

# Harrison County Regional Sewer District

November 16, 2011

## Meeting Minutes

Meeting Date: November 16, 2011  
9:00 am  
Harrison County Community Foundation  
Corydon, IN 47112

In Attendance:

Tom Tucker	Board Member (President)
Darin Duncan	Board Member (Secretary)
J.R. Eckart	Board Member
Bill Byrd	Board Member (Town of Milltown)*
Gary Davis	Board Member (VP/Treasurer)
Rusty Sizemore	Board Member (Town of Lanesville)
Dan Lee	Board Member
Chris Byrd	Board Attorney
Bob Woosley	Heritage Engineering (District's Engineer)
Steve Tolliver	Aqua Utility Services (Berkshire WWTP Operator)
Rob Huckaby	Stantec

Absent:

Fred Cammack	Board Member (Town of Corydon)
Tony Combs	Board Member

Guests:

Jill Saegesser	River Hills Development
Scott Miller	Umbaugh
Christina Horan	Umbaugh
Darrell Voelker	Economic Development Corporation

\* *Town Voting Member*

Action Items:

- 1. October 19, 2011 HCRSD Board Meeting Minutes:** *Motion made by Bill Byrd, seconded by Darin Duncan to approve the minutes. Motion passed unanimously.*
- 2. New Salisbury EDA Grant Update:**
  - a. Grant Administration Contract:** Jill Saegesser presented the grant administration contract to the Board for approval. Total contract amount is \$53,125. *Motion made by Bill Byrd, seconded by JR Eckart to sign the grant administration contract with River Hills Development. Motion passed unanimously.*
  - b. Engineering Design Services for WWTP Design:** Jill advised that the advertisement for services was placed and ran in the November 9<sup>th</sup> edition of the Corydon Democrat. Due date for submittals is November 30, 2011.

Submittals are to be delivered to her office. She will then transmit copies to the sub-committee for review. District plans to make a selection at their December 21<sup>st</sup> meeting.

**c. Easement Acquisition:** Chris Byrd advised that he is nearing completion of all title searches. Chris will work with Bob Woosley to begin contacting property owners for acquisition of easements. The Board would like to first try to secure easements via donations with no cost. Any costs incurred for acquiring easements will be passed along into the rates established. The goal is to keep rates down, therefore if there is not a cost for acquisition of the easements the lower the rates. Market estimates will be utilized to determine a value for the easements in the event a purchase is required. Prior to sending any documentation to the property owner's a draft will be forwarded to all Board members for review and comment.

**d. Funding Options/Review:** Scott Miller and Christina Horan provided an overview to the District on various funding options available for financing the District's portion of any potential funding shortages. The District is responsible for making up any shortfalls in funding outside of the current funds on hand (via grants, County funds, etc.). The options available to the District include: Grant from County, Loan from County, or Bond financing. Scott and Christina discussed in detail the implications to the rates for each option.

i. Bonding: Utilizing the option for issuance of a Bond is the most costly and has a direct impact on increasing the rates. A bond attorney will be necessary to perform the required legal steps involved. Processing of a bond takes a considerable amount of time and expense. There are restrictions placed on bonds that do not allow for early payment of the principal. Depending upon the amount of bonding necessary rates could potentially be more than doubled as compared to rates set utilizing grant funding.

ii. County Loan: A loan from the County must still go thru the same process as Bond financing. However, the costs for securing the loan will be slightly reduced from that of a Bond. This type of financing will have similar impacts as Bond financing on increasing the rates. Utilizing this option could potentially double the rates.

iii. Preliminary rates established based on a typical residential customer utilizing 4,000 gal/month (assuming an additional \$258,000 in grant funding is secured):

<u>Type of Funds</u>	<u>Monthly Rate</u>
Grant Funds Secured	\$45
County Loan	\$91
Bond Funds Required	\$104

iv. **Existing County Matching Funds (\$670k):** The EDA Grant is a reimbursable type grant. The District must expend the funds then request reimbursement from EDA. It is anticipated to take

approximately 8 weeks to receive reimbursement. Gary Davis, Jill Saegesser, and Bob Woosley will meet to develop a cash flow projection for the project. It would be preferred to secure the full \$670,000 County funding and place it into a separate account to allow the District to pay the project costs from these funds thru the duration of the project. The cash flow projection will be used to determine if this is feasible.

3. **HCCF Stormwater Grant Presentation to Commissioners.** Rob Huckaby advised the Board that he would like to be placed on the Commissioner's agenda to approach them again about funding this project. It was tabled by the Commissioner's at their October 17, 2011 meeting due to the question of who would provide the annual maintenance on the facility at Lanesville's campus. All agreed that the District would take full responsibility for the cost of maintenance of the facility. The cost of this maintenance is estimated to not exceed \$1,000 annually. *A motion was made by Darin Duncan, seconded by Bill Byrd to commit the District to all required maintenance of the Lanesville campus facility. Motion passed unanimously.*

The District instructed Rob to contact the Auditor's Office and be placed on the December 5, 2011 Commissioner's Agenda.

4. **Berkshire WWTP Operations Report.**

- a. Steve Tolliver reviewed the October operations report. Plant is in compliance for the month. No issues reported. *A motion was made by Gary Davis, seconded by Dan Lee to approve the report. Motion passed unanimously.*
- b. Steve advised the Board that IDEM has accepted the renewal application for the plant's discharge permit. It is currently being advertised in the local paper prior to formal approval. This will be a five (5) year approval. Steve noted that when the expansion of the WWTP is designed it will be necessary to modify and secure approval of a revised permit.
- c. In an effort to reduce the amount of paper waste, Board members requested that Steve no longer provide full reports to all members. In the future four (4) copies of the report will be provided (Two file copies, Gary Davis – for tracking of payments/services rendered, Engineer copy).
- d. **Operations Contract:** Aqua Utility Service's operations contract expires at the end of 2011. The current contract is for a one (1) year term and requires annual renewals. Steve Tolliver has requested that this be changed to a five (5) year contract. Steve stated that the District has the ability to cancel the contract with a thirty (30) day notification at any time without a penalty. *A motion was made by Bill Byrd, seconded by JR Eckart to extend the contract period to five (5) years. Motion passed unanimously.*

Steve will draft a new agreement and submit to Chris Byrd for review prior to the next meeting.

**5. Treasurer's Report:**

- a. *A motion was made by Gary Davis, seconded by JR Eckart, to approve the following invoices. Motion passed unanimously.*

Corydon Democrat – Engineering RFQ Advertisement	\$59.26
Town of Corydon – Oct sewer charges	\$4,394.54
Aqua Utility Services – Oct WWTP operating contract	\$2,281.40
Aqua Utility Services – Sludge hauling/dialer/SC	\$1,729.77
Harrison County REMC – Power charges	\$850.07
Heritage Eng. – Final Invoice for 100% Plans	\$3,200.00

- b. *A motion was made by Gary Davis, seconded by Darin Duncan to approve Heritage Engineering's invoice in the amount of \$3,076.00. This amount will be charged to the District's Operating Budget. Motion passed unanimously.*
- c. *A motion was made by Darin Duncan, seconded by Gary Davis to approve Dillman, Chastain and Byrd's invoice in the amount of \$501.96. This amount will be charged to the District's Operating Budget. Motion passed unanimously.*
- d. *A motion was made by Gary Davis, seconded by Darin Duncan to approved Heritage Engineering's invoice in the amount of \$862.50. This amount will be charged to the District's Project's Budget. Motion passed unanimously.*
- e. *A motion was made by Dan Lee, seconded by Bill Byrd to approve the October Treasurer's report. Motion passed unanimously.*
- f. **Funding Encumbrance:** It was discussed that all funds remaining in the Operating and Project's Budget Accounts must be encumbered by the end of the year. Bob Woosley and Chris Byrd will work together to develop contracts to secure the remaining funds. This will be presented at the next District meeting.

Next Meeting:

Board Meeting: **Wed. December 21, 2011 at 8:30 am @** Harrison County Community Foundation Building.

Minutes prepared by: Heritage Engineering

**End of Minutes**

Approved By:

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Tom Tucker, President

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Tony Combs

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Darin Duncan, Secretary

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Daniel Lee

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Gary Davis, V.P./Treasurer

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JR Eckart

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Towns - Milltown (Bill Byrd)