LAGRANGE COUNTY REGIONAL UTILITY DISTRICT
BOARD MEETING MINUTES
FEBRUARY 20, 2020

The LaGrange County Regional Utility District Board met in Regular Session on **Thursday**, **February 20, 2020** at 4:00 P.M., at 116 E Wayne Street, LaGrange, IN 46761.

MEETING ATTENDANCE:

BOARD MEMBERS:

ROLL CALL	Phil Malone, Vice President
	Kathy Wonderly, Secretary/Treasurer
	Gerry Turner, President
	Cletus Schenkel Jr.
	Denny Davis

EX-OFFICIO MEMBERS:

ROLL CALL	
ABSEMT	Terry Martin, County Commissioner

GENERAL MANAGER: Adam Sams
DISTRICT ADMINISTRATOR: Jeanette Combs

ADVISORS:	Steve Henschen, Jones Petrie Rafinski
	Andrew Boxberger, Carson LLP
	Jeff Rowe, Baker Tilly

The meeting was called to order by Gerry Turner at 4:00 P.M.

Roll Call was taken by Jeanette Combs.

Motion was made by Denny Davis to approve the agenda as amended.

- Insert Amended Carson LLP Services Agreement as Item 9J

Motion was seconded by Kathy Wonderly. Motion carried unanimously.

Motion was made by Clete Schenkel to propose a slate of officers as follows:
Gerry Turner – President
Phil Malone – Vice President
Kathy Wonderly – Secretary Treasurer
Motion was seconded by Phil Malone. Motion carried unanimously.

Motion was made by Clete Schenkel to approve the January 16, 2020 Regular Session Minutes. Motion was seconded by Kathy Wonderly. Motion carried unanimously.

Kathy Wonderly presented the January 2020 Treasurer's report.

Motion was made by Denny Davis to approve the January 2020 Treasurer's report. Motion was seconded by Gerry Turner. Motion carried unanimously.

The claims docket and journal entries dated 12/20/2019 thru 1/16/2020 was presented to the Board for approval.

- REGISTER OF CLAIMS dated February 20, 2020
  $320,125.17
- JOURNAL ENTRIES dated February 20, 2020
  $610,133.99

Motion was made by Denny Davis to approve the Register of Claims and Journal Entries dated 1/17/2020 thru 2/20/2020. Motion was seconded by Clete Schenkel. Motion carried unanimously.

Adam Sams presented the General Manager's Report.

Motion was made by Denny Davis to approve the General Manager's. Motion was seconded by Kathy Wonderly. Motion carried unanimously.

The meeting was opened for public comments on non-public hearing issues and items not on the agenda. There were none.

Adam Sams presented a request on behalf of Richard and Marilyn Schaeffer to stop billing and credit the account 200 02261 00 for service address 7165 E 650 S Wolcottville. An inspection of the grinder connection was completed and passed. At that time the staff, as normal procedure, started billing the account. At Richard Schaeffer's request Adam has inspected the property which is under construction. Although the owner has already connected his grinder station, it is not yet considered a sewage producing structure. Adam stated that there are no toilets or sinks installed. There has been no occupancy permit obtained.

Motion was made by Denny Davis to credit the account by the amount that it has been billed and cease billing until the property becomes a sewage producing structure. Motion was seconded by Kathy Wonderly. Motion carried unanimously.

Adam Sams asked the Board to approve the purchase of an Aero-mod Control Panel costing $49,460.00 and to have Service Electric to install the panel costing $13,496.00.

Motion was made by Clete Schenkel to approve the purchase of the Aero-mod Control Panel in the amount of $49,460 and to have Service Electric install the panel costing $13,496.00. Motion was seconded by Phil Malone. Motion carried unanimously.

Jeff Rowe gave an update on refunding of the 2012 and 2014 Revenue Bonds that include Regions B, F, and Shipshewana. Jeff stated that there has been some favorable movement in interest rates that could offer the District some potential savings. The Board has previously passed a bond ordinance allowing for this refunding. Jeff also presented a Baker Tilly services agreement for $75,000 for refunding services.

Motion was made by Clete Schenkel to approve the Baker Tilly Services agreement for $75,000. Motion was seconded by Phil Malone. Motion carried unanimously.

Motion was made by Gerry Turner that Baker Tilly cannot move forward with the refunding without the Board of Trustees having a Special Session. Motion was seconded by Phil Malone. Motion carried unanimously.

Steve Henschen gave an update on the Region B and F Project.

Motion was made by Denny Davis to authorize the General Manager to execute Construction Contracts and to authorize the General Manager to issue the Notice to Proceed. Motion was seconded by Kathy Wonderly. Motion passed unanimously.

Jeff Rowe presented an amended Baker Tilly services agreement for the B and F project. The original agreement was for $75,000. Baker Tilly had previously requested to amend the agreement up to $110,000. The Board of Trustees asked Jeff to reconsider. The agreement presented at this meeting is for $90,000.

Motion was made by Denny Davis to approve the amended Baker Tilly agreement for $90,000 for the B and F project. Motion was seconded by Kathy Wonderly. Motion carried unanimously.

Steve Henschen gave an update on the Region C Wastewater Project Phase 1.

Discussion was held regarding Niblock and some missing conduit that they failed to include with the electrical wiring north of Howe. Niblock has offered a deduct but it was well below what Adam felt was reasonable. Steve and Adam are of the opinion that Niblock needs to just go back and correct the problem per the plans and specs. Adam stated that he is meeting with Niblock on the 21st.

Motion was made by Clete Schenkel to approve Contract A Change Order 5 adding $16,727 and approving extending final completion time to May 15, 2020. Motion was seconded by Phil Malone. Motion carried unanimously.

Steve Henschen presented a Contract A Pay Application for Selge in the amount of $130,278.25.

Motion was made by Clete Schenkel to approve the Contract A Pay Application for Selge in the amount of $130,278.25. Motion was seconded by Phil Malone. Motion carried unanimously.

Steve Henschen presented a Contract A Pay Application for Selge for partial retainage in the amount of $110,522.11.

Motion was made by Clete Schenkel to approve the Contract A Pay Application for Selge in the amount of $110,522.11. Motion was seconded by Phil Malone. Motion carried unanimously.

Steve Henschen presented a Contract B Pay Application for Niblock in the amount of $648,956.84.

Motion was made by Clete Schenkel to approve the Contract B Pay Application for Niblock in the amount of $648,956.84. Motion was seconded by Phil Malone. Motion carried unanimously.

Adam Sams asked the board that if Niblock were to ask to not charge liquidated damages on weekends would the board consider it. The general consensus was no, this is a separate issue.

Steve Henschen discussed an amendment to the JPR services agreement for Region C for RPR (inspection) Services seeing that the project has went beyond the expected completion date.

Motion was made by Clete Schenkel to approve an amendment to the JPR service agreement for Region C with an additional not to exceed amount of $28,600 billed on a time and material basis. Motion was seconded by Denny Davis. Motion carried unanimously.

Steve Henschen gave a brief update on the Fawn River Crossing Water Line Extension Project.

Steve Henschen presented Pay App 4 for Cornerstone Stewards for the water project in the amount of $68,966.76.

Motion was made by Denny Davis to approve Pay App 4 for Cornerstone Stewards in the amount of $68,966.76. Motion was seconded by Kathy Wonderly. Motion carried unanimously.

Jeanette Combs presented the following invoices for approval to be disbursed from SRF for the Region B&F Project:

- Jones Petrie Rafinski $12,718.56

Motion was made by Clete Schenkel to approve the previously named claim to be disbursed from SRF for the Region B&F funds. Motion was seconded by Denny Davis. Motion carried unanimously.

Jeanette Combs presented the following invoices for approval to be disbursed from SRF for the Region B&F Project:

- Carson LLP $8032.50

Motion was made by Denny Davis to approve the previously named claim to be disbursed from SRF for the Region B&F funds. Motion was seconded by Clete Schenkel. Motion carried unanimously.

Jeanette Combs presented the following invoices for approval to submit to SRF for Disbursement from the Region C Wastewater Project Phase 1 Funds:

- Jones Petrie Rafinski $6,545

Motion was made by Clete Schenkel to approve the previously named claim to be submitted to SRF for Disbursement from the Region C Wastewater Project Phase 1 Funds. Motion was seconded by Phil Malone. Motion carried unanimously.

Jeanette Combs presented the following invoices for approval to submit to LaGrange County for Disbursement from the LaGrange County Grant Funds for Region C Phase 2:

- Carson LLP $225

Motion was made by Clete Schenkel to approve the previously named claim to be submitted to LaGrange County for Disbursement from the Region C Wastewater Project Phase 2 Grant Funds. Motion was seconded by Phil Malone. Motion carried unanimously.

Adam Sams presented quotes/proposals for IT Management and Cyber Security. Adam stated that he and Jeanette have met with several providers. Adam stated that his final recommendation would be Aptica out of Angola.

Motion was made by Clete Schenkel to approve to approve the Aptica service agreement for the District's IT Management and Cyber Security pending Andy Boxberger's review, and authorize Adams Sams to sign the agreement. Motion was seconded by Denny Davis. Motion carried unanimously.

Andy Boxberger presented and discussed a Resolution 2020-02-20 authorizing a petition to amend the District's formation order to modify the required level of fidelity bond coverage.

Motion was made by Denny Davis to approve Resolution 2020-02-20. Motion was seconded by Phil Malone. Motion carried unanimously.

Andy Boxberger presented a Carson LLP service agreement amending their hourly rate from $225 up to $240 per hour.

Motion was made by Denny Davis to approve the legal service agreement with Carson LLP hourly rate of $240 per hour. Motion was seconded by Kathy Wonderly. Motion carried unanimously.

Jeanette Combs presented the January 2020 Adjustments in the amount of $606.74 and Other Charges in the amount of $140.00.

Motion was made by Kathy Wonderly to approve the January 2020 Adjustments and Other Charges. Motion was seconded by Denny Davis. Motion carried unanimously.

The meeting was opened up to Board Member Comments.

Andrew Boxberger addressed the board informing them that Adam was approached by an attorney for a non-profit organization who is interested in developing the block on which the District Office is located. Andy stated that normally you would have to have two appraisals, publish it, etc. but this would be exempt from that because the purchaser would be a non-profit organization. The District would be free to negotiate the price should the District be interested in selling. After discussion the consensus was that the District would consider offers, however it is not likely that the Board would consider and offer made at the appraised value.

Denny Davis commented on how impressed he was with the State Board of Accounts Audit Report.

Gerry Turner stated that one of the recommendations made at the exit conference was to consider changing our accounting from double entry to single entry – cash basis. This was the opinion of the individual auditors, not the State Board of Accounts. Gerry said that at some point in time this needs to be discussed in a meeting. Clete Schenkel stated that he supports this type of accounting.

Motion was made by Clete Schenkel to adjourn at 6:32 pm. Motion was seconded by Kathy Wonderly. Motion was carried unanimously.

Respectfully Submitted,

Jeanette Combs
Recording Secretary