

KOONTZ LAKE REGIONAL SEWER DISTRICT

P.O. Box 204
Walkerton, IN 46574

MINUTES FOR THE SPECIAL MEETING AND PUBLIC HEARING OF THE PROPOSED RATE INCREASE FOR THE KOONTZ LAKE REGIONAL SEWER DISTRICT

August 16th, 2022

The August 16th, 2022 Special Meeting and Public Hearing of the Proposed Rate Increase for the Koontz Lake Sewer District was held at approximately 5:30 p.m., local Central time, at the KLRSD Administrative Building, 10625 East Prairie Avenue, Walkerton, IN 46574. The meeting was called to order by Jeff Jarnecke. Other Board Members present included: Kristy Wilsey, Ron Armstead, Paul Warnke, Jerry Weber and Heather Harty. Mike McKenna attended the meeting via teleconference. Also present were: Shelley Bell, James Clevenger, Bryan Cecrle, Valerie Teslow, Bob Walter, Joan Schneck, Madgie Whickar, and Dan Ecker.

At approximately 5:30 p.m., Jeff Jarnecke opened the meeting with a roll call of Board Members.

Mr. Jarnecke then explained the agenda for tonight's meeting and Rules of Order.

Mr. Jarnecke told the public that Mr. James Clevenger, the Board's legal counsel, was attending.

Next, handouts were passed out to all attending with highlights of the Proposed Rate Adjustment Presentation.

Mr. Jarnecke pointed out that the District was formed in 2009 and that Board members are from both Marshall and Starke counties. He noted how the Board has been able to keep the rate flat and provide service in a safe and efficient member for the Koontz Lake community.

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Mr. Jarnecke informed those attending the rate increase was noted to be required as a result of a study by JPR (Jones Petrie Rafinski) of the existing system. The study included looking at what problems we have been having and planning for the future. The modest rate increase will allow the District to gradually phase in new improvements and to grow revenue slowly. He noted that 53% of the original grinders are still operating even though the average life span is usually 8 – 10 years. He said Astbury is able to repair most grinders at a reasonable cost, as needed.

Mr. Jarnecke said it is still the goal of the Board to keep the rate as level as possible for several years, but they cannot commit to this because of possible unexpected expenses and needs in the future.

Next, Mr. Jarnecke opened the meeting to public comment.

Ms. Joan Schneck said she has lived in this community for 88 years. She thanked the Board Members for all their work in providing a valuable service, and also maintaining the lawn, the treasurer's work, and keeping expenses as low as possible.

Ms. Madgie Whickcar said she has lived here all her life and although she is not on the sewer, she has four rentals that are. She voiced her concern for the people who are on very limited incomes, feeling that the sewers hurt those people when they were first brought in, and how a rate increase will affect them.

She mentioned that she objects to any price increase and feels the sewers were mainly brought in to benefit the people on the lake. She again voiced her concern for those who had lesser incomes or fixed incomes.

Mr. Armstead told her that the Board did not want to see a large increase and has done what it could to hold off on making any rate increases as long as possible.

Ms. Valerie Teslow asked about meters being put in for businesses. Mr. Warnke told the group that this is being addressed. He said that approximately the first of August, meters were put in to establish what usage of businesses is compared to that of average households. By December 31st, 2022, he hopes to have a better idea what that difference is. For businesses, this would mean their current rate would increase by a percentage of all others until the Board has a better idea of actual usage.

Mr. Bryan Cecrle told the Board he appreciates the work they've done and continue to do. He asked how the projected plan corresponds to JPR's original plan. He also asked if Swan Lake's rate will be increased.

Mr. Warnke informed everyone that the District is operating at a less than originally projected capacity. Swan Lake comprises approximately 24% of the flow. The arrangement with Swan Lake requires an annual review and adjustment of rates. Their accounts are reviewed every January and in the four years they have been part of the Sewer District, their rates have always gone up.

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Mr. Jarnecke added that Swan Lake's rates are volume based. Swan Lake is also important to help keep increased flow in the winter because it would require more maintenance otherwise.

Mr. Dan Ecker asked if the District had looked into refinancing its loan to save money. Mr. McKenna told the group that the Board had investigated refinancing through the State Revolving Fund, but would need to put up \$700,000 up front to reduce the amount AND go less years out on a loan. He told those in attendance that the District would not have the money to do repairs if they did this, and the decision was to not refinance at this point.

There being no further questions, comments, or concerns, the Public portion of the meeting was adjourned, with Mr. Jarnecke inviting all who attended to stay for the Regular Board Meeting if they would like.

Mr. Warnke made the motion to adjourn the Special Meeting, Mr. Weber seconded, and upon vote, the Board unanimously approved.

MINUTES OF REGULAR MEETING OF BOARD OF TRUSTEES OF
KOONTZ LAKE REGIONAL SEWER DISTRICT

July 19th, 2022

The July 19th, 2022 Regular meeting of the Board of Trustees of the Koontz Lake Regional Sewer District was held at approximately 6:05 p.m., local central time, at the KLRSD Administrative Building, 10625 East Prairie Avenue, Walkerton, Indiana 46574. The meeting was called to order by Jeff Jarnecke.

Mr. Jarnecke recommended amending the Agenda to start with the Swearing in Ceremony of Heather Harty. Mr. Warnke made the motion to amend the agenda as recommended, Mr. Armstead seconded and upon vote, the Board unanimously approved.

Ms. Wilsey led Ms. Harty in the swearing in ceremony and welcomed Ms. Harty to the Board.

Next, Mr. Jarnecke asked if there were any additions or corrections to the July 19th, 2022 Board Meeting Minutes. There being no additions or corrections, Mr. Warnke made the motion to approve the Minutes as presented, Mr. Armstead seconded, and upon vote, the Board unanimously approved.

Next, the Treasurer's Report was present by Mr. McKenna.

Treasurer's Report on next page:

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KOONTZ LAKE REGIONAL SEWER DISTRICT

CASH

1 st Source Bank Checking Account		
Balance as of June 30, 2022:		\$353,653.58
Checks, withdrawals, debits		-\$11,418.94
Service charges		-\$29.43
Deposits and credits		\$61,838.88
Interest earned		\$31.41
Statement balance as of July 31, 2022:		\$404,075.50
Checks written but not cleared		-\$295.96
Available balance in checking:		<u>\$403,779.54</u>
Certificates of Deposit:		<u>\$1,011,808.01</u>
Total funds		<u>\$1,415,587.55</u>

RECEIVABLES

Reported by JPR as of 8/12/2022 \$116,104.27 (see Note 1)

CLAIMS

The following invoices and claims are presented:

NIPSCO	CWP gas	\$57.97	*1
NIPSCO	CWP electric	\$4,822.49	*1
NIPSCO	OB gas & electric	\$138.63	*1
NIPSCO	CS grinder electric	\$1,488.53	*1
Republic Svcs	sludge hauling	\$0.00	*1
CenturyLink	Phone Svc	\$210.27	*1
Marshall County REMC	SLR electric	\$344.00	*1
USDA	loan payment	\$123,575.00	*1
Astbury Water Tech	Operator services	\$11,245.87	*3
Jones Petrie	billing services	\$3,750.00	*4
Jones Petrie	billing reimbursables	\$1,427.44	*4
Jones Petrie	locate services	\$6,138.75	*4
Jones Petrie	engineering	\$987.50	*4
Jones Petrie	inspection services	\$0.00	*4
Jones Petrie	reimbursables	\$0.00	
Personnel Partners	staffing services	\$669.75	
Cincinnati Insuranc	Liability/Property insurance	\$8,472.00	
Immense Impact	website services	\$453.75	
Jessie Markin	cleaning service	\$67.90	
	Total claims	<u>\$163,849.85</u>	

*** Footnotes to Claims:**

- *1 Preapproved for automatic payment.
- *2 Debit Card
- *3 Contract services plus SLR services, numerous service calls and repairs.
- *4 Contract services.

Note 1: Receivable aging:	Current	\$40,099.55	
	30 days	\$5,178.74	
	60 days	\$4,186.30	
	90+	\$30,294.09	
	Lien	\$36,345.59	5.7% (percent of annual revenue)
	Total	\$116,104.27	

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Note 2: The Treasurer recommends approval to pay all claims listed above.

Mr. Jarnecke voiced concern that it looked like we barely had enough funds to meet the bills for the month. Mr. McKenna told the Board that year-by-year we are able to see things clearer and plan ahead.

There being no further discussion of the Treasurer's Report, The motion to approve all claims as presented was made by Mr. Warnke, Mr. Weber seconded, and upon vote, the Board unanimously approved.

The Board discussed how some of the members were receiving emails sent to the "BOARD" email address while others did not receive those emails. Ms. Wilsey and Mr. McKenna will look into resolving this issue.

Under Old Business, Mr. Jarnecke said he felt the Public had great comments and questions regarding the Rate Ordinance. He asked the Board if they should take action tonight or if they felt we should wait. Mr. Warnke made the motion to table the matter until next month, Mr. Weber seconded, and upon vote, the Board unanimously approved.

Mr. Jarnecke said at the next meeting, he would like to look at rate calculations and upcoming needs.

There was no New Business.

Mr. Jarnecke thanked the Board and told them they have been terrific stewards of resource usage for the District.

Mr. Armstrong asked if anything had been heard from Tyner about possibly joining our District. Mr. Warnke said he heard they don't want anything to do with it at this point.

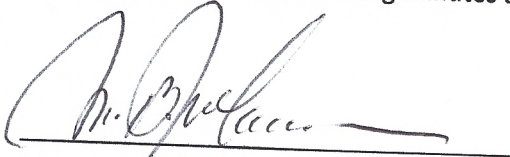
Mr. McKenna complimented Mr. Jarnecke with a great presentation and doing a great job.

There being no further business to come before the Board, Mr. Warnke motioned for the meeting to be adjourned, Mr. Weber seconded, and the August 16th, 2022 Regular Meeting of the Koontz Lake Regional Sewer District Board of Trustees was adjourned at approximately 6:23 p.m. local Central Time.

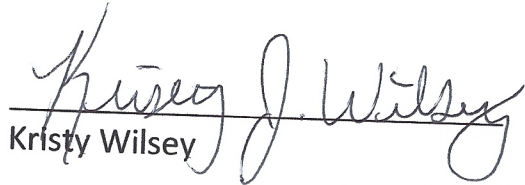
Respectfully submitted by Shelley K. Bell, KLRSD Bookkeeper.

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August 16th, 2022 Special Meeting and Public Hearing of the Proposed Rate Increase for the Koontz Lake Sewer D Regular Board Meeting Minutes approved by:



Michael McKenna



Kristy Wilsey



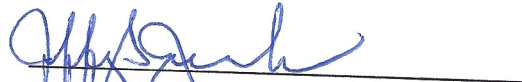
Gerald Weber



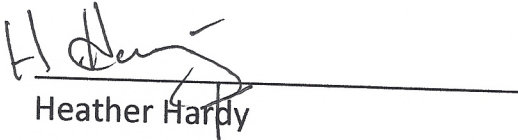
Paul Warnke



Ronald Armstead



Jeff Jarnecke



Heather Hardy

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