

Harrison County Regional Sewer District

July 15, 2022 Meeting Minutes

Meeting Date: July 15, 2022
8:30 am
Harrison County Community Foundation building
Corydon, IN 47112

In Attendance:

Tom Tucker	Board Member (President)
Gary Davis	Board Member (VP/Treasurer)
Charlie Crawford	Board Member
Bill Byrd	Board Member (Town of Milltown)
Tony Combs	Board Member (Secretary)
Darin Duncan, P.E.	Board Member
Terry Schmelz	Board Member (Town of Lanesville)
Aaron Tolliver	Aqua Utility Services
Chris Byrd	Board Attorney
Steve Tolliver	Aqua Utility Services (System Operator)
Bob Woosley, P.E.	Heritage Engineering

Absent:

Dan Lee, P.E.	Board Member
Scott Flickner	Board Member (Town of Corydon)*

Guests:

Jim Heitkemper	Harrison County Commissioner
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**Town voting member. (2022 vote will belong to the Town of Corydon)
(Order of voting: 2022-Corydon, 2023 – Milltown. 2024 - Lanesville)*

Action Items:

- 1. Town Vote:** Due to the absence of Scott Flickner the Town vote went to Bill Byrd (Town of Milltown).
- 2. June 17, 2022 HCRSD Board Meeting Minutes:** *Motion made by Charlie Crawford, second by Tony Combs, to approve the meeting minutes. Motion approved unanimously.*
- 3. Berkshire WWTP:**
 - a. WWTP Expansion Project:**
 - 1) Construction Plans Update:** Bob Woosley reported IDEM has returned their first round of comments on the plans. Plans are currently being revised and will be resubmitted by the end of the month.

- 2) **Rates:** Bob Woosley presented the updated rate analysis prepared by Bakertilly. Bakertilly incorporated the \$1.2M READI grant into the analysis. The total project budget of \$2.47M is comprised of the following (assuming SRF funding is utilized):

Total Estimated Construction Costs & Contingencies	\$2,223,000
Engineering	\$100,000
Contract Administration/Inspection	\$47,000
Costs of Issuance	<u>\$100,000</u>
	\$2,470,000

Two options were reviewed for the amount of funds to be borrowed:

	<u>Option I</u>	<u>Option II</u>
Proposed SRF Bonds	\$1,270,000	\$670,000
READ Grant	\$1,200,000	\$1,200,000
Proposed County Grant Funds	<u>\$0</u>	<u>\$600,000</u>
	\$2,470,000	\$2,470,000

Impact to Rates (current rate is \$75.86):

Current Customer Base (no new)	\$179.02 (136%)	\$141.87 (87%)
Current Customers with new added	\$149.47 (97%)	\$118.34 (56%)

Bakertilly has informed the Board that based on the new project priority list that SRF has nearly finalized, they have assumed that the project will not qualify for subsidized funds and instead will need to be funded through the SRF's pooled financing program. The fall pool of funds would require the District to secure bids and have all permits in hand by August 1st. The District will not be able to meet that date. Bakertilly said there may be a second fall pool that prices in October and would require bids and permits to be in hand by early September. **The Board instructed Bob Woosley to proceed with bidding the project with the bid opening to be held on August 19, 2022.** The IDEM construction permit should be in hand by the date of the bid opening.

The state average rate is close to \$75.00 per month. Board members discussed that increasing rates by a minimum of 56% is not acceptable. Grant dollars must be secured for this project to be completed. The Board discussed moving forward along the path of SRF funding but will pull the project if it is ultimately determined that subsidized funding is not available (based on Bakertilly's preliminary analysis they do not feel subsidized funds will be available). The Board instructed Bob to follow up with Bakertilly to determine if there would be any type of penalty for backing out of SRF funds at the last minute.

The Board requested Bob follow up with Bakertilly to get a comparison of all the user rates charged by the sewer providers in our region. This information will be used to show how high our current rates are in comparison to the region.

The Board requested Bob follow up with Bakertilly to determine if the \$250,000 loan secured from the County could be rolled into the SRF proceeds to allow the District to pay back the County without the need to utilize future tap fees.

3) Funding:

- i. **County Funding:** Bob Woosley and Tom Tucker went before the Commissioners on July 5, 2022 to request \$1.2M in funding for the project. Securing \$1.2M in funding would result in no impact to the rates. No action was taken by the Commissioners. They indicated they are investigating a possible source of funds but did not reveal the source. They will let us know when they want us to return to discuss our request again.
 - ii. **Harrison County Community Foundation Funding:** The Board instructed Bob Woosley to make a request to the HCCF to cover all engineering design and inspection costs for the project.
- 4) Letter to Interested Parties (no additional capacity available):** Given the uncertainty of moving forward with the project the Board instructed Bob Woosley to prepare a letter to be sent to all interested parties (Plan Commission, Elected Officials, Chamber of Commercial, Economic Development, etc.) that future capacity requests will not be granted at this time until a determination is made on expansion of the WWTP or if IDEM will allow the District to grant additional requests.

b. Operations Report (June):

- 1) Report:** Steve Tolliver presented the June operations report. All parameters were met for the month of June. Steve reported the effluent flow meter was replaced and is now back in service. *A motion was made by Bill Byrd, second by Darin Duncan, to accept the May operations report. Motion approved unanimously.*
- 2) WWTP Effluent Flow Meter:** Steve Tolliver reported he has reached out to the District's insurance agent to ask if a claim could be made for the replacement of the flow meter. He has not yet heard back from the agent.
- 3) Midge Flies:** Steve reported the plant had to be treated for midge flies. The chemical needed to treat for this issue is very expensive. Steve stated he had to order the minimum size of 30 ounces but only used 10 ounces in the treatment. The remainder of the chemical can be stored for future use if needed.
- 4) Influent Bar Screen:** Steve reported his staff rebuilt the bar screen at the WWTP to capture more debris.

4. Treasurers Report:

- a. **Treasurers Report:** Gary Davis presented the Treasurer’s Report. *Motion was made by Darin Duncan, second by Charlie Crawford, to approve the Treasurers Report. Motion approved unanimously.*
- b. *Motion made by Gary Davis, second by Bill Byrd, to pay the following claims. Motion approved unanimously.*

District Checking Account:

i. Harrison REMC-WWTP electric service	\$1,321.51
ii. Duke Energy – lift station electric service	\$42.86
iii. Town of Corydon – June sewer bills	\$12,690.65
iv. Lanesville Utilities – June sewer bills	\$598.00
v. Aqua Utility Services – WWTP Op., LS Maint., Misc. Maint.	\$7,210.19
vi. Georgetown Municipal Utilities – sludge treatment	\$250.00
vii. IN Underground Plant Protection – 2 nd Quarter 2022	\$76.95
viii. Heritage Eng. – Retainer/web site/NS Support	\$2,247.00
ix. Heritage Eng. – WWTP Design	\$37,561.65*
x. Infinity Homes – sewer deposit refunds	\$300.00
xi. Steve Thieneman Builders – sewer deposit refunds	\$150.00
xii. Harrison County Treasurer – loan payment	\$4,150.00

*Funds must be transferred from Saving Account to cover this item.

5. Lanesville Interchange Service Area:

- a. **Amazon Facility:** The Amazon facility has installed a 4” meter. The District rate ordinance (which follows the Town of Lanesville’s ordinance) only goes up to a 3” meter. The Town of Lanesville needs to adopt a 4” meter base rate. Terry Schmelz will follow up on this item to get this addressed immediately. Amazon is now connect to the sewer system and will need to be billed with the June billings.
- b. **Lanesville WWTP Expansion Project (Preliminary Engineering Report):** The Board instructed Bob Woosley to follow up with the Town to get a status report.

Next Meeting:

Regular Board Meeting: **August 19, 2022 at 8:30 am** at the Harrison County Community Foundation.

Minutes prepared by: Heritage Engineering.

End of Minutes

Approved by:

Tom Tucker, President

Charlie Crawford

Gary Davis, V.P./Treasurer

Dan Lee, P.E.

Tony Combs, Secretary

Darin Duncan, P.E.

Town Representative