

**BASS LAKE CONSERVANCY
DISTRICT MEETING
JANUARY 16, 2017**

PRESENT	Chairman Gene Novello	Vice Chairman Larry Collura
	Director Jerry Broadstreet	Director Russ Blais
	Jeff Rowe-Umbaugh	Plant Manager Tom Jordan
	Office Assistant Mariann Gappa	Attorney Ethan Lowe

ABSENT: Director Dennis Kraftor
Engineer Lee Nagai

Chairman Gene Novello called the meeting to order at 6:00 p.m. followed by the Pledge of Allegiance.

Minutes – The reading of the minutes was waived and Director Blais made a motion to approve the minutes from the December 12, 2016 meeting, Director Broadstreet seconded. Motion carried.

Financials – Umbaugh rep Jeff Rowe presented the financial report. The fund balances exceed the minimum reserve requirements by \$1,338,155 and the receipts have exceeded expenditures by \$38,052. Operating expenditures are under budget by \$50,007. Overall, BLCD is about \$22,000 ahead of the estimated budget for 2016. Vice Chairman Collura made a motion to approve the financial reconciliation dated December 31, 2016 as submitted by Umbaugh & Associates, Director Blais seconded. Motion carried.

Yearly Financials – Jeff Rowe presented the proposed budget which anticipates the capital needs of BLCD for 2017 and beyond. The largest adjustment to the operating expenses was for weed control. The other adjustment was for sludge removal which has not been needed in 20 years, but could be needed in the future so \$4000 was put in the budget for that. The total operating cost is estimated to be around \$341,280 for the year. The capital improvements for the next 5 years is estimated to be about \$100,00 per year. Because the bond will be paid off in 2017, the increase in cash equivalents will be about \$430,000 per year for the next 5 years if the rate structure remains the same. Over the 5 year period, the cash balance would increase to over \$3,500,000. This increase presents a potential opportunity to lower rates when the bond is paid off.

Director Broadstreet explained that the irrigation system would probably need to be replaced in the next couple of years and that cost would be between \$75,000 to \$100,00. Mr. Rowe stated that the cost of a new irrigation system could come out of existing balances or it could be figured in a new rate structure.

Vice Chairman Collura asked about when the sewer lines would start to fail as the system is 20 years old. Plant Manager Jordan replied that it is hard to determine how long the lines would last. He stated that K Lift Station manhole had to be lined, but the other manholes are in fairly good shape. Mr. Rowe replied there is a general capital allowance that could be used to repair sewer lines.

Vice Chairman Collura asked if more ponds might be needed in the future. Plant Manager Jordan explained that BLCD uses only 30% of the capacity annually. He stated that the treatment of phosphorus will be needed in the future. BLCD started removing ammonia 10 years ago and there hasn't been any problem with that.

Vice Chairman Collura inquired about pole barns and garages being built with kitchen and bath facilities. Mr. Rowe replied that different conservancy districts have different rules and BLCD would have to decide on its own rules. There was much discussion about pole barns, detached garages with bathroom facilities, and changes that could be made to the rate structure.

Chairman Novello suggested that if the Board had any changes, then they should get those to Mr. Rowe soon. There was some discussion about what needed to be done before the rate change could take place. A public meeting would have to be held. It was decided to introduce a new rate ordinance at the April 17, 2017 meeting and publish the official notice of the proposed rate change for the May 15, 2017 meeting.

Bills to be paid:

NIPSCO	\$332.99 (Plant)
NIPSCO	\$545.38 (Lift Stations)
NIPSCO	\$77.17 (Lake Pump)
Century Link	\$48.97
Century Link	\$196.05
Prime Pay	\$126.86 (December)
Prime Pay	\$7037.32 (12/18/2016)
Prime Pay	\$3489.43 (1/1/2017)
Umbaugh	\$1695.00 (December)
Bank of New York	\$265,200.00 (Bond Payment)
TCU	\$57.65 (December)
TCU	\$488.70 (Plant Manager's Credit Card)
TCU	\$529.83 (Plant Manager's Credit Card)
TCU	\$1065.95 (Office Assistant Credit Card)
Apheus	\$12.95 (Computer)
NAPA	\$12.94 (UPS)
Mariann Gappa	\$5.00 (DNR-Control Permit)
Boyce	\$275.00 (Back-up Service)
Element	\$135.00 (Testing)
Element	\$109.00 (Testing)
Starke Co. Co-op	\$491.67 (Propane)
Alliance of Indiana	\$220.00 (Membership)
Quill	\$133.95 (Misc. Supplies)
Quill	\$22.75 (Misc. Supplies)
Quill	\$4.29 (Misc. Supplies)
Electrical Installations	\$100.00 (Service Call-J Lift Station)
Electrical Installations	\$225.00 (Light)

Office Assistant Gappa said a Gasvoda bill that had been approved in Dec. had been paid and the check returned because it had been paid in Sept. Plant Manager Jordan replied that Gasvoda had a new billing system and there had been some problems. The amount of \$6933.00 has been reversed. Director Blais inquired about a service call and Plant Manager explained it. Vice Chairman Collura made a motion to approve the bills and Director Blais seconded. Motion carried.

Staff Appraisals – Chairman Novello stated the executive meeting held prior to the regular meeting was to assess the staff for their work in 2016. Vice Chairman Collura stated that Plant Manager Jordan was the reason that BLCD runs so smoothly and the Board recommended a 3% raise bringing his salary to \$30.75 per hour. He also stated that Plant Manager Jordan will be paid for 90 hours of overtime at twice his previous pay of \$29.85 resulting in a check for \$5373.00. He also complimented Office Assistant Gappa on the work she does in the office and announced a 4.5% raise bringing her salary to \$16.30 per hour. Both increases will be effective as of January 1, 2017. Chairman Novello made a motion to approve the raises and Vice Chairman Collura seconded. Motion carried.

5164 E Summerholme – Plant Manager Jordan stated a homeowner wanted to tear the house down. The homeowner plans to do the demolition work himself and Plant Manager Jordan was concerned that the work would take a while and a half built house would be standing. There is a lien on the house and Attorney Lowe stated the lien should be paid before the house is capped off. Plant Manager Jordan will keep an eye on the progress.

Tom Jordan's Report - Plant Manager Jordan stated that the work at Beach and Pine Streets will start soon. Nothing new to report on 6047 S SR 10. It will probably be Spring before anything is done there. There is a letter in the Director's folders from the owner of 5067 Grant St. The owner has been on maintenance since 2013 and has no facilities in his house. He does have electricity but no running water or bathrooms. He wants to discontinue the maintenance fee. Plant Manager Jordan will keep checking on the house to see if the sewer is hooked up, but the maintenance fee will stay in effect. The alarms for the lift stations will be reviewed. The new system allows the review to be done on line. The annual rain chart was in the Directors folders for 2016. Plant Manager Jordan gave another annual report on what the plant does. It is only at about 30% of capacity and the ammonia is at 100% removal and the BODs at 97% removal so the system is working good. Vice Chairman Collura asked if the ponds could be discharged into the lake and Plant Manager Jordan replied no. 2890 S CR 210 is a duplex property that had previously been a hair salon and the owner pays \$87.51 per month as per the previous owner. Plant Manager Jordan inspected it today and half the building has no running water or power. It is being used for storage. It was decided to bill the house as a duplex (\$101.91) and a letter would be sent to the owners.

Attorney's Comments –None

Office Assistant's Comments – Office Assistant Gappa stated that only one new account was set up. The LARE application is done and has been received by the state. There is a response in Director's folders regarding an e-mail that was received at the office. Office Assistant Gappa wanted the Board to know she tries to respond to all inquiries. She will be gone Jan. 26 & 27.

Comments from the Board – Vice Chairman Collura renewed the old e-mail name for another year as some people still use it. The new domain name is good until 2020.

Comments from the Audience – Audience member Rick Anderson complimented the BLCD on the good job its staff and Directors provide.

Director Blais made a motion to adjourn the meeting, Director Broadstreet seconded. Motion carried. The next meeting is at 6:00 p.m. on February 20, 2017 at the BLPOA building.