16<sup>th</sup>, 2014. After many hours and many discussions, which included the review of information included in several appraisals, an agreement was reached. The BLCD will be paying Ms. Chigaros a lump sum payment of \$159,000. Her expert appraiser indicated a value of \$225,000 and the Conservancy expert appraiser indicated the value should be \$120,000. The BLCD thought the settlement range should be less than \$170,000. Attorney Lowe complimented President Novello on his knowledge of real estate at Bass Lake and his expertise in the banking industry in helping solve the mediation problem. In return for the payment of \$159,000, Ms. Chigaros is going to execute a quick claim deed to the property to BLCD that it needs for Lift Station J to be recorded in the Starke County Recorder's Office. There is a release and settlement agreement that Attorney Lowe has drafted and has been approved by Ms. Chigaros lawyer. This agreement dispenses with the impending lawsuit and both parties are waiving and executing any and all claims that they have against each other. Attorney Lowe stated that he needs a motion from the board to approve the written release and settlement agreement between Ms. Chigaros and BLCD, approve President Novello's signature of the agreement, and the payment agreement of \$159,000 to Ms.Chigaros.

Director Collura inquired about the specific amount of property involved. Director Broadstreet replied that it is 30 x 55 feet for a total of .038 acre. Director Collura asked about providing landscaping for the area. The response to this was no, other than any normal maintenance to the site that will be required. Attorney Lowe stated that once everything is finalized, then BLCD will have to make sure that this lot is added to the District insurance coverage.

Director Broadstreet inquired about the odor that sometimes is apparent and asked about what happens if Ms. Chigaros sells the property and the new owners are upset by the odor. Attorney Lowe stated that Ms. Chigaros cannot bind a new owner to ignore the problem. Ms. Chigaros is being compensated for the location of Lift Station J and the loss of value of her property because of Lift Station J. The cost of appraisals for the property from several appraisers came to approximately \$9,000.

Director Collura inquired about future growth in the area that would affect Lift Station J. Attorney Lowe stated that he had talked with Engineer Nagai and Engineer Nagai feels the conservancy

district should be good for many years unless a large (1000 home subdivision) is incorporated into the system.

Director Broadstreet asked if other lift stations could cause similar trouble. It was stated that all of the other lift stations are on easements. Director Mix stated all but 3 of the lift stations are non-vented.

Office Manager Bush stated that she had talked to property owner Milan Zavodny at 6475 S SR 10 about Lift Station D at 6497 S SR 10 that is blocking access to property that he has acquired. She asked if this could be a problem in the future. Attorney Lowe asked if there is some documentation that we own the right of way. Director Mix stated that the Army Corp. of Engineers had to approve that before it was implemented and that the state sewer board had to approve the conservancy's plan. The county recorder also has documentation about this, hopefully. Director Mix stated that all the documentation on this should be available at the next meeting.

Director Broadstreet asked about the taxes that Ms. Chigaros pays because she seems to pay less because of Lift Station J. It was stated that it is not an issue with the conservancy district.

Director Mix made a motion to approve payment to Ms. Chigaros of \$159,000 and to have President Novello sign the documentation approving the agreement. Director Blais seconded. Motion passed with 3 votes. Director Broadstreet did not vote and Director Collura could not vote as he was not in attendance.

Director Mix made a motion to adjourn. Director Broadstreet seconded. Motion carried. Meeting ended at 5:40 p.m.