

**SANITARY/WATERWORKS DISTRICT MEETING  
AND TOWN COUNCIL STUDY SESSION  
ST. JOHN MUNICIPAL BUILDING MAIN MEETING ROOM  
10955 WEST 93<sup>RD</sup> AVENUE, ST. JOHN, INDIANA  
October 17, 2011 - 6:00 P.M**

(Tape Recorder Inoperable)

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; Patricia Sims-Smierciak, Vice-President; Frank Bradtke, Member; Richard Setlak, Member; Pete Faberbock, Robinson Engineering; Steve Kil, Town Manager; Randy Wyllie, Attorney; Michael Forbes, Town Council Liaison; and Sherry Sury, Clerk-Treasurer. Also in attendance was Ken Gembala, Town Council Member.

**Approval of Minutes – Regular Meeting of September 19, 2011 – Ms. Sims-Smierciak** motioned to approve the minutes of the Regular Meeting of September 19, 2011. **Seconded by Mr. Bradtke. Motion passed with a vote of 4-0.**

**SANITARY DISTRICT**

**Old Business**

**Ordinance #SD 107 - 2012 Sanitary District Budget – Adoption** – Mr. Bradtke motioned to adopt Ordinance #SD 107 for 2012. **Seconded by Mr. Setlak. Motion passed with a vote 4-0.**

**Acceptance of Deed – Saddle Creek – Lift Station** – Ms. Sims-Smierciak motioned to accept the deed. **Seconded by Mr. Bradtke. Motion passed with a vote 4-0.**

**Proposals for services of Financial Advisors for refinancing Sewage Works Revenue Bonds of 2004** - - Mr. Myers stated that he is recommending that they hire Steve Carter from Umbaugh to do the re-financing of the bonds and introduced him. Mr. Steve Carter, Umbaugh & Associates, briefly referenced the previous issues that occurred (did not go into detail) and stated that they did not handle the situation well. He is looking forward to working once again with the Town of St. John and referred to the handout that he gave the Board Members, Town Manager, Attorney & Clerk-Treasurer regarding the re-financing of the bonds.

Mr. Carter referenced the first page of the handout, the debt schedule and explained the term of the bonds from October 2004 over the 20 year period along with the interest rates as noted. He explained the call date of January 2012, the 30 day escrow, the interest, cost of issuance and potential savings of re-financing the bonds of approximately \$155,000.

Mr. Carter stated that although it was not noted, but would be on tape, that if the re-financing didn't realize the anticipated savings, there would be no bill to pay his firm, that it is a good deal for everyone.

Mr. Setlak questioned Mr. Carter on the interest rates as noted on the schedule and Mr. Carter explained the gross debt service comparison on page 3 with the new and the old debt service. Discussion ensued.

Mr. Myers referenced the biennial rate study work that Umbaugh has done over the years, the potential savings with re-financing the bonds and his recommendation. He stated that Mr. Carter called him, explained the process regarding the re-financing and told him to go ahead. Mr. Forbes and Mr. Gembala had indicated that they had not received the requested information regarding the costs associated with the refinance. Mr. Forbes went on to say that he agrees with the refinancing of the debt if it provides a cost savings and that an analysis of the costs versus benefits must be done prior to authorizing a refinancing of the debt. Mr. Myers stated that he emailed the information to Mr. Forbes, and Mr. Forbes indicated he had not received any information regarding the costs. (Discussion ensued.)

Mr. Wyllie stated that the board could only make a recommendation. The Town Council has to make the final decision since the bonds were issued by action of the Town Council.

Mr. Carter stated that he will come to the next meeting and hopes to restore the relationship.

Ms. Sims-Smierciak thanked Mr. Carter for being an advocate and the way to save \$154,000.00 and that we will be able to buy equipment, they will have money.

Mr. Myers asked for a motion to recommend to the Town Council that they utilize the services of Umbaugh and Steve Carter. **Motion by Ms. Sims-Smierciak and seconded by Mr. Bradtke. Motion carried with a vote of 3 to 1 (nay by Mr. Setlak).**

**New Business – None**

**PAYMENT OF BILLS – For the Sanitary District APV's #2083 - #2091 for \$23,230.66 & for the WW Utility APV's #6285 - #6304 in the amount of \$147,374.06 – Ms. Sims-Smierciak motioned to approve Sanitary District APV's #2083 - #2091 for \$23,230.66 and Wastewater Utility APV's #6285 - #6304 in the amount of \$147,374.06. Seconded by Mr. Setlak. Motion passed with a vote 4-0.**

**Any and all business that may come before the Board – None**

**Public Comment – None**

## **WATERWORKS DISTRICT**

### **Old Business**

**Ordinance #WD 74 - 2012 Waterworks District Budget – Adoption – Mr. Setlak motioned to adopt Ordinance #WD 74 for 2012. Seconded by Mr. Bradtke. Motion passed with a vote 4-0.**

**Status Report – 85<sup>th</sup> Avenue Water main Replacement** – Mr. Faberbock stated that the project has started and it will take a couple of weeks to complete.

**Ratification of M.E. Simpson Proposal – Options and Price per Hydrant Charge** – Mr. Setlak motioned to ratify the proposal with the adjusted price per hydrant charge as noted. Seconded by Mr. Bradtke. Motion passed with a vote 4-0.

**Meter Change Out Program – authorization for additional purchase of \$18,000 for meters for 2011 & \$165,000 for 2012** – Ms. Sims-Smierciak motioned to authorize the purchase of

**additional meters in the amount of \$18,000 for 2011 and \$165,000 for 2012. Seconded by Mr. Bradtke. Motion passed with a vote 4-0.**

**Status Report – Meter Change Out Program – Notices for Disconnection – Customers refusal of entry for re-placement** – Mr. Kil stated that they all have been straightened out and the water has been turned off as warranted. Discussion ensued. If the water remains off, when a new homeowner moves in they will change the water meter then.

**Status Report – Estimated Project Cost – Raising Wells #3 & #5** – Mr. Faberbock stated that he is working on the plan specifications and associated costs.

**New Business – None**

**PAYMENT OF BILLS – For the Waterworks District APV's #3066 - #3071 in the amount of \$15,839.98 and APV's #4578 - #4630 for \$169,399.64 for the Water Utility** – Ms. Sims-Smierciak motioned to approve Water District APV's #3066 - #3071 in the amount of \$15,839.98 and APV's #4578 - #4630 for \$169,399.64 for the Water Utility. Seconded by Mr. Setlak. Motion passed with a vote 4-0.

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

Ms. Sims-Smierciak asked about interest being paid on customer meter deposits at the time of the discontinuance of service and if it can be modified so they no longer pay interest. Discussion ensued and Mr. Wylie will look into the originating ordinance.

**Public Comment – None**

**Adjournment** – Ms. Sims-Smierciak motioned to adjourn the meeting. Seconded by Mr. Bradtke. Motion passed with a vote 4-0. Meeting adjourned at 6:32 P.M.

ATTEST:

/s/ Sherry P. Sury, Clerk-Treasurer