

**MINUTES OF REGULAR MEETING OF BOARD OF DIRECTORS
OF KOONTZ LAKE REGIONAL SEWER DISTRICT
September 18, 2007**

A regular meeting of the Board of Directors of the Koontz Lake Regional Sewer District was held at 6:30 p.m., local central time, at the KLA Clubhouse, 10879 Cherokee Road, Walkerton, Indiana 46574. The meeting was called to order by Paul Warnke and present at said meeting were Board members Paul Warnke, Tom Camire, Louise Buza, and Robert Aloï. Also present were three members of the public at large, including Denny Bealor, Michelle Bealor, and Donald O'Barski. Absent were Board members Michael McKenna and James Buza. Also present was Rochelle Owens, State Director of Indiana Rural Community Assistance Program, and Attorney Ronald Gifford, who took the minutes of the meeting.

Mr. Warnke asked for any questions or issues regarding the adoption of the agenda as previously published, and there being no changes to the same, upon motion by Mr. Aloï, seconded by Mr. Camire, the Board unanimously approved the agenda for the meeting.

Mr. Camire made a motion to approve the minutes of the regular meetings of July 31 and August 21 without the necessity to read the same aloud, which motion was seconded by Mrs. Buza and the motion was approved unanimously by the Board.

Mr. Camire made a motion to approve the Executive session memorandums of August 14 and August 21 without reading the same aloud, which motion was seconded by Mr. Aloï and the Board unanimously approved the memorandums of those meetings.

Mr. Aloï gave a report on negotiations with the engineer stating that he and Mr. Warnke had met with the engineer and had gone over a standard form of agreement, a copy of which he presented to the attorney for the District. He made note that by agreement with the engineer, Exhibit "B" would be deleted and that the fees are not to exceed \$50,000 based on Rural Development requirements, but with actual engineering fees of approximately \$30,000 to \$35,000 with the balance being due to archeological and historical studies that need to be done as a part of the process. Mr. Aloï asked Mr. Gifford to look specifically at the invoicing provisions and insurance issues among other parts of the proposed contract. Thereafter, upon motion by Mr. Aloï, seconded by Mr. Camire, the

Board voted unanimously to conditionally approve entering into the PER contract with Wightman-Petrie subject to approval by the attorney for the District after his review of the same.

Mr. Aloi also made a motion to remove the attorney from the engineering committee that had previously been established leaving the committee members to be Mr. Camire, Mr. Aloi, and Mr. McKenna. He stated that he felt like the attorney would be involved in the process anyway and did not need to be a member of the committee. The motion was seconded by Mrs. Buza, and upon vote of the Board, all Board members voted in favor of the motion.

Mr. Aloi also addressed the mailing address issue stating that both he and Mrs. Buza had tried to take a lead in resolving Starke County records, but due to their busy schedules they had not gotten very far with that process. Mr. Warnke agreed to take over that process for now to see what headway he could make before the next meeting of the Board.

Mr. Warnke announced that interviews had been done with three rate consultant firms and the same had been rated pursuant to an agreed upon format, and that the firm that had received the most support from the Board was Umbaugh located in both Plymouth and Indianapolis. Thereafter, upon motion by Mr. Aloi, seconded by Mr. Camire, the Board unanimously agreed to select Umbaugh as the rate consultant and asked Mr. Aloi to send out notices to both the successful and unsuccessful firms that had interviewed and also ask Umbaugh for a proposed contract to begin review of the same.

Mr. Warnke brought up the issue of an extension of time in order to prepare the required District Plan, and Ms. Owen indicated that she would prepare a draft of an extension request letter for Mr. Warnke's signature. Thereafter, upon motion by Mr. Aloi, seconded by Mrs. Buza, the Board unanimously agreed to ask for an extension of time to present the District Plan.

In the category of other items, Ms. Owen noted that the annual conference is on October 29th and all are welcome to attend, but pre-registration is required.

Mr. Warnke suggested doing a progress report to the various appointing bodies in both counties as to what had taken place since they had made appointments to the Board,

and the Board appeared to be in support of that suggestion with the same to be made no sooner than after the November elections.

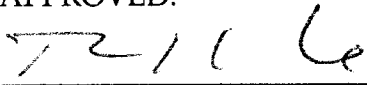
Ms. Owen suggested asking Community Foundations for financial support and indicated that she would do some preliminary investigation in both counties to see if that would be a viable opportunity for funding.

Ms. Owen also suggested to the public present that it would be good to establish a file of areas of problems as well as successes around the Lake so that in case any grant funds would ever be asked for, the type of support letters and documentation would already be in place.

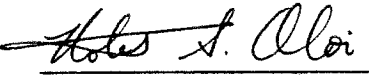
Mr. O'Barski questioned what happened to the previous reports that were prepared, and he was told that an engineer did a PER three to five years ago on his own and that those numbers that were utilized in that report are no longer valid.

Thereafter, upon a motion by Mr. Aloï, seconded by Mr. Camire and unanimously approved by the Board, the meeting adjourned at approximately 7:15 p.m. local central time.

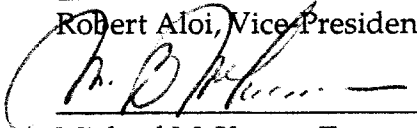
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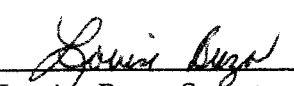
Paul Warnke, President



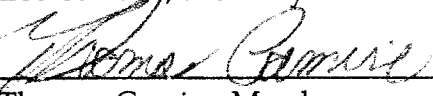
Robert Aloï, Vice President



Michael McKenna, Treasurer

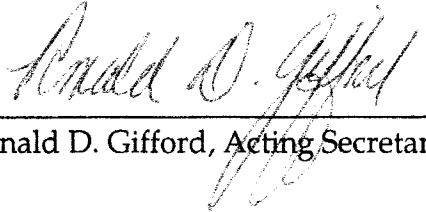


Louise Buza, Secretary



Thomas Camire, Member

James Buza, Member



Ronald D. Gifford, Acting Secretary