

**SANITARY/WATERWORKS DISTRICT MEETING**  
ST. JOHN MUNICIPAL BUILDING MAIN MEETING ROOM  
10955 WEST 93<sup>RD</sup> AVENUE, ST. JOHN, INDIANA  
December 15, 2008 - 6:00 P.M.

Mr. Myers called the meeting to order at 6:00 P.M. and led the Pledge of Allegiance. Roll call was taken with the following members present: Robert Myers, President; Alex Monanteras, Vice-President (arrived at 6:16 P.M.); Kenneth Gembala, Member; Michael Hanlon, Member; Patricia Sims-Smierciak, Member; Pete Faberbock, Robinson Engineering; Bob Pharazyn, Director of Operations; Randy Wyllie, Attorney and Sherry Sury, Clerk-Treasurer. Absent was Town Council Liaison, Jerri Teibel.

**Approval of the minutes – Regular Meeting of November 17, 2008 – Mr. Hanlon motioned to approve the regular meeting minutes of November 17, 2008. Seconded by Mr. Gembala. Motion passed with a vote of 4 - 0.**

**SANITARY DISTRICT**

**Old Business**

**Interceptor to Schererville –update - Offer status of remaining easement parcels** - Mr. Wyllie stated that he received a check today from Ms. Sury to pay Ms.Olivotto that will be presented tomorrow and the document recorded. Mr. Myers executed the easement document for NIPSCO and he will get that countersigned.

**Authorize payment for easement from WWTP Fund – Ms. Olivotto – Ms. Sims-Smierciak** motioned to authorize the payment for the easement from WWTP Fund to Ms. Olivotto for \$7,100.00. Seconded by Mr. Hanlon. Motion passed with a vote of 4 - 0.

**LS#3 – Easement status – (Bull Run Creek)** – Mr. Wyllie stated that there has been no response and he will continue to follow up.

**Adoption of Ordinance #SD 99 – 2009 Salary Ordinance** - Mr. Hanlon motioned to adopt Ordinance #SD 99 the 2009 Salary Ordinance. Seconded by Ms. Sims-Smierciak. Motion passed with a vote of 4 - 0.

**LS #3 Elimination Change Order for SBA** – Mr. Faberbock stated that this is to close the books on the project. The State Board of Accounts noticed that they paid less for the contract to Rex Construction for the construction work; this is a change order to balance the sheets. **Ms. Sims-Smierciak motioned to authorize the change order with Rex Construction for LS#3 Elimination. Seconded by Mr. Gembala. Motion passed with a vote of 4 - 0.**

**New Business**

Mr. Myers asked Ms. Sury to explain the two resolutions, Resolution #SD 08-12-15 and Resolution #SD 08-12-15A – before presentation to the board for consideration. Ms. Sury stated that both of these resolutions are for temporary loans. Resolution #SD 08-12-15 is a renewal of the \$80,000 loan to pay the debt service on the bond and the \$600,000 was for the loan to the Town. She stated that the tax draw did not provide enough money to pay off the loans; the loans need to be extended and the same fund, the WWTP fund was used. They are hopeful that when

funds are received from the reconciliation bills that will be sent out the beginning of the year, there will be enough money to pay these two loans in full.

The other resolution #SD 08-12-15A in the amount of \$12,000 is a new loan for the bond payment and is needed in addition to make the payment for the sanitary bond and interest.

**Resolution #SD 08-12-15 – An Extension of Temporary Loans of Funds - Mr. Hanlon motioned to pass Resolution #SD 08-12-15 an extension of temporary loans of funds. Seconded by Mr. Gembala. Motion passed with a vote of 4 - 0.**

**Resolution #SD 08-12-15A – Authorizing a Temporary Loan and Transfer of Funds - Ms. Sims-Smierciak motioned to approve Resolution #08-12-15A authorizing a temporary loan and transfer of funds. Seconded by Mr. Gembala. Motion passed with a vote of 4 - 0.**

**PAYMENT OF BILLS - #2117 - #2123 for \$16,395.95 for Sanitary District & WW Utility #6368 - #6405 for \$668,000.94 - Mr. Hanlon motioned to pay bill payment memo's #2117 - #2123 for \$16,395.95 for Sanitary District and for the Waste Water Utility #6368 - #6405 for \$668,000.94. Seconded by Ms. Sims-Smierciak. Motion passed with a vote of 4 - 0.**

**Any and all business that may come before the Board**

Ms. Sury asked if the meeting dates and times would remain the same for the next year and Mr. Myers confirmed that there would be no changes.

**Public Comment – None**

## **WATERWORKS DISTRICT**

### **Old Business**

#### **Lotton – Water Improvements Update – Gates of St. John**

#### **Caldwell Tank Discussion**

**Status of Pay Estimates #7, #8, #9, #10 Partial** – Mr. Wyllie stated that Pay Estimates #7, #8 and #9 have been paid by Lotton from his Letter of Credit. Ms. Sury mentioned that #10 was approved in October. It is pending, not signed off by Mr. Pharazyn and referenced the correspondence between Chicago Title and Jennifer from Robinson Engineering. Mr. Wyllie stated that he would like to see a motion to pay #10, #11 and #12 in full, the total amount will be \$179,309.65 which will be Lotton's responsibility. Discussion ensued regarding the penalties and the letter to be prepared by Mr. Wyllie. Mr. Wyllie stated that after this is paid out of Lotton's Letter of Credit he will have paid \$803,610 and the Water District needs to bill Lotton the balance of approximately \$296,000 to get them at \$1.1M. Discussion ensued. **Mr. Gembala motioned to release payment for estimates #10, #11 and #12. Seconded by Ms. Sims-Smierciak. Motion passed with a vote of 5 - 0.**

**Ms. Sims-Smierciak motioned to authorize Mr. Wyllie to send a letter to Lotton's bank requesting the balance of the \$1.1M. Seconded by Mr. Hanlon. Discussion ensued regarding the penalties and remaining bills to be paid from the funds we receive from Lotton's Bank. Motion passed with a vote of 5 - 0.**

**Pay Estimate #11, #12 Partial** – See above item.

**Status of easement issue for well on Route 41** – Mr. Myers stated that they would skip this item.

**Adoption of Ordinance #WD 66 – 2009 Salary Ordinance** - Ms. Sims-Smierciak motioned to adopt Ordinance #WD 66 the 2009 Salary Ordinance. Seconded by Mr. Monanteras. Motion passed with a vote of 5 - 0.

**Approval of Well #4 Repair** – Mr. Pharazyn stated that they have not received the invoice yet.

#### **New Business**

**Permission to delete customer accounts paid in full and approval for write off on specified accounts - Both Districts** - Mr. Monanteras motioned to allow the Clerk-Treasurer to delete customer accounts paid in full and approval for write off on specified accounts for both districts. Seconded by Mr. Hanlon. Motion passed with a vote of 5 - 0.

**PAYMENT OF BILLS - #3101 - #3109 for \$30,801.95 for Waterworks District and #4680 - #4731 for \$649,973.47 for Water Utility** - Ms. Sims-Smierciak motioned to pay bill payment memo's #3101 - #3109 for \$30,801.95 for Waterworks District and #4680 - #4731 for \$649,973.47 for Water Utility. Seconded by Mr. Monanteras. Motion passed with a vote of 5-0.

#### **Any and all business that may come before the Board**

Mr. Monanteras stated they have expended over \$663,000 from the Wastewater Utility Fund, the bulk of that was the railroad right of way for \$351,000; the easements added up to a little over \$119,000 and the legal and engineering was about \$193,500. He noted the loan balance of \$800,000 from this fund for the original loan plus the additional \$600,000 loan and the extension of this loan approved earlier in this meeting. He stated that he and Mr. Myers discussed this and it is their intention that there will be no more loans from this fund. Mr. Monanteras stated that he met with Mr. Kil and communicated this to him. Mr. Kil will be writing a letter to Mr. Austgen to begin the process of creating Tax Anticipation Warrants as needed in the future. The District is foregoing the interest and if the town is going to continue to operate this way with the tax situation the way it is, the town needs to be prepared to borrow the money and pay the interest out rather than have the District forego the interest.

Mr. Monanteras stated that he and Mr. Kil also discussed a second letter where they reiterated their position regarding increases in the system development fees, a 7% rate increase for sewer and they have offered in a sense to pay themselves back through PILT. Mr. Monanteras told him they want to get those things done as well as things they worked on back in February and March, the fees for the waiver of right, the recapture fees, those things are still on the table and nothing has happened.

Mr. Pharazyn stated that the temporary well at The Gates of St. John required a variable frequency drive that would require the motor to come off and on (similar to a dimmer light switch). He found a used one through John Boender and has been renting it to us for \$800.00 a month. Because it is obvious this is going to carry on through the next year Mr. Pharazyn would like to purchase the drive. He was quoted a purchase price of \$9,100 which includes credit for

three months of rental fees. Discussion ensued regarding the purchase of a new one for the new building, use of this unit as a back up, referencing the 70/30 split added to the cost for Lotton and the timeframe. This item will be discussed further at the January study session.

**Public Comment** – None

**Adjournment** – Mr. Monanteras motioned to adjourn the meeting. Seconded by Mr. Hanlon. Motion passed with a vote of 5 - 0. Meeting adjourned at 6:36 P.M.

Attest:

/s/ Sherry P. Sury, Clerk-Treasurer